

***COUNCIL WORKSHOP AGENDA
June 5, 2018
6:00 p.m.
Council Chambers, 1st Floor, City Hall***

The purpose of the Council Workshop is to review and discuss policies and other items of interest to Council. Although resolutions may be passed at this meeting, the intent is to make a consensus decision to send an item to Council for debate and vote or refer the item back to staff for more information or clarification. The meeting is live streamed and recorded by the City of Maple Ridge.

REMINDERS

June 5, 2018

Audit and Finance Committee Meeting 5:00 p.m.
(in Blaney Room, 1st Floor, City Hall)

1. *ADOPTION OF THE AGENDA*
2. *ADOPTION OF MINUTES*
 - May 1, 2018
 - May 15, 2018
3. *PRESENTATIONS AT THE REQUEST OF COUNCIL*
4. *UNFINISHED AND NEW BUSINESS*

Note: Item 4.1 was deferred from the May 22, 2018 Council Meeting

4.1 Maple Ridge Sport Network

Staff report dated May 22, 2018 recommending that the Sport Network Terms of Reference be endorsed and that a proposed Sport and Physical Activity Strategy Implementation Plan be provided.

Note: Item 4.2 was deferred from the February 6, 2018 Council Workshop

4.2 Rental Housing Program: Rental Options for New Development

Staff report dated February 6, 2018 recommending that staff bring forward reports outlining a Density Bonus approach and a Community Amenity Contribution approach as a component of developing a Rental Housing Program.

4.3 Regional Context Statement Update

Staff report dated June 5, 2018 recommending that the Regional Context Statement as reviewed be submitted for re-acceptance by the Metro Vancouver Regional District Board.

4.4 Agri-Food Hub: Maple Ridge Food Hub Implementation Plan Update

Staff report dated June 5, 2018 recommending that the proposed consultation program for the Maple Ridge Agri-Food Hub Implementation Plan be endorsed.

4.5 Tempest Software Program

Presentation by the Chief Information Officer and the Manager of Bylaw and Licensing Services

4.6 BC Hydro Alouette Water Licence

Staff report dated June 5, 2018 recommending that a Memorandum of Understanding ("MOU") among Katzie First Nation, Kwantlen First Nation, Alouette River Management Society (ARMS) and the City of Maple Ridge be prepared for coordination of an aligned request to BC Hydro regarding fish passage, compensation and restoration related to the Alouette Watershed; that a process to engage an independent Project Coordinator be pursued; and that the MOU and the costs of the project coordinator be brought back to Council for consideration.

5. ***CORRESPONDENCE***

The following correspondence has been received and requires a response. Staff is seeking direction from Council on each item. Options that Council may consider include:

- a) Acknowledge receipt of correspondence and advise that no further action will be taken.*
- b) Direct staff to prepare a report and recommendation regarding the subject matter.*
- c) Forward the correspondence to a regular Council meeting for further discussion.*
- d) Other.*

Once direction is given the appropriate response will be sent.

5.1 **City of Langley – Provincial Employer Health Tax**

Letter dated May 17, 2018 from Kelly Kenney, Corporate Officer, City of Langley, urging municipalities to write to the provincial government requesting the elimination or reduction of the newly implemented Employer Health Tax.

5.2 **Upcoming Events**

June 6, 2018 6:00 p.m.	Thomas Haney Secondary School Graduation Ceremony, Queen Elizabeth Theatre, 650 Hampton Street, Vancouver Organizer: Thomas Haney Secondary School
June 6, 2018 9:30 a.m. to 1:00 p.m.	KPU Advanced Manufacturing Meeting & Forum, Kwantlen Polytechnic University, Organizer: Kwantlen Polytechnic University
June 7, 2018 1:00 p.m.	Mayor's Business Walk, E-one Moli Energy, 20000 Stewart Crescent, Maple Ridge Organizer: Maple Ridge Economic Development & Civic Property Department
June 9, 2018 9:00 a.m. to 1:00 p.m.	3 rd Annual Car Boot Sale, Burnett Fellowship, 20639 123 Avenue, Maple Ridge Organizer: Burnett Fellowship
June 9, 2018 12:50 p.m.	354 Royal Canadian Sea Cadet Corps 10 th Annual Review, Maple Ridge Baptist Church, 22155 Lougheed Highway, Maple Ridge Organizer: 354 Royal Canadian Sea Cadet Corps

June 12, 2018 7:00 p.m.	Ridge Meadows College Graduation Ceremony, Riverside Centre, 20575 Thorne Avenue, Maple Ridge Organizer: Ridge Meadows College
June 12, 2018 2:30 and 6:30 p.m. June 13, 2018 10:30 a.m., 2:30 and 6:30 p.m. June 14, 2018 10:30 a.m. and 2:30 p.m.	Douglas College Summer 2018 Graduation Ceremonies, Laura C. Muir Performing Arts Theatre, New Westminster Campus Organizer: Douglas College
June 14, 2018	Continuing Ed Maple Ridge & Pitt Meadows, School District No. 42, Riverside Centre, 20585 Thorne Avenue, Maple Ridge Organizer: Adult Recognition Planning Committee, Riverside Centre
June 17, 2018 11:00 a.m. to 1:00 p.m.	Father's Day Fish Release, Maple Ridge Park, 23200 Fern Crescent, Maple Ridge Organizer: Alouette River Management Society & Maple Ridge Adopt-a-Stream Program
June 20, 2018 4:00 p.m.	Samuel Robertson Technical Secondary School Graduation Ceremony, Hard Rock Casino Vancouver, 2080 United Boulevard, Coquitlam Organizer: Samuel Robertson Technical Secondary School

6. ***MAYOR AND COUNCILLORS' REPORTS***

7. ***BRIEFING ON OTHER ITEMS OF INTEREST/QUESTIONS FROM COUNCIL***

8. ***MATTERS DEEMED EXPEDIENT***

9. ***ADJOURNMENT***

Checked by: _____
Date: _____

2.0 Minutes

City of Maple Ridge

COUNCIL WORKSHOP MINUTES

May 1, 2018

The Minutes of the City Council Workshop held on May 1, 2018 at 6:04 p.m. in the Blaney Room of City Hall, 11995 Haney Place, Maple Ridge, British Columbia for the purpose of transacting regular City business.

PRESENT

Elected Officials

Mayor N. Read
Councillor C. Bell
Councillor K. Duncan
Councillor B. Masse
Councillor G Robson
Councillor T. Shymkiw
Councillor C. Speirs

Appointed Staff

P. Gill, Chief Administrative Officer
D. Pope, Acting General Manager of Parks, Recreation & Culture
F. Quinn, General Manager Public Works and Development Services
L. Benson, Director of Corporate Administration

Other Staff as Required

C. Carter, Director of Planning
B. Elliott, Manager of Community Planning
L. Zosiak, Planner 2
L. Siracusa, Manager of Economic Development
R. Brummer, Manager of Business Operations

Note: These Minutes are posted on the City Web Site at www.mapleridge.ca

Note: Councillor Shymkiw was not in attendance at the start of the meeting.

1. *ADOPTION OF THE AGENDA*

R/2018-240

It was moved and seconded

That the agenda of the May 1, 2018 Council Workshop Meeting be adopted with the addition of Item 4.6 Motion by Councillor Bell re: BC Housing and Public Consultation on Royal Crescent and that the agenda as amended be adopted.

CARRIED

Councillor Duncan - OPPOSED

2. ***MINUTES***

2.1 **Minutes of the March 27, 2018 and April 3, 2018 Council Workshop Meeting**

R/2018-241

It was moved and seconded

That the minutes of the Council Workshop Meeting of March 27, 2018 and April 3, 2018 be adopted.

CARRIED

3. ***PRESENTATIONS AT THE REQUEST OF COUNCIL*** – Nil

4. ***UNFINISHED AND NEW BUSINESS***

Note: Councillor Shymkiw joined the meeting at 6:19 p.m.

4.1 **BC Hydro Presentation– Discussion on Water Licence Renewal Application and Process**

- Maureen DeHaan, Technical Strategic Principal, BC Hydro

Ms. DeHaan gave a PowerPoint presentation providing the following:

- Information on the Alouette Licence Renewal process
- System Overview of the Alouette/Stave/Ruskin System
- Details on the Alouette facilities and operations
- Detailed overview of the water licencing renewal process and the application to renew by BC Hydro
- Outline of a Water Development Plan Content
- Information on the consideration of fish passage restoration
- Clarification on differences between a water licence and a water use plan order
- Breakdown of contributions by BC Hydro to the Province, various monitoring programs, an entrainment strategy and the Fish and Wildlife Compensation Program

4.2 **Ridge Meadows Division of Family Practice Presentation - Recruitment and Retention of Family Physicians**

- Treena Innes, Executive Director, Ridge Meadows Division of Family Practice
- Dr. Bob Harrison
- Dr. Kandas Gounden

Ms. Innes introduced members of the Project Team for Physician Recruitment & Retention. She gave a PowerPoint presentation and provided a background on physician recruitment, differences in how recruitment was done in the past compared to the present and the challenges surrounding bringing new family doctors in the community once current physicians choose to retire.

Ms. Innes explained how the situation with the lack of family practitioners developed, highlighting the lack of oversight by a government body for family doctor recruitment and support across the Province, the increase in the local population and changes in how younger doctors choose to join the workforce. She emphasized that local physicians cannot keep up with demand and are at capacity.

Dr. Bob Harrison spoke to the need for more doctors and advised that one-third of persons living in Maple Ridge and Pitt Meadows do not have a family doctor. He also spoke to the extended wait times to either see a family doctor or to see a doctor in a drop-in clinic. He expressed concern with the Provincial Government's initiative of a primary care network and reiterated that the system requires more doctors.

Dr. Kandas Gounden provided an outline of what can be done to deal with the doctor shortage situation. He provided information on the Red Carpet Program currently being run to help new physicians and their families with transition into the communities. He advocated for a Provincial agency to take ownership of the recruitment process and requested a partnership and/or funding, either through local or provincial government, for a recruiter to encourage new physicians to move to the area. Dr. Gounden expressed concern with the continued impact of the family physician shortage on both practicing doctors and citizens.

Ms. Innes summarized the concerns of the Ridge Meadows Division of Family Practice. She spoke on the work being done to involve other agencies and emphasized the need to find partners to assist and to get funding to hire a recruiter for the communities of Maple Ridge and Pitt Meadows.

R/2018-242

It was moved and seconded

That staff provide a report on how the City of Maple Ridge can advocate for the physician recruitment and retention issue raised by the Division of Family Practice.

CARRIED

4.3 Strategic Property Management Presentation

- Lino Siracusa, Director of Economic Development

The Director of Economic Development gave a PowerPoint presentation providing information on the following:

- Achievements in terms of property management by the City of Maple Ridge
- Observations on how land and property management can be more strategic in the future
- Explanation of land ownership in British Columbia
- Importance of strategic land management to the City of Maple Ridge and benefits to the city
- Next steps in future property management

4.4 Detached Garden Suite Program Review: Pilot Project Process

Staff report dated May 1, 2018 recommending that staff proceed with the Detached Garden Suite Pilot Project Process as outlined in this report.

The Planner gave PowerPoint presentation providing the following:

- Background information on the secondary suites and detached garden suite programs
- Review of the programs and recommendations based on public input received
- Results of the program based on Council direction
- Information on the pilot project including the process and the timeline

R/2018-243

It was moved and seconded

That staff be directed to proceed with the Detached Garden Suite Pilot Project Process, outlined in the report titled, Detached Garden Suite Program Review: Pilot Project Process, dated May 1, 2018.

CARRIED

Councillor Speirs - OPPOSED

4.5 Whonnock Lake Centre Operating Model

Staff report dated May 1, 2018 recommending that staff be directed to update the Fees and Charges Bylaw to reduce off-season wedding rates for Whonnock Lake Centre.

The Manager of Business Operations reviewed the staff report.

R/2018-244

It was moved and seconded

That staff be directed to update the Fees and Charges Bylaw to reduce off-season wedding rates for Whonnock Lake Centre.

CARRIED

4.6 Motion by Councillor Bell re: Royal Crescent

Councillor Bell put forward a motion and provided reasons as to why she would like the motion considered by Council.

R/2018-245

It was moved and seconded

That BC Housing and the Provincial Government be requested to hold a public consultation session prior to advancing the temporary housing project on Royal Crescent.

CARRIED

Mayor Read, Councillor Duncan, Councillor Speirs – OPPOSED

5. *CORRESPONDENCE* – Nil

6. *BRIEFING ON OTHER ITEMS OF INTEREST/QUESTIONS FROM COUNCIL* – Nil

7. *MATTERS DEEMED EXPEDIENT* – Nil

8. *MAYOR'S AND COUNCILLORS' REPORTS*

Councillor Shymkiw

Councillor Shymkiw announced that he will not be running for again for local government.

Councillor Speirs

Councillor Speirs wished Councillor Shymkiw luck in the future.

Councillor Duncan

Councillor Duncan encouraged the public to bring electronics which need repairing to local 'Repair Cafes'. She acknowledged Councillor Shymkiw as a colleague.

Councillor Robson

Councillor Robson advised that he will propose that the local Chamber of Commerce become involved in the physician recruitment issue. He provided an update on work being done by the Pitt Meadows Airport Society.

Mayor Read

Mayor Read acknowledged Councillor Shymkiw and his role on Council. She spoke on her participation in the co-hosting session of the Linda Steele show on CKNW. Mayor Read also participated in a Maple Ridge Business Walk and highlighted a visit to Brikers, a local company. She helped with the kick off of a sleep out for homelessness by the Maple Ridge Christian School. She attended a meeting of the Metro Vancouver Board and other regional meetings.

9. ***ADJOURNMENT*** - 9:02 pm.

N. Read, Mayor

Certified Correct

L. Benson, Corporate Officer

COUNCIL WORKSHOP MINUTES

May 15, 2018

The Minutes of the City Council Workshop held on May 15, 2018 at 6:38 p.m. in the Blaney Room of City Hall, 11995 Haney Place, Maple Ridge, British Columbia for the purpose of transacting regular City business.

PRESENT

Elected Officials

Mayor N. Read

Councillor C. Bell

Councillor K. Duncan

Councillor B. Masse

Councillor G. Robson

Councillor T. Shymkiw

Councillor C. Speirs

Appointed Staff

K. Swift, Acting Chief Administrative Officer/General

Manager of Parks, Recreation & Culture

F. Quinn, General Manager Public Works and Development Services

L. Benson, Director of Corporate Administration

T. Thompson, Chief Financial Officer

A. Gaunt, Confidential Secretary

Other Staff as Required

R. MacNair, Manager of Bylaw and Licensing Services

D. Pollock, Municipal Engineer

Note: These Minutes are posted on the City Web Site at www.mapleridge.ca

1. *ADOPTION OF THE AGENDA*

R/2018-271

It was moved and seconded

That the agenda of the May 15, 2018 Council Workshop Meeting be amended to add Item 4.1 2018 Freshet Update and be renumbered accordingly, that Item 8.1 Bear Concerns be added and that the agenda as amended be adopted.

CARRIED

2. *MINUTES*

2.1 Minutes of the April 17, 2018 Council Workshop Meeting

R/2018-272

It was moved and seconded

That the minutes of the Council Workshop Meeting of April 17, 2018 be adopted as circulated.

CARRIED

3. ***PRESENTATIONS AT THE REQUEST OF COUNCIL*** – Nil

4. ***UNFINISHED AND NEW BUSINESS***

4.1 **2018 Freshet Update**

The Emergency Program Coordinator provided an overview of the local freshet situation and the actions the City has been taking to prepare for any flooding. He gave a PowerPoint presentation providing the following information:

- Notifications carried out
- Upcoming weather forecast
- Fraser River levels at Hope current to May 14, 2018
- Precautionary steps being put into place
- Structure chart of the Emergency Management Team
- Next steps for the Emergency Operations Centre

4.2 **Remedial Action for the Removal of Hazardous Building Located at 11271 206 Street**

Staff report dated May 15, 2018 recommending that building at 11271 206 Street, Maple Ridge, BC be declared a hazardous condition.

The Manager of Bylaw and Licensing Services reviewed the report.

R/2018-273

It was moved and seconded

1. That the building at 11271 206 St., Maple Ridge, BC, legally described as PID 011-317-639, Lot 756 District Lot 278 Group1 Township 12, New Westminster District Plan 8654 be declared a hazardous condition within the meaning of paragraph 73 1 (a) of the Community Charter;
2. That the Owner must, no later than thirty (30) days after receiving a copy of this resolution, remove the unsafe building.

CARRIED

5. ***CORRESPONDENCE***

5.1 **Fraser Health – Ridge Meadows Hospital Parking Rates**

Letter dated April 12, 2018 from Michael Marchbank, President and Chief Executive Officer, Fraser Health, responding to a letter from the City of Maple Ridge requesting a plan for a substantial reduction in hospital parking rates at Ridge Meadows Hospital.

R/2018-274

It was moved and seconded

That the letter dated April 12, 2018 from Michael Marchbank, President and Chief Executive Officer, Fraser Health, responding to a letter from the City of Maple Ridge requesting a plan for a substantial reduction in hospital parking rates at Ridge Meadows Hospital be received into the record.

CARRIED

5.2 **Federation of Canadian Municipalities (“FCM”) – Nominations to Board of Directors 2018**

E-mail dated April 12, 2018 from Sylvie Delaquis, Corporate Secretary, CEO’s Office, FCM, providing information on nominations to FCM’s Board of Directors for the 2018 election period.

Councillor Speirs advised on his intent to run for the Federation of Canadian Municipalities Board of Directors and requested support from Council.

5.2.1

R/2018-275

It was moved and seconded

That Councillor Speirs be endorsed to stand for election to the Federation of Canadian Municipalities’ (FCM’s) Board of Directors for the period starting in June 2018 and ending June 2019, and

That Council assumes all costs associated with Councillor Speirs attending FCM’s Board of Directors meetings and annual conference.

CARRIED

5.2.2

R/2018-276

It was moved and seconded

That Council expense reporting acknowledge a redistribution of Council expense allocations to allow for Councillor Speirs' attendance at FCM Board of Directors meetings and annual conference.

R/2018-277

It was moved and seconded

That Council expense reporting acknowledging distribution of Council expense allocations be deferred to the June 5, 2018 Council workshop Meeting.

CARRIED

Note: The meeting was recessed at 7:04 p.m. and reconvened at 7:18 p.m.

5.3 Chamber of Commerce – Proposed Shelter on Burnett Street

Letter dated April 23, 2018 from Ken Holland, President, Maple Ridge Pitt Meadows Chamber of Commerce expressing concern with the lack of public input pertaining to the proposed shelter on Burnett Street.

R/2018-278

It was moved and seconded

That the Letter dated April 23, 2018 from Ken Holland, President, Maple Ridge Pitt Meadows Chamber of Commerce expressing concern with the lack of public input pertaining to the proposed shelter on Burnett Street be received into the record.

CARRIED

5.4 Ministry of Forests, Lands, Natural Resource Operations and Rural Development, BC Geographical Office – Proposals to Adopt Official Names for Peaks in the Pacific Range

Letter dated March 9, 2018 from Carla Jack, BC Geographical Names Office providing information on the proposals to adopt official names for three peaks in the Pacific Range and requesting advice and comments on the names chosen.

R/2018-279

It was moved and seconded

That the letter dated March 9, 2018 from Carla Jack, BC Geographical Names Office providing information on the proposals to adopt official names for three peaks in the Pacific Range and requesting advice and comments on the names chosen be received into the record.

CARRIED

Note: Councillor Shymkiw left the meeting at 7:28 p.m. He did not return to the meeting.

5.5 Upcoming Events

May 26, 2018 1:00 – 2:00 p.m.	Karina LeBlanc Field Opening – Merkley Park Organizer: City of Maple Ridge
May 27, 2018 9:00 a.m.	VistasRun 2018, Kanaka Creek Regional Park Organizer: Ridge Meadows Hospice Society
May 30-June 1, 2018	Recycling Council of BC Conference/Trade Show – Whistler, BC Organizer: Recycling Council of BC
June 3, 2018 Registration: 10:00 a.m. Walk Start: 11:00 a.m.	Walk for ALS, Tri-Cities/Ridge Meadows, River Secondary School, Port Coquitlam Organizer: ALS Society of BC

6. *MAYOR AND COUNCILLORS' REPORTS*

Note: Councillor Robson left the meeting at 7:31 p.m. He did not return to the meeting.

Councillor Speirs

Councillor Speirs attended two breakfasts in honour of volunteers, the 'Humans in Maple Ridge' display and the opening of the Maple Ridge Lawn Bowling Club season. He also attended the Katzie First Nation Inauguration and meetings at the UBC Malcolm Knapp Research Forest.

Councillor Masse

Councillor Masse attended meeting of the Maple Ridge Environmental Advisory Committee and the Alouette River Management Society.

Councillor Duncan

Councillor Duncan attended the 'Humans in Maple Ridge' display, the Katzie First Nation Inauguration, the Ridge Meadows Recycling Society Annual General Meeting and the Home Show.

Councillor Bell

Councillor Bell attended the Citizen of the Year celebration and the Lower Mainland LGA conference.

7. ***BRIEFING ON OTHER ITEMS OF INTEREST/QUESTIONS FROM COUNCIL*** – Nil

8. ***MATTERS DEEMED EXPEDIENT***

8.1 **Bear Concerns**

Councillor Bell referred to an e-mail received from Councillor Masse expressing concern with the heavy presence of bears getting into garbage due to residents not abiding to bylaws dealing with garbage. She asked whether the Bylaws Department can be encouraged to enforce those bylaws.

The Manager of Bylaw and Licensing Services advised on steps currently being taken in response to concerns over bears.

9. ***ADJOURNMENT*** – 7:58 p.m.

N. Read, Mayor

Certified Correct

L. Benson, Corporate Officer

TO: Her Worship Mayor Nicole Read
and Members of Council
FROM: Chief Administrative Officer
SUBJECT: Maple Ridge Sport Network

MEETING DATE: May 22, 2018
DOC NO: 1929994
MEETING: Regular Council

EXECUTIVE SUMMARY:

Parks, Recreation & Culture (PRC) staff have been meeting with key individuals, sport groups, and agency partners to share the Maple Ridge Sport and Physical Activity Strategy ('the Strategy') (Attachment 1) adopted by Council on June 26, 2016, and to facilitate the formation of the Maple Ridge Sport Network. Proposed Terms of Reference (Attachment 2) have been developed through consultation with the newly formed Sport Network. With Council's endorsement of the Terms of Reference, the Sport Network will proceed with the development of an implementation plan for the Strategy, including potential budget considerations, for Council's review.

RECOMMENDATION:

That the Sport Network Terms of Reference be endorsed and that staff report back with the Sport Network's proposed Sport and Physical Activity Strategy implementation plan.

DISCUSSION:

a) Background Context:

The Maple Ridge Sport and Physical Activity Strategy was endorsed by Council in 2016 and is intended to guide collaborative discussions on the growth and sustainability of sport leadership and skill development in the community. A number of Sport Strategy action items have been accomplished since endorsement. Recent accomplishments include:

- Incorporated physical literacy concepts into children's recreation programs offered by the City of Maple Ridge;
- Provided extensive consultations with user groups on recreation infrastructure projects;
- Held community sport workshops and education opportunities on a number of topics, including National Coaching Certifications, concussion management sessions and non-profit board management;
- In partnership with School District 42, facilitated Active Noon Hour programs at 5 elementary schools to increase physical literacy and active participation.

A priority goal of the Sport Strategy is the development of a Sport and Physical Activity Network, consisting of representative of various agencies and community sport stakeholders that would have a key role in providing leadership and input toward the implementation of Strategy actions. The newly formed Network is growing into a broad and diverse group, currently with representatives from 15 different sports, Pacific Sport Fraser Valley, Fraser Health Authority and School District 42. The Sport Network will serve as an advisory function for Council and will drive initiatives endorsed through the business planning process. The Sport Network will provide Council with progress updates on these initiatives and the outcomes of the Sport and Physical Activity Strategy goals twice annually. The attached Terms of Reference outline the vision, mandate, governance structure of the Sport Network, and includes the process to apply for membership. With Council's endorsement of the Terms of Reference, the Sport Network's first major project will be to develop the implementation plan for the Strategy's priority goals and actions.

b) Desired Outcome:

The desired outcome is the successful implementation of the priority goals outlined in the Maple Ridge Sport and Physical Activity Strategy as guided by the Sport Network.

c) Strategic Alignment:

The establishment of the Sport Network aligns with the endorsed Sport and Physical Activity Strategy and the Parks, Recreation & Culture Master Plan.

d) Citizen/Customer Implications:

The membership of the Sport Network encompasses a diverse group of individuals. In addition to City staff, School District 42 and Fraser Health Authority representatives, current members from the sport community include Albion Football Club, WestCoast Autogroup Football Club, Golden Ears Athletics, Golden Ears Winter Club, Maple Ridge Figure Skating Club, Maple Ridge Tennis Club, Ridge Meadows Burrards, Ridge Meadows Minor Baseball, Ridge Meadows Minor Hockey, Ridge Meadows Canoe and Kayak Club, Bateson Martial Arts, Maple Ridge Squash Club, Haney Neptunes Swim Club, Haney Seahorses Swim Club and Jeong's Taekwondo.

e) Interdepartmental Implications:

Support from staff is required to ensure City representation as a key stakeholder in sport, health and wellness in the community, and to facilitate progress on the Strategy actions and goals. Staff will help ensure the members at the table are adequately meeting the membership application criteria, established Terms of Reference and will play a key role in providing support should concerns or issues arise. The Network membership is expected to grow and develop in the first year, and staffs role is an advisory or liaison role that provides support to the Sport Network, much like the existing Maple Ridge Pitt Meadows Katzie Community Network or Seniors Network.

f) Business Plan/Financial Implications:

PRC was successful in receiving a \$30,000 start-up grant in July 2017 through Fraser Health/BC Alliance for Healthy Living. The funding has been used to support the Network through additional staff time and key initiatives; however, a long term solution for ongoing support to the Sport Network will be required. This and any other financial implications related to the Maple Ridge Sport and Physical Activity Strategy implementation plan will be brought forward for Council's consideration as part of the 2019-2023 Business Plan process.

CONCLUSIONS:

The Maple Ridge Sport Network is composed of passionate community members working alongside City staff, SD42 and FHA to advance sport and recreation in this community. The Sport Network will work to foster greater collaboration amongst groups, contribute to the future training of athletes, coaches and volunteers, support programs that provide fundamental movement skills, and promote inclusivity and diversity across the Maple Ridge sport community.

"Original signed by Dave Speers"

Prepared by: Dave Speers, Recreation Coordinator

"Original signed by Christa Balatti"

Reviewed by: Christa Balatti, Manager Health & Wellness

"Original signed by Danielle Pope"

Reviewed by: Danielle Pope, Director Recreation & Community Services

"Original signed by Kelly Swift"

Approved by: Kelly Swift, MBA, BGS
General Manager Parks, Recreation & Culture

"Original signed by Paul Gill"

Concurrence: Paul Gill, CPA, CGA
Chief Administrative Officer

Attachments:

- (1) Maple Ridge Sport and Physical Activity Strategy
- (2) Maple Ridge Sport Network Terms of Reference



Maple Ridge

SPORT & PHYSICAL ACTIVITY STRATEGY

2016 - 2021





Contents

Acknowledgments	3
Executive Summary	4
Setting the Stage - Introduction	8
Anticipated Outcomes	14
Background	16
Goal Statements	22
The Game Plan	24
Priority Goals	26





Acknowledgments

The City of Maple Ridge would like to acknowledge and appreciate the numerous individuals who contributed to the development of this document.

- School District 42
- Fraser Health
- Pacific Sport Fraser Valley
- Ridge Meadows Minor Baseball
- Ridge Meadows Minor Hockey
- Bateson Martial Arts
- Ridge Meadows Minor Lacrosse
- Albion Football Club
- Haney Neptunes Swim Club
- Maple Ridge/Pitt Meadows HUB (bicycling)
- Ridge Meadows Bruins Rugby Club
- Speedminton Club
- West Coast Football Club
- Revolution Basketball
- Pitt Meadows Paddling Club
- Pickleball Representatives
- Haney Seahorses Swim Club
- Maple Ridge Squash Club
- Golden Ears Physiotherapy
- Pitt Meadows Arena
- Meadow Ridge Knights Football

Among others that participated in on-line research survey's, community conversations and shared their passion for sport.

The Community Development, Parks and Recreation Department's, Health and Wellness Staff facilitated the research and development of the City of Maple Ridge's Sport and Physical Activity Policy and contributed tremendously to this Strategy.



Executive Summary

The City of Maple Ridge is deeply rooted in sport participation and excellence. Situated between majestic mountains, rivers and lakes, and having plenty of parks, trails, sports fields and indoor facilities, there are numerous opportunities to participate in activity.

With over 80 organized Sport Clubs (profit and non-profit) in the community, emerging and well established sport organizations abound as is evident when one enters the bustling arenas, gymnasiums, fields, sport boxes, courts and pools throughout the year. These locations become much more than just a playing surface; it is where children often score their first goal, where parents and caregivers can socially connect and share stories, and where coaches guide and mentor youth, instilling confidence, teamwork and commitment to our youngest residents. Sport helps build strong, connected communities where participation and fun are the ultimate outcome.

The Maple Ridge Physical Activity Strategy (“the strategy”) was developed to create a roadmap for discussion, action and change; taking sport to that ‘next level’ and to continue the dialogue of prioritizing health and activity as paramount in community well being. The development included community sport leaders in a collaborative, engaging consultation process that was rooted in community development principles. Recognizing community sport is largely delivered by way of local sport organizations (both formal and informal), schools, non-profit groups, private business, engaged and passionate citizens, and educators and through the municipal recreation department, drawing on these sectors formed the foundation of the team that contributed to the strategy. As was evident in this process, sport plays a vital role in building social capital, connected community networks and life-long relationships.

These sport, health and education sectors together align to create a participation



continuum where residents of all ages may participate in sport or be physically active throughout their lifespan and becoming ACTIVE FOR LIFE. According to the Participation Report Card on Physical Activity for Children and Youth, 77% of kids ages 5-19 participate in organized physical activity or sport.* However this same report notes participation in organized physical activities and sport is notably lower among girls, children and youth with a developmental disability. An outcome of this strategy is to identify and address barriers and continue to provide opportunities for every resident to be physically active and further increase sport participation. Physical literacy was added as a new indicator and measured in the report card, and a base line developed by which to measure for future years. Nonetheless, education and information describing and informing parents on physical literacy is a top priority recommended by both the report card and as well within this strategy.

The implementation of the strategy will rely on the foundation of which it was built. It acknowledges that community leaders, School District 42, local health agencies, physical

activity advocate agencies and the Parks and Recreation Department will drive the actions forward and this living document will be updated as new commitments, initiatives and partnerships are developed.

Existing relationships both new and long standing formed the foundation of the development of a steering committee that initiated the process with the development of the strategy vision:

VISION Statement:

For present and future sport and physical activity: Maple Ridge will strengthen our community by providing lifelong sport and physical activity opportunities so that all residents may experience the joy of participating in sport, and achieve their full potential in the areas of sport skill development, excellence and sport leadership.

Footnote: 2016 Active Healthy Kids Canada – Report Card of Physical Activity for Children and Youth <http://www.participation.com>





7 Goals

Goal # 1

Strengthen interaction between sport delivery agencies

Goal # 2

Enhance Physical Literacy (Fundamental Movement Skills)

Goal # 3

Quality Facilities for Participation and Performance

Goal # 4

Leadership and Community Involvement

Goal # 5

Accountability

Goal # 6

Inclusion and Diversity

Goal # 7

Communication

The commitment to open communication, collaboration and the desire to be involved in the creation of a collective plan to support sport and physical activity resulted in numerous sport champions having involvement in various stages of the creation of this document. It is with these groups and the commitment to continue with the passion and momentum that the strategy goals and actions will come to life.

The Maple Ridge Sport and Physical Activity Strategy consist of seven priority goal statements that guide the overall direction of the strategy. The 7 goals are:

Under each goal statement a number of specific actions are included and sport sector and agency leads identified. The leads will require support and involvement from local sport organizations, school representatives and other interested community residents to address the action that supports the goal statement.

The Strategy was developed to create a coordinated vision for sport and physical activity to support life long participation for increasing the health and wellness of community. In doing this, the strategy will enhance capacity and foster alignment and collaboration between sport and recreation and empower the sport sector to advance local sport in our communities.



Setting the Stage - Introduction

Citizens residing in Maple Ridge and Pitt Meadows are active and participate in sport and physical activity with 97% of residents using at least one recreation service or facility at least once per year and where the majority of residents participating in physical activity to stay healthy and fit.*

The Sport and Physical Activity Strategy's Vision and Priority Goals provides a framework to support opportunities for residents to be engaged, active and provide life skills that is crucial to healthy development and wellness throughout ones life.

Physical activity is a key determinant of health status and is essential to personal health and quality of life. Municipal recreation by way of various facilities, parks, trails, programs and services provides affordable and accessible opportunities that can positively impact the health and well-being of residents, especially vulnerable sectors that may not otherwise have an opportunity to

participate. The same principles apply to organized and informal sport where sport participation can provide the glue for social connectedness and foster a sense of 'we' and belonging. These factors along with physical activity provided by education institutions, were key in the development of the strategy. Regardless of culture, economic status and physical ability, as identified in focus groups sessions, the shared goals for these sectors is to increase participation for residents to become and stay active and healthy throughout their lives.

The Governor General of Canada proclaimed "2015 – The Year of Sport in Canada." The theme; Canada: A Leading Sport Nation. This proclamation and the value placed on the power of sport and participation is truly the essence of the Sport and Physical Activity Strategy.

The strategy was developed using a multi-sectoral approach and those involved were instru-



mental in forming the process that values the underlying importance and positive impact of being physically literate and actively engaged building strong families and healthy communities.

Municipal recreation has always played a significant role in the continuum of sport and active participation. Parks and Recreation Departments will often be the first provider of initial experiences with sport through early skill development. It is at these “Learn To” or introductory level programs that the child plays, has fun, gains confidence, and becomes familiar with how their bodies can move as they participate in physical activity.

From here children may enter into community based sport associations, or continue their journey being active and physically literate by running, jumping and throwing on their own through active play and later as they enter the education system. The link therefore between municipal recreation, sport associations and schools is already connected. Recreation has a role to support sport in both the community level and within the schools as kids transition to community or

school sport programs. It is however at this junction that the three, with similar goals and outcomes can strengthen the link and be better connected. The strategy is intended to foster collaboration between these sectors and continue the partnerships on the delivery of sport and physical activity to children and youth as they intertwine between school sports participation, community sport participation and eventually remain active into adulthood.

Recreation also support sport through providing facilities (pools, gymnasiums, arenas, fields, multi purpose spaces), parks and trails, coaching and volunteer training, assistance with special event hosting, expertise sharing, grant applications and allocations and facility booking/joint use agreements.

*Footnote: *2014 Sentis Market Research Inc. Parks and Leisure Services Survey.*



How We Got Here

Over the past few years, numerous community leaders championed initiatives that have benefited and continue to support sport in Maple Ridge. With the announcement of Vancouver – Whistler’s bid to host the 2010 Winter Olympics Games, the spark was ignited locally to celebrate the power of sport in our own backyard. Maple Ridge hosted their own celebratory events at Game time, renewing a sense of energy and pride for sport and volunteerism within the community.

This vibrancy continued well into 2011 with a cohort of sport advocates aligned with the British Columbia KidSport Association to create a local KidSport Chapter in our area. Backed by a staggering statistic that 1 in 3 Canadian children cannot afford to ‘get in the game,’ KidSport continues to provide monetary support to children and youth where financial limitations are a barrier to participation. Because of compassionate volunteers that strongly believed that all children should be afforded the opportunity to play, KidSport

Maple Ridge / Pitt Meadows quickly became and remains a successful funding body within the community.

Maple Ridge is fortunate to have a Canadian Tire Jumpstart Chapter that provides financial support to children and youth who cannot afford the costs associated with sport, recreation and active programs. Thanks to the generosity of the local Canadian Tire, and affiliated businesses, on average, 500 children and youth per year received financial assistance so as to remain involved and connected to sport in their communities.

These examples are indicative of how the community values the importance of sport in a child’s life and the firm belief that participation is more than just ‘being on a team.’ That being connected to a sport team or association fosters not only physical literacy and healthy habits in young people that will carry them through to adulthood, but as well, provides an environment where leadership



skills, social connections for both player and parents are built, and confidence and self-esteem develops.

With the success of KidSport, volunteer energies shifted to creating an event to provide information to parents and families of the numerous sports available to play in Maple Ridge. With this idea, the Maple Ridge Pitt Meadows Sports and Recreation Expo came to life. The interactive event showcased sport, recreation, and sport funding organizations in the area and provided a range of activities for all ages to experience. This grassroots event became a platform for discussions with participating sport groups to share their strengths, challenges and opportunities and with the conversations emerged the realization and desire for greater community sport collaboration.

The Expo embraced new themes each year and in 2012, the theme was Physical Literacy, a relatively unknown term in local sport language. The event drew a dynamic speaker from then, Vancouver 2010 Legacies Now, who spoke on the underlying principles of Physical Literacy and Active for Life, both components of the Canadian Sport for Life Principles.

Physical literacy is the motivation, confidence, physical competence, knowledge and understanding to take responsibility for engagement in physical activities for life.*

In 2013, another well-respected key note speaker from Legacies Now, delivered a message, speaking to those in attendance about “getting people working together.” His message centred on the importance of collaboration and the strength in numbers when pursuing improvements or change movements in sport. The Sport and Recreation Expo proved to be a vehicle to build relationships and gain a better understanding of sport stakeholders all of which are local sport groups, the volunteers within those groups and the participants of sport and physical activity in our community.

Consistent with the practice of collaboration, information was collected from champions within a variety of sports and preliminary research focused on building capacity and developing a process to work together towards common goals at the grassroots level. It was at this time the benefits of working together for a shared plan become clearly evident.

Footnote: *International Physical Literacy Association, May, 2014





Why Develop a Sport & Physical Activity Strategy?

The Sport and Physical Activity Strategy is a means to guide and provide a reference tool for the recreation department, sport and community groups and School District, and work together towards common goals to the benefit of a healthy and active community. The strategy will provide the basis of building a healthy community where citizens are encouraged to maintain a healthy and active lifestyle through life-long participation in sport and recreational activities.

The strategy is intended to identify short

term and long term goals which was developed with the community but will be facilitated and led by staff in the Parks and Leisure Department. The Priority Goal Statement and subsequent Action Plan will require a network of community residents representing sport and physical activity groups, clubs or agencies who will collaborate and engage their own groups in the completion of the actions. This will require a commitment to the shared vision and direction set forth in the strategy, but most of all for continued advocacy for sport and active living.





Anticipated Outcomes

In 2010, Maple Ridge Pitt Meadows Parks and Leisure Services Commission endorsed the Parks, Recreation and Culture Master Plan. This strategic planning document involved extensive research and analysis and continues to serve as an important guide to identifying priorities in the community. The development of the strategy is a recommendation related to service delivery and programming within the PRC Master Plan. The importance and value to strengthening community capacity building, group development and delivering sport and physical activity through a network approach aligns with the Parks and Leisure long range plans for continuous improvement and growth.

The strategy and the actions embedded within each priority goal statement are anticipated to produce tangible outcomes that will further the physical activity movement and deepen sport development. Some of these outcomes include:

- Enhanced working relationships between recreation, education, sport and health. Development of short term and long term community goals based on shared collective actions.
- Increase in sport and physical activity participation and program and services inclusivity and accessibility.

- Understanding groups capacities and abilities for involvement in a collaborative network now or in the future.

- Commitment to coordinated and sustainable approaches in utilizing shared resources; find links and common themes between the groups.

Adoption and endorsement of Canadian Sport for Life and the Long Term Athlete Development Framework within local sport governance.

- Development of a Sport Network; local sport organizations that advocate, share best practices and advise on the advancement of sport and physical activity.

Supporting engagement in enhanced planning of new facilities, programs, services and partnerships.

- Providing a vehicle for supporting new, expanding and emerging sport organizations and understanding and addressing sport needs, gaps and successes

- Fostering community leadership and capacity.

Greater shared understanding of Active for Life Principles through the process of network development and enhanced collaboration.

- Greater global understanding of physical literacy by the community.

- Supporting and providing the ability for residents to be active and healthy through improved health and wellbeing.



Background

Throughout the development of the Strategy, reference was made to key best practice research and guiding complimentary frameworks on sport, community health and physical activity. The Canadian Sport Policy sets the national expectations on promotion and celebration of sport participation and excellence that includes values such as fun, commitment, personal development, accessibility, respect and fair play. As is relevant at all levels of government, the policy notes efforts must be made to increase collaboration amongst federal and provincial government towards the Canadian Sport Policy goals:

1. Introduction to sport
2. Recreational Sport
3. Competitive Sport
4. High Performance sport
5. Sport for Development

The policy goals and outcomes are a framework for the development of action plans at various levels, and was influential at a local level in the Sport and Physical Activity Strategy whereas improved health and wellness and participation is a combined desired outcome both nationally and locally.

The Canadian Sport for Life model aims to improve the quality of sport and physical activity in Canada.* Within the model are pillars to accomplish the goal, which include physical literacy, long term athlete development and active for life.

Physical Literacy a key component of the strategy as competence in movement provides the individual with the ability to confidently navigate ones world. Physical literacy is learned and strengthened through sport and through non-sport activities such as recreational play both structured and unstructured, hence its value and tie with other service partners such as schools childcare centres and other



community based recreation groups. Physical skills learned can be transferred to multiple environments throughout ones lifetime and provides the basis for an individual to be active for life through lifelong participation in sport and physical activity.

The idea of leading an active lifestyle outside of sport is identified within this document as Physical Activity. Sport alone does not define how every resident in Maple Ridge choses to be active. For some, the word 'sport' may be a barrier in itself for engagement. Therefore it's not important that every person participates in sport, but rather every person participates in some sort of physical or wellness activity.

The strategy aims to support long term athlete development, although does not specifically include defined goals to enhance athletic excellence. Rather, fundamental movement skills which are building blocks to any mastery of a physical movement, will support the

broader strategy and goals of improved physical literacy and participation.

The Maple Ridge Sport and Physical Activity Policy provides clear direction on the philosophy of working together for the advancement of sport and activity in our communities.

Sport & Physical Activity Policy Vision:

Maple Ridge values and celebrates sport and physical activity as an integral component in a healthy and active community, essential to quality of life.

Participation in sport is increased by strengthening sport and community partnerships, and committing to coordinated and cooperative approaches in identifying common interests, goals and challenges in the provision of quality sport and physical activity opportunities.

Footnote: *canadiansportforlife.ca



Sport & Physical Activity Policy Guiding Principles

The following principles support Maple Ridge's vision and provides a framework for Parks and Leisure Services to work collaboratively with new, forming and established Community Groups in the growth of physical activity and sport.

We believe:

1. All children and youth should have the opportunity to access affordable sport and recreation in their community.
2. In providing inclusive, accessible and life long opportunities for sport participation in the health and well being of residents.
3. All residents should be provided a variety of physical literacy competency opportunities towards being active for life.
4. In enhancing working relationships and partnerships between recreation, education, sport, health, transportation and tourism.

5. Collaboration and sharing knowledge and expertise benefits the development of quality sport in the community.
6. In recognizing the relationship and mutual benefit between sport, community and business stakeholders.

As the policy informed the strategy, together the documents identified issues, pressures and opportunities within the community sport delivery model recognizing the role municipal recreation plays in supporting and improving community health and physical activity. These components were identified through sport group consultations.

The strategy is intended to be a five year working document, that will provide a longer term vision of sport and physical activity, yet recognizes the need to be flexible to allow for refocusing as needed, in response to community trends, best practices and industry standards.



Sport Group Findings

Key themes emerged:

Strengths and Opportunities

- Volunteer and coaches recruitment is stable for some, but succession planning continues to be top of mind for organizations with long-term volunteers
- Desire for increased collaboration and communication with other groups, with the City and School District
- Desire to build on groups promotional tools to increase awareness and further grow the sport
- Strengthen promotions, branding, and awareness campaigns on volunteer commitments and administration responsibilities
- Groups looking for accessible and affordable community based coaches training
- Desire to establish code of conduct and best practices for coaches
- Realization for the need for mentorship opportunities such as player to coach continuum
- Opportunities to learn from each other, use expertise, learn from experience, share resources
- KidSport and Jumpstart funding avenues are valued and recognized as key
- An existence of organized networks: Field Allocation Users, Field Sports Association, Ice Allocation, Sport and Recreation Expo Committee, desire to utilize
- There is tremendous expertise and willingness to transfer knowledge within the community and individual sport associations
- Some sport groups have a long history within the community and volunteers have deepened pride within the organization.
- Continue to have a committed and engaged volunteer base. Strong leadership exists within many groups
- Many groups believe sport involvement for all involved is all about fun, health, friendship and social connections
- Sport associations value the confidence building, skill development, spirit, sportsmanship, competition, teamwork that comes with involvement in sport
- Belief that sport is building self-esteem, confidence, integrity, honesty, respect in children and youth
- Membership continues to grow sometimes beyond volunteer capacity in some groups
- Technical skills and passion evident in coaches
- Understanding that sport builds a strong sense of community
- All groups focus on player development and recognize the contribution to high level athletics





Challenges & Growth Areas

- Physical literacy education and awareness. Canadian Sport for Life principles still fairly unknown
- Need to address burn out of highly committed and engaged volunteers
- Feeling of a lack of volunteer engagement
- Perceived lack of facilities for individual sport needs and desires
- Feeling of a threat to loss of existing facilities due to growth of other sports
- Sport specialization at a young age
- Lack of physical activity. Kids not developing fundamental movement skills and children entering programs can lack basic movement skills
- Feeling of a lack of qualified volunteer coaches; passionate parents taking roles above skills level to support registration numbers in the sport
- Groups seeking support in developing programs. Looking to others for expertise
- Player retention; youth may drop out due to bad experiences, not fun, too much pressure to succeed
- Assistance required for promotion and increased awareness of some sports
- Lack of large enough facilities to host flagship tournaments in one place
- Facility (fields) availability continues to be a challenge due to growth of field sports
- Programming in areas to support the sport i.e youth introduction to specific sport ie. learn to skate for older age groups
- Continue to improve collaboration between sport groups – work together; meetings on best usage; meetings for input on upgrades to facilities; improved communication and relationships
- Understanding groups capacities and abilities for involvement in a collaborative network now or in the future. Build relationships and lay the foundation for collaboration





Priority Goal Statements

The Maple Ridge Sport and Physical Activity Strategy consists of seven priority goal statements that guide the overall direction of the strategy.

Priority Goal # 1

Strengthen interaction between sport delivery agencies

- Maple Ridge is a model of cooperation and collaboration amongst government and non-governmental organizations in the delivery of sport in the community.

Priority Goal # 2

Enhance Physical Literacy (Fundamental Movement Skills)

- Every individual in Maple Ridge regardless of age, will be physically literate and have the fundamental movement & sport performance skills to enjoy sport & physical activity, to the best of their ability.

Priority Goal # 3

Quality Facilities for Participation and Performance

- There will be an adequate number and quality of sport facilities to support expanding participation and ability to host sport events.

Priority Goal # 4

Leadership and Community Involvement

- Maple Ridge will have sufficient number and quality of volunteers and staff who are skilled in coaching, officiating and administering the sport system.

Priority Goal # 5

Accountability

- Maple Ridge staff will monitor and report back to Maple Ridge Council and other key stakeholders on the Strategy goals and actions.

Priority Goal # 6

Inclusion and Diversity

- Maple Ridge provides opportunities for all residents to access affordable sport and recreation activities, and is recognized for its inclusivity of people with disabilities, visible minorities and financial challenges

Priority Goal # 7

Communication

- Citizens of Maple Ridge are aware of and understand the key benefits of participation in sport and physical activity.





The Game Plan

"Maple Ridge will strengthen our community by providing lifelong sport and physical activity opportunities so that all residents may experience the joy of participating in sport, and achieve their full potential in the areas of sport skill development, excellence and sport leadership."

The following Strategy Implementation Plan encompasses the prioritized strategic goals and actions and identifies the community sport stakeholders, physical activity and health agencies among other champions that will be responsible for delivering the actions within the recommended timelines. The actions identified in the plan can be achieved through participation of local sport associations and their board members, volunteers and parents and participants, key representatives from School District 42, PacificSport Fraser Valley, Parks and Leisure staff.

Items requiring funding will be identified and determined how best to support with a potential to utilize City capital reserves, Parks,

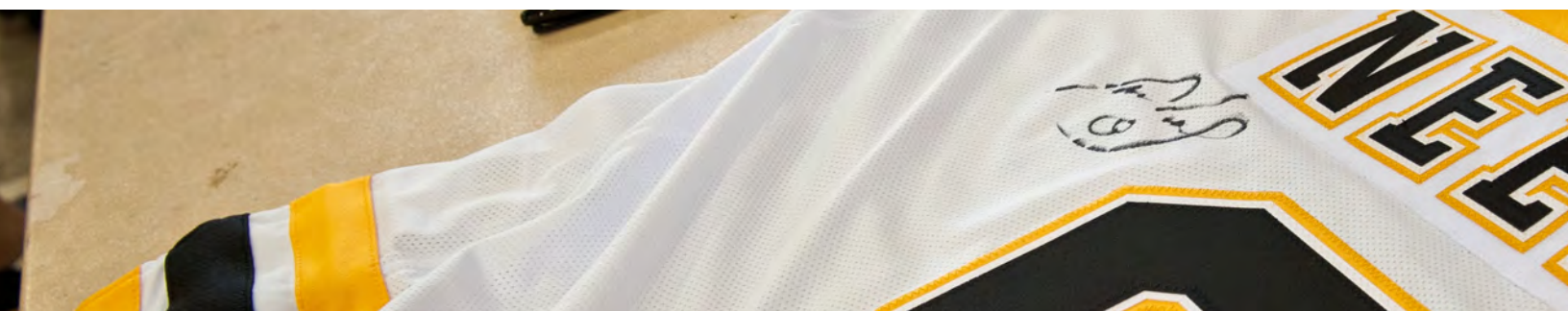
Recreation and Culture Master Plan growth funding, grants and sponsorship funding. The implementation solidifies the community's investment in sport and physical activity.

Glossary:

Sport Network - Proposed organization comprised of community groups and agencies who provide sport, physical activity or health programs or services in Maple Ridge/Pitt Meadows

Local Sport Organizations – Non-profit Sports Clubs & Associations

Regional Sport Advocate Agencies – PacificSport Fraser Valley, Canadian Sport 4 Life, viaSport



Priority Goal #1 - Strengthen interaction between sport delivery agencies.

Maple Ridge is a model of cooperation and collaboration amongst government and non-governmental organizations in the delivery of sport in the community.

ACTIONS		STAKEHOLDERS	TIMELINE
1.1	Develop and facilitate lectures and workshops for community sport groups and educators that focus on the development of physical literacy, coaching certification programs and other sport related training. Other sport leadership development workshops may include volunteer management, non-profit board development, sponsorship and fundraising	Sport Network Parks and Leisure Local Sport Organizations School District 42 Regional Sport Advocate Agencies	November 2017
1.2	Create mechanisms and opportunities for community sport groups to mobilize and share information and best practices, techniques and resources in areas such as multi-sport technical leadership, biomechanics, sport physiology, training methods etc.	Sport Network Parks and Leisure Local Sport Organizations Regional Sport Advocate Agencies	November 2017
1.3	Develop an integrated approach for community sport groups to focus effort and resources on physical literacy, fundamental movement skills and technical sport skill development for children and youth.	Sport Network Parks and Leisure Local Sport Organizations	September 2017



Priority Goals

Priority Goal #2 - Enhance Physical Literacy

Every individual in Maple Ridge regardless of age, will be physically literate and have the fundamental movement and sport performance skills to enjoy sport & physical activity to the best of their ability.

ACTIONS		STAKEHOLDERS	TIMELINE
2.1	Raise awareness and promote the importance of physical literacy skill development through a multi-sport framework for sport leaders, educators and parents through educational opportunities, workshops, and distribution of physical literacy resources and promotions.	Sport Network Parks and Leisure Local Sport Organizations Regional Sport Advocate Agencies School District	November 2016
2.2	Provide opportunities for sport administrators, recreation program leaders, community sport coaches, educators and fitness professionals to learn methods of teaching physical literacy skills to children, youth, adults and seniors.	Sport Network Parks and Leisure Local Sport Organizations Regional Sport Advocate Agencies School District	Summer 2017

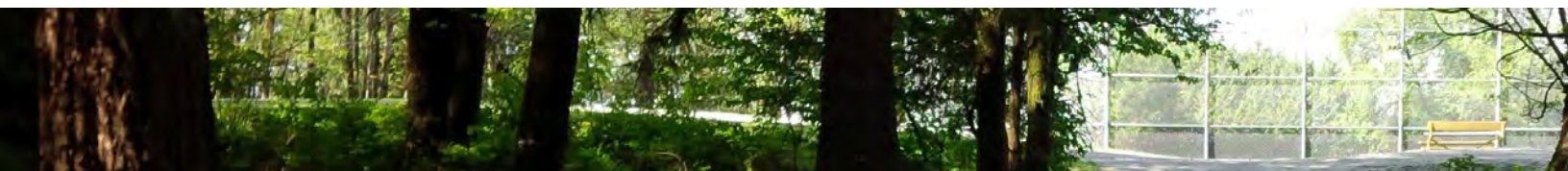


	ACTIONS	STAKEHOLDERS	TIMELINE
2.3	Work with partners to provide Canadian Sport For Life sanctioned physical literacy skill development programs for children and youth in Maple Ridge and Pitt Meadows schools. Inclusive of Long Term Athlete Development and high performance programs.	Sport Network Parks and Leisure School District Local Sport Organizations Regional Sport Advocate Agencies	September 2018
2.4	Identify and seek to address challenges that are preventing various high-barrier groups from developing physical literacy skills and getting adequate levels of physical activity.	Sport Network Parks and Leisure Local Sport Organizations Regional Sport Advocate Agencies School District	January 2018
2.5	Provide physical literacy resources to school administrators, educators, recreation administrators, recreation program leaders, local sport administrators, community coaches and early childhood educators and childcare operators and parents.	Parks and Leisure Local Sport Organizations Regional Sport Advocate Agencies School District	September 2017
2.6	Collaborate with School District 42 to integrate Strategy goals with the new BC School Curriculum.	Parks and Leisure School District	April 2017



Priority Goals

Priority Goal #3 - Exceptional Facilities for Participation and Performance			
There will be an adequate number of sport infrastructures to support expanding participation and capacity to host sport events.			
	ACTIONS	STAKEHOLDERS	TIMELINE
3.1	Conduct a sport facility analysis identifying the current inventory and existing capacity.	Parks and Leisure	April 2017
3.2	Explore and identify facility types that will support the future growth of sport and physical activity.	Sport Network Parks and Leisure Local Sport Organizations City Departments	August 2016
3.3	Continue to support the facility use agreements between the City of Maple Ridge, City of Pitt Meadows and School District 42 with emphasis on sport access.	Sport Network Parks and Leisure School District	September 2017
3.4	Research the application process and deadlines for Provincial Gaming grants and Federal/Provincial Infrastructure grants that fund capital development facility projects.	Parks and Leisure	ongoing



Priority Goal #4 - Leadership and Community Involvement

Maple Ridge and Pitt Meadows will have sufficient numbers and quality of volunteers and staff who are skilled in coaching, officiating and administering the sport system.

	ACTIONS	STAKEHOLDERS	TIMELINE
4.1	Form a Sport and Physical Activity Network comprised of representatives of Maple Ridge and Pitt Meadows community sport organizations, School District 42 and Fraser Health to determine who will represent on the network. This group will provide leadership, provide an advisory function and will support to foster an inclusive sport and physical activity community network.	Parks and Leisure School District Fraser Health Local sport organizations	January 2017
4.2	Plan and facilitate fun and affordable multi-sport skill development activities for children in local schools. Provide introduction to mainstream and emerging sports to children 6-12 years of age.	Parks and Leisure School District	January 2017
4.3	Liaise with local sport alumni and use expertise and share experiences and knowledge in sport development (coaching, mentoring, administration, officiating, tournament organization etc.) Support athletes as leaders and role models within their chosen sport and in the community.	Sport Network Local sport organizations Athletes	April 2018
4.4	Host Coaching Development and Certification Programs and other relevant workshops for local sport organization coaches, board members and volunteers.	Sport Network Local Sport Organizations Regional Sport Advocate Agencies Parks and Leisure	September 2016
4.5	Partner with Fraser Health in delivering physical activity promotions and programs.	Sport Network Fraser Health Local Sport Organizations Parks and Leisure	January 2018



Priority Goals

Priority Goal #5 - Accountability

Maple Ridge Parks and Leisure Services staff and the Sport and Physical Activity Network will monitor and report back to the City Councils, Maple Ridge Pitt Meadows Sport Network members and other key stakeholders on the strategy goals and actions.

	ACTIONS	STAKEHOLDERS	TIMELINE
5.1	The proposed Sport and Physical Activity Network will oversee the delivery of the goals and actions outlined in the Maple Ridge Sport and Physical Activity Strategy.	Sport Network Parks and Leisure	Ongoing
5.2	Develop benchmarks and success indicators to measure and evaluate the achievements of the Maple Ridge Sport and Physical Activity Strategy.	Sport Network Parks and Leisure Local Sport Organizations	April 2017
5.3	Report twice annually to Council on the status of achieving the goals and actions identified in the strategy. Identify and respond to emerging issues, trends opportunities as they align with the strategy.	Sport Network Parks and Leisure	Twice Annually; Ongoing



Priority Goals

Priority Goal #6 - Inclusion and Diversity

Maple Ridge provides opportunities for all residents to access affordable sport and recreation activities, and is recognized for its inclusivity of people with disabilities, visible minorities and financial challenges.

	ACTIONS	STAKEHOLDERS	TIMELINE
6.1	Conduct research to determine financial barriers that prevent residents from participating in local sport activities, and take action to provide programs that reduce these barriers.	Parks and Leisure Sport Network	January 2018
6.2	Conduct research to determine barriers to participation in sport by our diverse multi-cultural community, and build capacity to address their sport program and facility needs.	Sport Network Parks and Leisure Local Sport Organizations	September 2018
6.3	Explore ways to retain existing sport and physical activity participants so they continue to participate in sport and physical activity for their lifetime (i.e. affordable programs, accessible facilities, health promotions and program/facility use subsidies).	Sport Network Parks and Leisure	April 2018



Priority Goals

Priority Goal #7 Communication

Citizens of Maple Ridge will be aware of and understand the key benefits of participation in sport and physical activity.

ACTIONS		STAKEHOLDERS	TIMELINE
7.1	The proposed Sport and Physical Activity Network will develop a communications plan to share information between members and to communicate information to residents regarding community sport opportunities, the benefits of participation in sport and physical activity, fundamental movement skills, coaching education programs, tournaments and events etc.	Sport Network Parks and Leisure	December 2017
7.2	Raise awareness and promote the many sport and physical activity opportunities that are available in the communities of Maple Ridge and Pitt Meadows (i.e. listing of sport agencies in Leisure Guides, on-line information on Sport Network and City websites etc.)	Sport Network Parks and Leisure Local Sport Organizations	April 2018

Maple Ridge Sport Network

Terms of Reference

Vision

Maple Ridge Sport Network will strengthen our community through lifelong sport and physical activity opportunities so that all residents may experience the joy of participating in sport, and achieve their full potential in the areas of sport and physical activity.

Mission

The Sport Network promotes and supports a coordinated and cooperative approach in identifying common interests, goals and challenges in the provision of quality sport and physical activity opportunities.

Values

1. All children and youth should have the opportunity to access affordable sport and recreation in their community.
2. All residents should have access to inclusive, accessible and lifelong opportunities for sport participation.
3. All residents should be provided a variety of physical literacy competency opportunities towards being active for life.
4. The Sport Network aims to enhance working relationships and partnerships between recreation, education, sport, health, transportation and tourism.
5. The Sport Network values collaborative approaches, and sharing knowledge and expertise to benefit the development of quality sport in the community.
6. The Sport Network recognizes the relationship and mutual benefit between sport, community and business stakeholders.

Functions

- Membership will represent the sports community and act in both an advocacy and advisory role for Council driven initiatives or as directed.
- Report progress updates to Council annually.
- Develop an implementation plan for the Sport & Physical Activity Strategy.
- Align the initiatives of the Sport Network with City Council's strategic direction through the business planning process.

Network Composition

The Sport Network shall be comprised of the following members:

- School District No. 42 Staff, Assistant Superintendent or designate.
- Fraser Health Authority, Community Health Specialist or designate.
- Pacific Sport Fraser Valley Staff, Executive Director or designate.
- City of Maple Ridge Parks, Recreation & Culture Staff (non-voting), Health & Wellness Coordinator.
- Community Based Sport Organization Representatives, Executive Members or designates
- Local Athletes.
- Local Businesses with a common goal of advancing sport and physical activity in Maple Ridge.
- Community at Large with a common goal of advancing sport and physical activity in Maple Ridge.

Membership Process

1. All applicants should bring sound knowledge and/or experience relevant to the Maple Ridge Sport Network, and support the Sport Network purpose statement.
2. The membership application process includes criteria that emphasize the selection of members with complementary and varied skill sets from a variety of sport and/or physical activity backgrounds so as not to over-represent from a single sport or activity. The onus to insure cross-sectional representation will fall to the Membership Selection Committee.
3. The Sport Network will appoint a Chairperson on an annual basis.
4. The Membership Selection Committee is comprised of the Chairperson, SD42, FHA, Pacific Sport, and City staff liaison(s), and two additional Sport Network members endorsed by the Network. The Selection Committee is responsible to review applications, interview selected applicants and approve membership. The City of Maple Ridge staff liaison is responsible for scheduling and coordinating the interview selection process.
5. The two Membership Selection Committee positions reserved for Sport Network members will be nominated by the Network and endorsed on an annual basis.
6. The Membership Selection Committee may appoint additional community members at large who possess sport knowledge and expertise that could be an asset to the Network in achieving the Sport Strategy goals.
7. Members shall reconfirm their affiliation to the Sport Network on a yearly basis, in writing, by January 31 of each calendar year.
8. A dispute resolution process will be established by the Sport Network and reviewed and updated as needed bi-annually.

9. The Membership Selection Committee may remove a member, should the member's actions be in direct conflict with the Vision and Values of the Sport Network.

Meetings

- The Sport Network will meet a minimum of four times per year, or at the call of the Chair to a maximum nine meetings per year.
- City Staff will take minutes and distribute to members in a timely fashion.
- Due to the length of time that may occur between meetings, members are encouraged to bring forward any inaccuracies found in minutes at the earliest opportunity via electronic mail rather than waiting for the next meeting to do so.
- Members are encouraged to be active participants in meetings and other Sport Network endeavors.
- Roberts Rules of Order will apply to all meetings.

Agenda Development

- Committee members are responsible to forward any agenda items to the Chairperson at least two weeks in advance of all meetings.
- The Chairperson shall develop the agenda with support from the City of Maple Ridge staff liaison and distribute the agenda to all members one week prior to the next scheduled meeting.

Subcommittees

- Subcommittees shall be established from the Sport Network membership as needed.
- The process in forming Sport Network sub-committees will be determined by the Sport Network.
- Subcommittees may include community volunteers who are aligned with a member organization. (i.e. secondary school students, non-profit sport group volunteers)
- Subcommittees shall provide updates to the Sport Network at their regularly scheduled meetings.

City of Maple Ridge

TO: Her Worship Mayor Nicole Read
and Members of Council

MEETING DATE: February 6, 2018

FROM: Chief Administrative Officer

MEETING: Council Workshop

SUBJECT: Rental Housing Program: Rental Options for New Development

EXECUTIVE SUMMARY:

Existing City policy encourages the voluntary provision of rental housing, through which 604 secured rental units have been proposed through recent commercial, market condominium or purpose-built rental projects. These rental housing units would represent approximately 23% of the total number of dwelling units being proposed through new development. Building from this success to-date, and in pursuit of Council direction to identify options to encourage greater rental housing opportunities in the City, staff and a consultant have prepared an overview of additional options available to the City related to rental housing.

CitySpaces Consulting, the consultant involved with the development of the City's Housing Action Plan, was re-engaged to provide an overview of municipal best practice regarding rental policy and regulatory options from around the Metro and Fraser Valley regions (Appendix A). While many municipalities rely on policy and some utilise zoning tools, municipalities such as the Cities of North Vancouver, Richmond and New Westminster have developed programs that make clear their respective interests in securing rental units and/or cash in-lieu contributions through new development. Additionally, in the City of Chilliwack, a non-profit Housing Hub represents an example of a non-governmental approach towards addressing the rental housing needs in their community.

The policy and regulatory options presented in this report and its attachment are being presented to inform Council's deliberation on how to address the matter of securing rental units at the time of development. In doing so, staff is recommending two options that would augment the City's existing voluntary approach, both of which would necessitate follow up reports be brought forward to outline the necessary policy and/or regulatory amendments, if approved. Alternatively, Council may prefer to establish a new Community Amenity Contribution (CAC), by increasing the existing CAC contribution rates, which would be targeted towards affordable, rental and special needs housing.

RECOMMENDATION:

- 1) That, as a component of developing a Rental Housing Program, staff bring forward reports outlining:
 - a) A Density Bonus approach that would optionally require, in exchange for bonus density, the provision of secured rental units, secured affordable rental units, and/or a cash-in-lieu contribution;
 - b) A Community Amenity Contribution (CAC) approach that would maintain existing CAC contribution rates, but allocate 20% of all CAC funds received towards affordable housing.

BACKGROUND:

On September 14, 2015 Council endorsed the Housing Action Plan (HAP) Implementation Framework. The HAP Implementation Framework builds from the key strategies recommended in the Housing Action Plan. Strategy Four of the HAP is to Create New Rental Housing Opportunities.

On August 29, 2016, during a follow-up Workshop discussion related to the prioritisation of the list of available regulatory and infill measures to facilitate the development of greater rental opportunities in the City, Council directed staff to prepare a detailed report and amending bylaw package for the following actions:

1. Review and expand the Secondary Suites Program;
2. Review and expand the Detached Garden Suites Program;
3. Permit duplexes in Single Family zones without rezoning, on minimum, lot sizes of 557 m² in the town Centre and 750 m² within the Urban Area Boundary; and
4. Develop a policy to support rental units above commercial.

On October 24, 2016, Council directed staff to prepare reports on the following incentives for rental housing:

1. Fast Tracking Applications
2. Reduce/Waive Development Cost Charges
3. Reduce/Waive Rezoning, Development Permit and Building Permit Fees
4. Payment of Fees for Legal Documents
5. Detached Garden Suites Pilot Project

On September 19, 2017, Council directed staff to initiate a community engagement process to gain feedback on a number of possible options to expand the City's Secondary Suites program as part of the City's effort to encourage greater rental opportunities in the City, and to report back the results for next step directions.

On October 3, 2017, in a further effort to foster more rental housing, Council endorsed a community engagement process to review possible opportunities to expand the City's existing Detached Garden Suite program and to report back outcomes for further direction.

On December 12, following a discussion related to Community Amenity Contribution and affordable housing, Council expressed interest in receiving a report outlining options to facilitate the development of rental housing in the Maple Ridge.

DISCUSSION:

Based on Council's direction stemming from their August 29, 2016 workshop meeting, staff's original focus was the creation of rental housing opportunities above commercial uses. Council has subsequently been addressing this specific interest as individual applications come forth, each on a case by case basis.

To date, Council has required residential units above some commercial developments, including Silver Valley Road and 232 Avenue, and 240 Street and 112 Avenue; however, Council has waived this requirement for other commercial developments, including the medical building/Doctors office on Loughheed Highway, just east of 216 Street, and the two commercial developments located at 11951 240 Street (Tim Hortons) and 11939 240 Street.

In addition, through ongoing Council conversations, the interest in rental housing has broadened beyond commercial developments to include other forms of development, notably multi-family residential projects. Council specifically raised questions about pursuing cash in-lieu of the direct provision of rental units through the evaluation of the rezoning at 22638 119 Avenue and 22633 Selkirk Avenue.

Given the evolution of the conversation on rental housing, and in response to Council's 2016 and more recent December 2017 discussions that expressed an interest in examining opportunities to gain more rental housing stock, staff widened the focus of their original assessment. Staff also sought additional insights from a consultant, CitySpaces Consulting, given their familiarity with the City's and other municipal Housing Action Plans. This report and the attached consultant research brief examines the City's existing practices to encourage rental housing through development in light of best practices identified from across the Metro and Fraser Valley regions. The report further outlines for Council a number of possible options and considerations for facilitating the delivery of rental housing through both development, be it rental over commercial or market rental through residential projects.

This staff report is the third report coming forward in response to Council's interest in creating more rental opportunities in the City, and relates to the parallel discussion held by Council regarding the use of Community Amenity Contributions to address housing affordability, in part. Separate and future reports are anticipated in early 2018, including an assessment of the possible financial incentive opportunities that may be considered towards incentivising the development of rental housing in the City. The overall intent of this and the reports to come will be to help establish the framework for a potential Rental Housing Program in Maple Ridge.

a) Existing Rental Housing Policies

From a review of our surrounding communities in the Metro and Fraser Valley regions, and from the research undertaken by the consultant, municipalities generally appear to favour policy and zoning measures to influence the delivery of affordable housing. Typical measures include:

- Official Community Plan and Area Plan policies encouraging the provision of housing choice;
- Permitting secondary suites or detached suites (a.k.a. garden suites) in single family zones;
- Density bonus provisions for affordable housing;
- The permitting of infill housing forms (e.g. triplex, fourplex, smaller lots, etc.) in certain single family zones;
- The requirement and use of Housing Agreements to secure affordable housing.

While the City utilises many of the above tools, our approach is fundamentally policy based (as opposed to reliant on zoning) and is voluntary. Through the City's Official Community Plan, rental housing is encouraged:

- *Policy 3 – 31:* Maple Ridge supports the provision of rental accommodation and encourages the construction of rental units that vary in size and number of bedrooms.
- *Policy 3 – 32:* Maple Ridge supports the provision of affordable, rental and special needs housing throughout the City. Where appropriate, the provision of affordable, rental, and special needs housing will be a component of area plans.

Consistent with the above direction, the City's Housing Action Plan establishes as a key strategy the creation of new rental housing opportunities. As a short term action item, the endorsed 2015 implementation plan suggests the widening of the City's residential-over-commercial zoning regulations to include more zones, zones that apply to areas of density transition, as well as the potential use of density bonuses, and other incentives to foster greater rental housing in the City.

b) Rental Market Snapshot

According to CMHC's 2016 Rental Market Report, the regional rental market remained tight in 2016. Strong demand for rental units in the Metro Region outpaced new additions to the supply. Such pressures caused vacancy rates to decrease while rents continued to rise in 2016. Across the region, the overall vacancy rate declined to 0.7 per cent from 0.8 per cent in 2015. In the Ridge Meadows sub-region, a more significant decline was observed with vacancy rates falling from 1.6 in 2015 to 0.5 in 2016. In terms of rents, regionally rents increased by about 6%, resulting in an average of about \$1,200. For our more local sub-region, average rents were seen to be about \$864.

Breaking this data down further by structure type, the CMHC average rent data for Maple Ridge largely focused on private apartment units. In the Ridge Meadows sub-region, there were 1,566 apartment units with the average rents being about \$837 in 2016. For comparison purposes, staff examined how local rents might have changed over the past year by undertaking an assessment of rental listings in Maple Ridge for the period of October 1st to the 31st, 2017. From the assessment, staff identified that the average rents for an apartment in Maple Ridge as of October 2017 were roughly \$1,100. As with the CMHC 2016 data, there were few 3+ bedroom apartment rental listings.

c) Rental Units in Stream

Looking forward, staff also examined the future supply of new rental units that are anticipated through our development process. As of October 2017, there are currently 604 rental units being proposed through current development applications across the City, with the majority proposed in the Town Centre.

By comparison, for the same moment in time there were currently about 2,060 units/lots (non-rental) being proposed across the City. With that, it appears that about 23% of all units currently being proposed could be rental, pending final reading.

Looking more closely at the 604 rental units that are currently proposed through new development:

- 66% (397) of the rental units are derived from 3 proposed purpose-built rental buildings;
- 34% (207) of the rental units are secured market rental units that are either proposed above commercial uses in various projects throughout the City or form part of a larger market condo project;
- 70% (424) of all of the proposed rental units are intended to be in the Town Centre, with the remaining projects intended for the Port Haney, Silver Valley, or Albion neighbourhoods.

d) Municipal Comparison and Rental Housing Options

Specific to rental housing, the attached CitySpaces Consulting report (Appendix A) takes a closer look at a number of surrounding and wider Metro municipalities, highlighting the best practices undertaken towards encouraging and/or requiring the provision of rental units through new development.

From the research, three possible options have emerged for addressing the delivery of rental housing in the City:

1. Retain the Existing Status Quo:

Going forward, this option would see the City maintain its current use of policy to encourage the *voluntary* inclusion of rental housing as a part of either a commercial or residential development proposal. This option alone is not recommended, but such policies could be augmented as discussed below, in order to expand the City's ability to deliver rental housing.

2. Require Rental Housing through a Density Bonus:

Consistent with the approaches undertaken by the Cities of North Vancouver and Richmond, this option would see City policy and zoning be amended to outline a set of density bonus regulations that would *optionally require* the provision of rental housing at the time of development, only if the developer chose to pursue the available bonused density. That is, density bonus programs are optional in nature, and as illustrated below, such amenity zoning would set out both a fixed base level of density available outright to all development and an optional maximum permissible density that could be achieved should the applicant wish to provide rental housing as an amenity contribution.

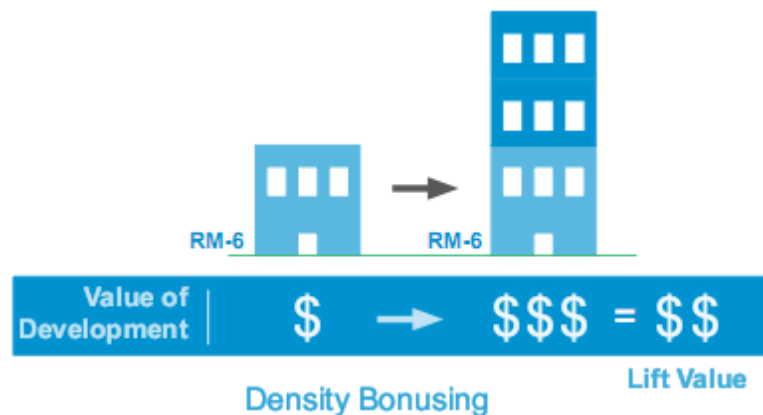


Figure 1: Illustration of Base Density (Light Blue) and Bonus Density (Dark Blue) as part of a Density Bonus Program

From the Consultant's report, such bonus density rental requirements could be tiered depending on the type of rental unit prioritised by the City. For example, for market condominiums or low-end of market projects (as defined in the Consultant's report), policy/zoning could require that 10% of the total proposed number of units be secured as rental, in exchange for the bonus density. Similarly, should non-market units be prioritised, the secured rental requirement could be lowered to 5% of the total proposed number of rental units, in light of the increased cost to provide such units.

Such a density bonus approach could exist in parallel with the City's existing policies that encourage the voluntary inclusion of rental housing as part of a proposed development. Further, and consistent with Council's October 24, 2016 direction, any rental requirements premised under a density bonus framework could include additional incentives that may further encourage the provision of rental units. As noted in the October 2016 Council discussion, such incentives may include: the covering of legal fees involved in registering Housing Agreements; reducing rezoning, development permit and/or building permit fees; fast tracking applications; and/or reducing development cost charges. From their research, the Consultant has proposed that should Council opt for this direction, that similar to the City of New Westminster such incentives be offered to help facilitate both increased levels of

affordability and the long-term preservation of such rental units, with a focus on secured terms of at least 60 years (or life of building whichever is greater).

As outlined in the two municipal examples of the City of North Vancouver and City of Richmond, such a density bonus approach could be further detailed by also outlining requirements that of the secured rental units provided, that a number also be tailored towards families by ensuring that a certain percentage of such units are three-bedrooms.

Should Council opt for this approach, management of any directly provided rental options would require further direction (see below section Management of Rental Housing). However, it is worth noting that under such an approach, cash-in-lieu of the direct provision of rental units could still be a choice for future applicants. As in the case of the City of Richmond, a cash in-lieu contribution may be provided where the small size of a residential project makes the provision of rental units unfeasible, or where the project is a commercial development.

Based on the above, staff recommends preparing a report to further explore this option, including identifying any implications to existing land economics and the City's zoning bylaw.

3. Require an Affordable Housing Community Amenity Contribution

The City currently requires the provision of a Community Amenity Contribution (CAC) at the time of any rezoning, which may be applied at Council's discretion towards the delivery of future affordable, rental and special needs housing under the City's CAC Legislative Policy 6.31. To provide greater clarity, this approach would necessitate that the existing CAC policy be amended to identify the preferred allocation of all CAC funds received that should be directed specifically towards the creation of affordable housing in the community. As Council may recall from its recent December 12, 2017 CAC discussion, such an approach could take two forms:

- i) Council could opt to allocate at least 20% - or as Council may otherwise direct - of all City-Wide CACs collected directly towards the creation of new affordable housing; or
- ii) Council could increase current CAC contribution rates, which would effectively create a new affordable housing CAC, over and above the CAC rates required across the City. This approach could be in-lieu of any encouragement or requirement to provide rental units.

As noted in the December 2017 Council discussion, staff acknowledges that the City's Development Liaison Committee did not support an increase to our CAC contribution rates, suggesting that it was too soon as the CAC program was only introduced in 2016. With that, and in reflection of Council's recent discussion, staff recommends preparing amendments to Council's Policy 6.31 to outline that a minimum of 20% of all City-Wide CAC's collected be directly reserved for investments in affordable housing.

In addition to the policy amendments, staff from the Planning and Finance Departments is also recommending that an amendment bylaw to the City's existing Reserve Fund be prepared for Council's approval.

Key to this cash contribution discussion is the valuation of such cash contributions in comparison with directly provided rental/affordable housing units. A more detailed discussion on this latter point is provided below.

e) Management of Rental Housing

As outlined in more detail in the attached CitySpaces report, the experiences from Richmond and Chilliwack's Housing Hub concept demonstrates that the non-profit sector is increasingly willing to partner with the development community to administer and monitor rental units once created. As also evidenced by the Richmond example, the City can play a role in facilitating such arrangements through the establishment of a list of possible non-profit housing societies interested in managing market and/or non-market rental housing components proposed through development. A recent delegation by the YWCA indicated an interest in participating in such a program.

f) Direct Provision of Rental Units vs. Cash In-lieu

Throughout 2017, during the review and consideration of various development applications, Council has debated the merit of seeking the direct provision of rental units vs. accepting cash in-lieu as part of either a mixed-use commercial or larger residential condo project.

From the consultant report, it is noted that some municipalities like North Vancouver and Richmond require the direct provision of secured rental units while New Westminster considers a voluntary cash in-lieu alternative to the direct provision of rental units.

The evaluation of either seeking a direct provision of rental units and/or accepting a cash in-lieu alternative depends greatly on the valuation of either the units provided or the cash contribution rate. For clarity, the term "value" was examined by staff, in working with Rollo + Associates, through three separate analyses: the construction value required to build one rental unit; the revenue value expected from one rental units; and the sales value of one rental unit. Combined, these assessments identified that the typical value of a market condo in Maple Ridge is about \$250,000 - \$300,000.

Such an achieved value under the direct provision approach would conceivably be challenging to replicate under a strictly cash in-lieu option, especially if a development proposal had the potential to contribute multiple rental units. However, it may be more equitable to conceive the value of a cash in-lieu contribution as not being 100% equivalent to that of a unit gained through the direct provision approach. Rather, a cash in-lieu option may be more likely to generate 20-25% of the estimated value of a rental unit, which may be reflective of the typical partnership arrangements (i.e. with other levels of governments, developers, non-profit groups, etc.) that are often entered into to build a purpose-built affordable housing/rental project.

ALTERNATIVE RECOMMENDATION:

Noting the success of the City's existing policies that encourage the voluntary delivery of rental units through development, staff has put forth two recommendations that could augment our policy base, towards directing density bonus incentives along with a specific percentage of CAC amenity funding to help foster greater rental housing opportunities in the City. Acknowledging that CAC's are a requirement of any rezoning, staff note that the proposed density bonus approach would be optional. With that, staff raises for Council an alternative approach to recommendation 1(b) above that would establish a clear requirement for development to address the matter of rental housing:

- 1. b) That, in lieu of the direct provision of rental units at the time of development, staff be directed to report back on an appropriate increase to the existing Community Amenity Contribution (CAC) rates in order to create a new Affordable, Rental and Special Needs Housing CAC.**

CONCLUSION:

Rental housing is a key policy interest, as set out in the Official Community Plan and the City's Housing Action Plan. Building from the success the City has had to-date in encouraging the voluntary provision of rental housing through new development; the attached CitySpaces Consulting report identifies a number of possible approaches to further advance rental housing opportunities in Maple

Ridge. From this work, and past discussions with Council and development industry representatives, this report recommends two options to augment our existing voluntary policy approach; namely, the development of new zoning that offers bonus density in exchange for the provision of secured rental housing; and the use of the City's existing CAC program to clarify and direct that 20% of all contribution rates received be allocated towards future affordable housing. Alternatively, Council may prefer to increase the existing CAC contribution rates, effectively creating a new CAC over and above the current CAC rates required across the City, to be applied towards Affordable, Rental and Special Needs Housing.

"Original signed by Brent Elliott"

Prepared by: Brent Elliott, MCIP, RPP,
Manager of Community Planning

"Original signed by Christine Carter"

Approved by: Christine Carter, MPL, MCIP, RPP
Director of Planning

"Original signed by Frank Quinn"

Approved by: Frank Quinn, MBA, P. Eng.
General Manager, Public Works and
Development Services

"Original signed by Frank Quinn" for

Approved by: Paul Gill, CPA, CGA
Chief Administrative Officer

Attachment: CitySpaces Consulting, Research Brief - Housing Action Plan Implementation: Residential Unit Requirements, Jan. 31, 2018.



RESEARCH BRIEF

Housing Action Plan Implementation: Residential Unit Requirements

Prepared for the City of Maple Ridge | January 31st, 2018

Table of Contents

Introduction	1
Regional Context	2
Regional Housing Pressures	2
Metro Vancouver Regional Affordable Housing Strategy	3
Metro Vancouver Housing Corporation	4
Comparable Municipalities	7
City of North Vancouver	7
City of Richmond	9
City of New Westminster	12
Communities in the Fraser Valley	14
Summary of Comparable Municipalities	16
Key Considerations for the City of Maple Ridge	18

Introduction

The City of Maple Ridge prepared its second Housing Action Plan in 2014. The Plan outlines priority issues including the need for market rental housing, recognizing that the existing rental housing stock in Maple Ridge is aging and the demand for rental housing is increasing. The Plan's Strategy #4 to *Create New Rental Housing Opportunities* suggests that the City could secure market rental housing through providing incentives, including in new mixed-use commercial development projects with rental units above commercial floors.

The City has made progress since adopting the Housing Action Plan, including securing rental housing units:

- As of October 2017, there were 669 proposed rental units across the entire City of Maple Ridge. The majority of which (489 or 73%) are located within the Town Centre, and the other (180 or 27%) are located outside the Town Centre.
- As of October 2017, there were 2,060 market condominiums proposed for the entire City of Maple Ridge. Combined with rental units, there are a total of 2,729 multi-family units being proposed for the City.

The market response to develop more rental housing units is directly responding to the housing need in Maple Ridge, as well as the overarching rental housing policy established by the City through its Housing Action Plan. Still, the policy is broad in its description and does not outline a minimum requirement for rental units within new residential development projects. While it allows for development flexibility, the absence of a minimum requirement can result in missed opportunities to secure rental housing, including rental housing that is more affordable to low and moderate income earners.

In addition, since the endorsed Housing Action Plan in 2015, there have been considerable changes to the market and, on the whole, there are more pressures and demand for rental housing, including market rental and affordable rental units. This is being observed throughout the Metro Vancouver region, as described in the regional context section of this report, which is affecting the availability and affordability of the rental housing supply in Maple Ridge.

In August 2016, City staff were directed to explore the opportunities to include rental housing units over commercial spaces. This research brief examines the broader perspective of securing rental units through all forms of development, specifically how a select number of other municipalities in the region are securing rental housing units in new development projects, with considerations for potential application in the City of Maple Ridge. This research is an initial first step and it is anticipated that follow-up research will be undertaken following Council's direction on next steps.

Regional Context

Regional Housing Pressures

The 2016 census reported the Metro Vancouver region as having a population of over 2.4 million people, a 6.5% increase since the 2011 census¹. Metro Vancouver's member municipalities that have experienced the most significant population growth increases are outside Metro Vancouver's core, including Maple Ridge (+8.2%), Surrey (+10.6%) and the Township of Langley (+12.6%)¹. The population increases for these municipalities can be attributed to many factors, including migration from other areas of the province, the country, internationally as well as intra-regional migration.

The increased population growth for communities like Maple Ridge generates pressure on the local housing stock, including homeownership, market rental and non-market housing tenures. The median resale housing price in the region for a detached dwelling is \$1.4 million². With fewer households able to enter the homeownership market, the rental housing supply experiences added pressure. The region's overall vacancy rate is 0.7%, with the average rent for all unit types at \$1,223³. The most significant increase in rental households is within the age cohort between 25 and 29¹, who are spending more time in school and postponing "family formation" given the high cost of housing and living. The supply and demand dynamics of the region have placed upward pressures on the cost of rent in the region.

The real estate market has responded to the surge of rental housing demand, and starts for purpose-built rental units in the region have reached record highs³. While there is movement to create new rental units throughout the region, the region is dredging out of a rental housing supply deficit from the lack of rental housing construction in the past three decades. And, while new market rental units are targeting moderate income earning households in the region, the average rents for these new units remain largely unaffordable for low-income households and vulnerable populations. Over 43%

- ▶ **Market rental:** Means market rental units delivered by the private market with rents determined at fair market value. This includes purpose-built rental housing as well as rental housing delivered through the secondary rental market such as secondary suites, rental condominium units, or other investor-owned houses/units.
- ▶ **Low-end market rental:** Means rental units provided at slightly lower rental rates than the average market rental prices. Typically, low end market rental is provided at 10% below CMHC average market rents for the area and households are not eligible for subsidized non-market housing.
- ▶ **Non-market rental:** Means affordable housing that is owned or subsidized by government, a non-profit society, or a housing co-

¹ Statistics Canada, 2016 Census

² Greater Vancouver Real Estate Board, December 2016 Market Highlight Report

³ CMHC Market Rental Report, 2016

of renters in the Metro Vancouver region pay greater than 30% or more of their gross income on housing costs^{1,4}.

Metro Vancouver Regional Affordable Housing Strategy

In response to the regional growth pressures and housing affordability issues, and to advance its' complete community goals of *Metro 2040 Strategy*, Metro Vancouver prepared an update to its' *Regional Affordable Housing Strategy* in 2016. A strong focus of the strategy was on encouraging and facilitating the development of rental housing throughout the region, outlining specific actions for the region as well as other jurisdictions, including member municipalities. Specific strategies include:

- Expand the supply of rental housing, including new purpose-built market rental housing.
- Facilitate new rental housing supply that is affordable for very low and low income households, as well as facilitate non-profit and co-operative housing providers to create new mixed-income housing through redevelopment or other means.
- Increase the rental housing supply along the Frequent Transit Network (FTN), including to plan for transit station areas, stop areas and corridors to include rental housing affordable for a range of income levels; as well as encourage mixed-income rental housing near the FTN.

The Metro Vancouver Regional Affordable Housing Strategy outlines specific considerations for municipalities to implement the above strategies through local plans, policies and programs, as follows:

Table 1: Regional Affordable Housing Strategy - Excerpts for Municipal Considerations

2.f. Offer incentives and using tools that will help make development of new purpose-built market rental housing nancially viable (i.e. parking reductions, fee waivers, increased density, and fast- tracking) as needed.	3.n. Offer incentives to non-profits and cooperatives for proposed new mixed income housing (i.e. parking reductions, fee waivers, increased density, and fast-tracking) to assist in making these housing options financially viable.
2.g. Offer incentives and using tools to preserve and sustain existing purpose-built market rental housing (i.e. reduced parking, increased density for infill development, transfer of density, one for one replacement policies, standards of maintenance bylaws) as needed.	3.o. Clearly state expectations and policies for development of new non-profit rental and co-operative housing.

⁴ Andy Yan, 2017

2.h. Facilitate non-profit housing organizations to purchase existing rental buildings for conversion to non-profit operation.	3.p. Ensure a portion of amenity contributions or payments in lieu are allocated for housing affordable to low and moderate income households.
2.i. Supporting efforts to reduce rental operating costs by improving energy performance of purpose-built rental buildings through the use of energy efficiency incentives offered by Fortis and BC Hydro, such as energy advisors, energy audits, demonstration projects, etc.	3. q. Allocate housing reserve fund monies to affordable housing projects based on clearly articulated and communicated policies.
2.j. Establish bedroom mix objectives to accommodate families in new condominiums and purpose built rental housing.	3. r. Work with non-profit co-operative housing providers to address issues related to expiring operating agreements, including renegotiating or renewing municipal land leases, if applicable, with suitable provisions for affordable housing, facilitating redevelopment at higher density, and/or other measures, as appropriate.
2.k. Provide clear expectations and policies for increasing and retaining the purpose-built market rental housing supply.	4. g. Establish transit-oriented inclusionary housing targets for purpose built rental and for housing affordable to very low to low income households within 800 metres of new or existing rapid transit stations and 400 metres of frequent bus corridors that are anticipated to accommodate enhanced residential growth.
2.l. Require tenant relocation plans as a condition of approving the redevelopment of existing rental housing.	4.h. Provide incentives for new purpose-built rental housing and mixed-income housing located in transit-oriented locations to enable these developments to achieve financial viability, as warranted.
2.m. Ensure that developers notify tenants impacted by redevelopment of their rights under <i>the Residential Tenancy Act</i> .	

Metro Vancouver Housing Corporation

The Metro Vancouver Housing Corporation (MVHC) is a non-profit organization that provides affordable housing for low and moderate income households. The MVHC owns and operates 50 sites with market and

subsidized rental housing for more than 10,000 people in the region, including the Fraserwood Apartment building located at 22450 121st Avenue in Maple Ridge⁵.

The Regional Affordable Housing Strategy outlines specific actions for the MVHC to address regional housing issues. Specifically:

- Work with municipal partners to identify suitable MVHC sites for redevelopment at higher density to increase the supply of mixed-income non-profit rental housing, providing that adequate municipal incentives and / or other funding is available.
- Explore the sale of surplus or under-utilized MVHC sites with proceeds reinvested into other sites that offer greater opportunity to supply more affordable housing units.
- Explore with municipalities opportunities on municipal sites for expanding the supply of mixed-income non-profit rental housing.
- Consider management of affordable rental units obtained by municipalities through inclusionary housing policies, provided the units can be managed by MVHC on a cost-effective basis.
- Create a tenancy management package providing MVHC estimated fees for services to manage, on a cost recovery basis, various aspects of affordable housing units obtained through municipal policies.
- Explore making available for relocating tenants of redeveloping non-profit and purpose-built market rental projects rental housing from within MVHC's existing portfolio of market rental units.

The MVHC has continued to move forward on acquiring more units within their portfolio since the adoption of the Regional Affordable Housing Strategy, through a combination of new-build projects, redevelopment of existing sites, and acquiring units generated through municipal policies such as inclusionary zoning.

One notable MVHC housing redevelopment currently underway is the Heather Place Redevelopment in Vancouver. This redevelopment will replace the existing 86-unit townhouse complex with 230 purpose-built rental apartments consisting of one, two and three bedroom units. As part of the terms established at rezoning, the MVHC and the City of Vancouver entered into a Housing Agreement in the form of a Building Use Covenant that requires 23% of future tenants to have rent-geared-to-income (RGI) under the MVHC's existing program, while an additional 11.5% will be rented at rates where the maximum occupancy charges are affordable to households with an income at or below BC Housing's Housing Income Limits (HILs). Essentially, the future rents of 34.5% of Heather Place tenants will be calculated at 30% of their gross income, HILs, or less.

⁵ *Affordable Rental Housing Guide, Metro Vancouver, 2016*

Actively engaged in building their portfolio, there are opportunities for MVHC to work with municipalities, like Maple Ridge, to invest, develop, redevelop, or acquire units through private market development projects and public sector partnerships.

Comparable Municipalities

A select number of member municipalities have updated their Housing Action Plans since the adoption of the Metro Vancouver Regional Affordable Housing Strategy in order to align their local actions with broader regional initiatives, including requiring rental housing units in new development projects. Others have developed stand-alone policies to encourage and facilitate more rental housing units in their communities, many tied directly to a density bonus policy. The following section summarizes these actions.

City of North Vancouver

The City of North Vancouver prepared their first *Housing Action Plan* in 2016. While the City has implemented housing policy for decades, this was their first comprehensive review and plan that compiled all City housing policies in one cohesive document, and one that aligns with the City's recently adopted Official Community Plan. Below is a summary of select housing actions from their plan to secure rental housing units.

DEFINITION OF AFFORDABLE HOUSING

The City of North Vancouver defines affordable housing as rental housing that is affordable to low to moderate income households, where households pay 30% or less of their gross income towards housing costs. Within this broad definition is “mid-market rental units” - commonly referred to as “low-end market rental units”, are units provided at slightly lower rental rates than the average market rental prices in North Vancouver and “non-market rental units”, units occupied by households with incomes below the Housing Income Limits (HILs) defined by BC Housing.

Table 2: City of North Vancouver Definition of Affordable Housing

Unit Type	MID-MARKET RENTAL UNITS		
	Maximum Household Income Limit for Eligible Applicants	Average Rent (2015)	Mid-Market Rents
Bachelor	\$31,400	\$876	\$788
1 bdrm	\$37,000	\$1,024	\$921
2 bdrm	\$46,000	\$1,279	\$1,151
3 bdrm	\$57,000	\$1,586	\$1,427

The definition of affordable housing outlined in Table 2 are calculated as follows:

- The maximum mid-market rents are based on 10% below CMHC's average market rents reported for the City of North Vancouver, by unit type.
- The maximum household income limits for mid-market rents are determined by calculating what 30% of gross household income would be for the mid-market rents (rents determined by CMHC).

CURRENT MECHANISMS TO SECURE RENTAL UNITS IN NEW DEVELOPMENT PROJECTS

To incentivize new mid-market rental units, the City utilizes its density bonus tool for new development projects, where the City requires built mid-market rental units in exchange for additional density (1.0 floor space ratio density bonus) for new projects. Specifically:

- All new 100% purpose-built market rental development projects seeking the density bonus incentive are required to provide a minimum of 10% of units as mid-market rental units. All mid-market rental units generated through private development must be secured up to a period of 10 years.
- In addition, 30% of increment/bonus amount of density is required to be provided as non-market rental housing, secured in perpetuity.
- Cash-in-lieu contributions are accepted only in unique circumstances, and at the discretion of the City, in order to assure timely mitigation of additional density in a neighbourhood, when deemed appropriate.

The City of North Vancouver also introduced a new family-friendly housing policy in order to increase the number of multi-unit housing projects that meets the needs of families, given the current multi-unit stock has limited units with enough bedrooms to accommodate all members of a family household and given that fewer families are able to purchase larger units such as single-detached homes. The family-friendly housing policy requires:

- A minimum of 10% of units to be three or more bedrooms for all new multi-unit residential development projects, including both purpose-built rental housing projects and condo/stratified projects.

In support of the family-friendly housing policy, the City is also looking to update their sustainable development guidelines to incorporate design considerations that meets the needs of families, such as ground-oriented units, multi-generational outdoor amenity spaces, and child and youth friendly spaces.

In addition to the above policy, the City may consider bonus density transfer to another site in order to maintain an existing rental building. For this condition to apply, a recipient site for the density transfer must be determined in advance, and at the City's discretion, with a demonstrated business plan to upgrade/repair the existing rental building.

SUCCESSSES, CHALLENGES, AND LESSONS LEARNED

The City of North Vancouver planning department provided insight and lessons learned on their mechanisms to secure rental units. The planning department indicated that the first units of the 10% mid-market units secured for 10 years are currently under construction. They recognized that their incentives have been working in securing the units in recent developments, however they have not yet had to provide administration for these units. The City also recognized that there will be a learning curve when these rental units are operational and require administrative oversight.

The planning department also indicated that, because of increased demand for rental housing, Council has recently directed staff to research the feasibility of increasing the percentage of required mid-market rental units in a development from 10% to 20%. Council has also requested whether these units could be secured for a longer period than 10 years. The planning department recognizes that there is a balance to find with incentivizing mid-market rental units and also providing more non-market units in the City.

One unique challenge experienced by the planning department is related to their family friendly housing policy. They have found that feedback has been overall positive, however some family friendly units are being rented to downsizing retirees. To further incentivize family use of family friendly units, the planning department is considering opportunities to integrate family-friendly design features into future units to ensure they are matched to the target population of families. This process has not yet started.

City of Richmond

The City of Richmond initiated an update to their 2007 *Affordable Housing Strategy*, now their *Housing Action Plan*, in 2016. The City undertook community consultation and policy research in 2016-2017, and are currently drafting the Housing Action Plan, anticipated to be adopted in early 2018. Below is a summary of the supported policy directions related to securing rental housing units.

DEFINITION OF AFFORDABLE HOUSING

The City of Richmond broadly defines affordable housing as rental housing that is affordable to low and moderate income earners. The City has two affordable housing categories: low-end market rental (LEMR) units, and non-market rental units. Both of these categories are defined by maximum total household income (to determine household eligibility for units generated in these categories), and total maximum monthly rent by unit type. These definitions apply to units secured through new development projects, described further under the City's mechanisms to require rental units in new projects.

Table 3: City of Richmond Definition of Affordable Housing

Unit Type	LEMR UNITS		NON-MARKET RENTAL UNITS	
	Maximum Total Household Income ("Threshold") for Eligible Applications	Maximum Monthly Rent	Maximum Total Household Income ("Threshold") for Eligible Applications	Maximum Monthly Rent
Bachelor	\$36,650 or less	\$759	\$28,875 or less	\$632
1 bdrm	\$38,250 or less	\$923	\$31,875 or less	\$769
2 bdrm	\$46,800 or less	\$1,166	\$39,000 or less	\$972
3 bdrm	\$58,050 or less	\$1,436	\$48,375 or less	\$1,197

The above definitions of affordable housing are calculated as follows:

- For LEMR units secured through development, income thresholds are based on 10% below BC Housing's Housing Income Limits ("HILs"), and maximum rents based on 10% below CMHC's average market rents reported for Richmond.
- For non-market rental projects supported by the City, income thresholds are based on 25% below BC Housing HILs, and maximum rents are based on 25% below CMHC's average market rents reported for Richmond. Given the challenges to make non-profit / deeply subsidized housing projects viable, the City considers flexibility to allow for a range of rent structures in cases where projects are proposed to be 100% affordable rental (which can include low-end market rental and non-market rental units).

CURRENT MECHANISMS TO SECURE RENTAL UNITS IN NEW DEVELOPMENT PROJECTS

The City of Richmond utilizes an inclusionary housing approach to secure rental housing units in new development projects, where a density bonus is required in exchange for "built" low-end market rental units secured through a housing agreement registered on title. Since 2007 when the original City's Affordable Housing Strategy was adopted, the City had secured 423 LEMR units through development, of which 131 units have been built.

- At that time, developers were required to contribute 5% of the total residential floor area for development projects over 80 units as LEMR units in exchange for density bonus.

- Also at that time, developers of projects with less than 80 units were required to make a cash-in-lieu contribution.

As part of the updated Housing Action Plan, the City re-evaluated their policy for percentage requirement and cash-in-lieu contributions. An economic analysis was undertaken to test the financial viability of increasing the built requirement, as well as the viability of decreasing the project size threshold from 80 units to smaller 30 to 60 units. As a result of this analysis, the City is supporting the following policy directions in their anticipated Housing Action Plan update:

- Increase the minimum developer contribution of built units from 5% to 10% total residential floor area, applied to new multi-unit projects that are 60 units or larger (reduced from 80 units or larger).
- Cash-in-lieu contributions (generated through single-detached, townhouse, and multi-unit residential rezoning projects) are applied to new development projects that are less than 60 units. Funds generated through the cash-in-lieu policy are directed to the City's Affordable Housing Reserve Fund and used to support affordable housing projects in partnership with the non-profit sector and senior levels of government.
- As part of the updated Housing Action Plan, the City is raising the cash-in-lieu contribution rates to better match the built-unit contribution towards supporting future affordable housing projects. The proposed rate increases were informed by an economic analysis, which found that the City of Richmond's floor area contribution rate was higher than the equivalent cash-in-lieu contribution rates in terms of overall value of affordable housing units produced. To create a more equitable approach, the cash-in-lieu contribution rates are proposed to be increased to match the "built" value, as illustrated in Table 4.

Table 4: City of Richmond Cash-in-Lieu Contribution Rates

Housing Type	Current Cash-in-Lieu Contribution Rates (\$ / square foot)	Proposed Cash-in-Lieu Contribution Rates (\$ / square foot)
Single-detached	\$2	\$4
Townhouse	\$4	\$8.50
Multi-unit Apartment	\$6	\$10 (wood frame construction) \$14 (concrete construction)

In addition, the City is proposing a new policy to generate more family-friendly rental units in new residential development projects. The family-friendly housing policy will require:

- A minimum of 15% two-bedroom units and 5% three-bedroom units for all LEMR units secured in new development projects.

Overtime, the City will monitor the policy and unit absorption and consider applying the same required percentage of family-friendly units in all new market rental development projects.

The City has also established minimum LEMR unit sizes and are considering waiving development cost charges if LEMR units are purchased by a non-profit housing society. The City has also made a commitment to facilitate potential partnerships between developers and non-profit housing societies in the pre-application and rezoning stages of development projects to address the management and administration of LEMR units generated through private market development projects. The City, through its Housing Action Plan implementation, will be issuing a RFP to create a pre-approved list of non-profit housing providers that can be informed about and potentially partner on development opportunities to manage LEMR units.

SUCCESSSES, CHALLENGES, AND LESSONS LEARNED

The City of Richmond's planning department provided insights and lessons learned on their mechanisms to secure rental units. The planning department indicated that they recently implemented a policy change from 5% of total residential floor area for projects of 80 units or more to 10% of total residential floor area for projects of 60 units or more. While 423 LEMR units were secured under the previous requirements, a couple of new applications have been submitted under the new requirements but none have reached the housing agreement stage yet.

The planning department had also made changes to requirements based on operational challenges for the low-end of market units. To make it easier for operators, the City is encouraging low-end of market units to be clustered in a development, rather than equally distributed across a project. This change is based on Council direction to limit City involvement in management of the units and incentivize non-profit operators to become involved. The planning department is also looking for ways to facilitate relationships between the non-profit sector and developers, including creating a pre-qualified list of non-profit operators. The hope is to involve non-profits in the development process early on to ensure success with non-profit friendly design and operations.

City of New Westminster

The City of New Westminster prepared an *Affordable Housing Strategy* in 2010, which was an update to their original 1998 housing strategy. A key goal of this plan was to preserve and enhance the City's rental housing supply, and particularly housing for low and moderate income households. The following summarizes how the City of New Westminster defines housing affordability, and an overview of their secured market rental housing policy.

DEFINITION OF AFFORDABLE HOUSING

The City has a broad definition of affordable housing in their community, as described in their 2010 Affordable Housing Strategy:

- “Affordable housing is homeownership and rental housing for low and moderate income households that does not cost a household more than 30% of its gross income (before-tax)”.

CURRENT MECHANISMS TO SECURE RENTAL UNITS IN NEW DEVELOPMENT PROJECTS

The City of New Westminster has implemented actions within their *Affordable Housing Strategy* since its adoption, including a policy for secured market rental housing originally prepared in 2013. The policy utilizes financial incentives and bylaw regulations in order to retain and renew the existing rental housing supply and to encourage the creation of new rental housing units.

- The City of New Westminster’s *Secured Market Rental Housing Policy* is designed to reduce the financial gap between rental housing development and market ownership development towards making purpose-built rental housing projects more likely to be viable.

Within this context, the City of New Westminster has three types of secured market rental housing categories: (i) long-term; (ii) medium term; and, (iii) short-term. The City provides the most incentives for the long-term secured rental housing projects, and less incentives/less certainty for medium and short-term projects.

- *Long-term secured market rental housing projects:* purpose-built rental housing units secured for 60 years or the life of the building, whichever is greater. Incentive tools include density bonus, reduction in building permit fees (50%), concurrent rezoning and development permit application process, and City payments for legal fees to prepare housing agreement and covenant documents. Parking reduction incentives are provided for sites located within 400m of skytrain stations, along the Frequent Transit Network or the downtown, and payment in-lieu of parking for further relaxations on sites within 400m to transit.
- *Medium-term secured market rental housing projects:* are also purpose-built rental housing units, secured for 30 to 59 years. For this category, the City may offer most of the same incentives as the long-term secured market rental housing projects (reduction in building permit fees, concurrent rezoning and development permit process, and payment of legal fees). Outright parking reductions are not offered for this category, however parking variances may be considered. The City uses their discretion to grant incentives, depending on the model and program proposed.
- *Short-term secured market rental housing projects:* are also purpose-built rental housing projects, secured for a minimum of 10 years. The City only offers an incentive to pay for legal fees to prepare and register housing agreements and covenant documents. Outright parking reductions are not offered for this category, however parking variances may be considered.

In New Westminster, there is no required percentage of units to be secured as market rental. The program is voluntary for private developers if they wish to pursue the incentives. In some cases, the City may receive applications that have a rental market component (not 100% purpose-built) which, at the City’s discretion, may offer incentives for a component/portion of the project (i.e. 50% purpose-built may be offered half the density

bonus increase compared to 100% purpose-built rental projects). The City considers these on a case by case basis and within the neighbourhood, location and scale context.

The New Westminster secured market rental policy and incentives are only geared towards market rental units, and does not include low-end market rental units or non-market rental units. However, the City, through its complementary Affordable Housing Strategy actions, encourages the inclusion of low-end market rental and non-market units in these projects, but is not a requirement. The City also does not offer cash-in-lieu as a substitute for built units, only payment-in-lieu for parking spaces.

In addition, the City of New Westminster was the first municipality in Metro Vancouver to introduce a family-friendly housing requirement for all new multi-unit development projects, in 2015. The family-friendly housing policy requires:

- For new multi-unit purpose-built rental projects, a minimum of 25% two and three bedroom units, and of those 25% a minimum of 5% three or more bedroom units.
- For new multi-unit ownership/condominium projects, a minimum of 30% two and three bedroom units, and of those 30% a minimum of 10% three or more bedroom units.

SUCCESSSES, CHALLENGES, AND LESSONS LEARNED

The City of New Westminster's planning department shared insights and lessons learned on their mechanisms to secure rental units. The planning department noted that they have received comments from developers that the bonus density and the parking reductions have been significant factors in encouraging rental development. As of January 2018, 330 secured market rental units have been completed through the policy. In addition, another 784 secured market rental units are under construction and 298 secured market rental units are currently going through the development approvals process. The policy has been especially effective at encouraging new market rental units in the downtown area.

The planning department recognized that there is also need to balance market rental with non-market rental housing. The city is currently undertaking research related to other initiatives that could create more affordable rental housing.

Communities in the Fraser Valley

The City of Abbotsford, the City of Chilliwack and the District of Mission all have Affordable Housing Strategies, prepared in 2011, 2008 and 2010, respectively.

The City of Abbotsford defines affordable housing within their Affordable Housing Strategy:

- "Affordable housing is when housing costs (rent or mortgage and property taxes, plus heating and electricity costs) do not exceed 30% of gross household income".

The City of Chilliwack defines affordable housing within their Affordable Housing Strategy:

- “Affordable housing is defined as housing that should not cost more than 30% of a household’s gross income regardless of whether they are living in market or non-market housing”.

The District of Mission defines affordable housing as:

- “Housing that is appropriate to household needs and whose cost, without compromising basic survival needs, is within reach of household incomes”.

All three of these municipal strategies identify inclusionary zoning as a key action to leverage development opportunities to deliver affordable housing units in exchange for increased density; however, they are all in various stages of implementation. The City of Abbotsford is currently exploring the implementation of their inclusionary zoning, including undertaking land economic analysis to inform the City’s ability to secure voluntary built and cash contributions for affordable housing projects.

The District of Mission currently has policy to secure affordable housing units in new development projects, but do not prioritize unit types, and do not specify term or cash-in-lieu options.

- Another idea for consideration is supporting a non-profit driven approach to affordable housing initiatives. An initiative that is in early formation in Chilliwack, for example, is a “Housing Hub”. This is a non-profit led initiative, the purpose of which is to connect residents to existing rental housing in the private market, and to support the retention of housing. The idea of the Hub is to recognize resources that already exists in the community and connect people to the housing or services they need. For example, the Hub intends to cultivate a number of landlords or existing private market rental units and match them with potential tenants. The Hub concept is still in early stages and has not yet fully developed a structure, operation model, or approach to tenant selection.

▶ While a typical municipal approach focuses on generating and administering new affordable rental units through development projects, the Housing Hub initiative is non-profit led and focuses on utilizing existing rental units in the private market.
- At this time, the Housing Hub does not have direct City funding, but was started through a federal grant for a Housing Development Coordinator position. The application for funding was made by the City, Fraser Health, and the Pacific Community Resources Society.
- A brief interview with the City of Chilliwack planning department noted that the City intends to provide in-kind support to the Housing Development Coordinator position, such as providing a workspace at municipal hall. There are no specific bylaws, policies, or City funds tied to this position or initiative. The Hub will also require more funding from multiple levels of government to operate.

- While a municipal approach focuses on new affordable rental units through development projects, the Housing Hub initiative is non-profit led and focuses on existing rental units in the private market.

As indicated in the Chilliwack Homelessness Action Plan (2016), the City views its role as primarily an advocate for increased housing options and funding through other levels of government and local partnership collaborations such as the Chilliwack Healthier Community network.

Summary of Comparable Municipalities

Below is a high-level summary of policies to secure residential units in new development projects in other communities, and compared to the City of Maple Ridge

Table 5: Summary of Comparable Municipalities

	City of North Vancouver	City of Richmond	City of New Westminster	City of Maple Ridge
Definition of affordable housing	Households pay no more than 30% of gross income on housing costs; and in relation to average CMHC rents	Based on BC Housing HILs calculations, and average CMHC rents	Households pay no more than 30% of gross income on housing costs	Housing that is adequate in standard and does not cost so much that individuals and families have trouble paying for other necessities such as food, health and transportation on an ongoing basis
Approach	Required	Required	Voluntary	Voluntary
Zoning or Policy	Policy and Zoning	Policy and Zoning	Policy	Policy
Types of units secured	Mid-market rental units (same as low-end market rental units) and non-market units	Low end market rental units and non-market units	Market rental units	Market rental units

Term	Min 10 years for mid-market units In perpetuity for non-market units	In perpetuity	60 years or life of building; or 39-50 years, with less incentives; or 10 years, with minimal incentives	None / currently determined on a case-by-case basis
Cash-in-lieu option	Council discretion for mid-market units None for non-market units	For projects less than 60 units	None	None/ currently determined on a case-by-case basis
Required family-friendly housing units	Min 10% three or more bdrms for new multi-unit projects, both purpose-built rental and condos 30% of increment/ bonus amount is required for non-market units	Min 15% two-bdrm units and 5% three-bdrm units for LEMR units secured in new developments	Min 25% two and three bdrm and min 5% three or more bdrms for purpose-built rental projects Min 30% two and three bdrm and min 10% three or more bdrms for ownership/ condominium projects	None

Key Considerations for the City of Maple Ridge

Research from comparable municipalities indicate that there are a range of options to secure rental units through new residential development projects or as part of a commercial development, often tailored to the community context. Based on this research, preliminary considerations for the City of Maple Ridge are outlined as follows:

#1 - Minimum Requirement for Securing Market Rental Units

- For the purpose of secured market rental units, consider defining market rental housing as purpose-built market rental units delivered by the private market. This does not include units delivered through the secondary rental market such as secondary suites, market rental condominium units, or other investor-owned houses/units.
- In all new multi-unit development projects, consider requiring or encouraging a minimum of 10% of units be secured as market rental.
- For secured market rental units, consider determining rent ranges by the market or the average CMHC average market rents for the City of Maple Ridge (Maple Ridge-Pitt Meadows “Zone”), without subsidy.
- Consider incentives for projects that meet or exceed the minimum levels of secured market rental housing units as outlined in policy and/or zoning. These incentives should also be allocated according to the City's overall rental housing program, with the highest and best incentives oriented towards the most affordable forms of rental housing and by length of the secured term. Some examples include: fast-tracking applications, reduce/waive development cost charges, reduce/waive rezoning fees, reduce/waive development permit fees, reduce/waive building permit fees, and payment of fees for legal documents. With the exception of fast-tracking applications, consider applying these incentives only to the portion of the building dedicated to the secured market rental units.

Table 6: Proposed Terms and Incentives for Secured Market Rental Housing Units

	Long-term (secured 60 years or life of building - whichever is greater)	Medium-term (secured 30 to 59 years)	Short-term (secured minimum of 10 years)
Fast-tracking applications	✓		
Reduce / waive development cost charges	✓		

Reduce / waive rezoning fees	✓		
Reduce / waive development permit fees	✓	✓	
Reduce / waive building permit fees	✓	✓	
Payment of fees for legal documents	✓	✓	✓

- Recognizing that the City of Maple Ridge has a range of new rental housing projects in terms of size and scale, considering providing options for smaller development projects that may be financially challenged to incorporate built units. As such, consider accepting cash-in-lieu contributions as a substitute for built market rental units for projects with fewer than 30 units, or at the discretion of the City, including all single-detached, townhouse and multi-unit residential rezoning projects as well as commercial projects.
- Consider undertaking a financial analysis to determine \$/square foot rate to ensure a fair alignment between the cash-in-lieu contribution rate and the value of the built units. Establishing an Affordable Housing Reserve Fund could be considered for the funds to be allocated.
- Consider monitoring absorption rates and adjust policy if/when required over time.

#2 - Minimum Requirement for Securing Low-End Market Rental Units

- Should the City consider securing low-end market rental units, consider defining low-end market rental housing as purpose-built market rental units delivered by the private market (not including units delivered through the secondary rental market such as secondary suites, rental condominium units, or other investor-owned houses/units), rented at slightly below (10% below) CMHC average market rents for Maple Ridge.
- In 100% purpose-built rental projects, consider requiring or encouraging a minimum of 10% of units be secured as low-end market rental units, registered on title for the duration of that term.
- Consider calculating low-end market rental units as maximum rents based on 10% below CMHC's average market rents reported for the City of Maple Ridge (Maple Ridge-Pitt Meadows "Zone")⁶.

⁶ Table 7 calculations based on CMHC Rental Market Report, 2016. Calculations for LEMR units secured through private sector development would need to be updated annually as CMHC market reports are issued.

Table 7: Recommended Maximum Rents and Household Income for Securing Low-End Market Rental Units in Maple Ridge

Unit Type	LEMR UNITS - Secured through private sector development		
	CMHC Average Market Rents (Maple Ridge-Pitt Meadows) ⁶	LEMR Unit Rent (10% below)	Maximum Eligible Household Income
Bachelor	\$624	\$562	\$22,480
1 bdrm	\$762	\$686	\$27,432
2 bdrm	\$953	\$858	\$34,308
3 bdrm	\$1,070	\$963	\$38,520
4 bdrm	-	-	-

- Consider providing additional incentives for all projects that secure 10% of units as low-end market rental which should include, at minimum, the same incentives provided for projects with secured market rental housing plus additional incentives to make low-end of market rental more viable.
- Consider directly correlating the level of incentives by the length of the secured term, registered on title for the duration of that term. There is opportunity to consider additional incentives, upon review and direction from Council.
- Consider accepting cash-in-lieu contributions as a substitute for built low-end market units for projects that generate less than 5 low-end market rental units, or at the discretion of the City. Consider undertaking a financial analysis to determine \$/square foot rate to ensure a fair alignment to the value of the built units. Establishing an Affordable Housing Reserve Fund could be considered for the funds to be allocated.
- The minimum requirements to secure low-end market rental units outlined above are conservative, and it is recommended that they be monitored closely if implemented and adjusted as needed. Should the City of Maple Ridge desire higher requirements, it is suggested that the City undertake a more comprehensive financial analysis and test sample pro formas to determine if higher requirements would be viable. Comprehensive financial analysis were undertaken by the City of North Vancouver (for density bonus in exchange for mid-market units), City of Richmond (for density bonus in exchange for low-end market rental units and non-market units, by location and construction methods), and by the City of New Westminster

(for the family-friendly housing requirement). At minimum, the City should monitor absorption rates and adjust policy if/when required over time.

#3 - Minimum Requirement for Securing Non-Market Rental Units

- For the purpose of secured non-market market rental units, the City may consider defining non-market rental housing as units owned or subsidized by government, a non-profit society, or a housing co-operative. Non-market housing units can be generated from purpose-built private market development projects (not including units delivered through the secondary rental market such as secondary suites, rental condominium units, or other investor-owned houses/units), rented at below (25% below) CMHC average market rents for Maple Ridge.
- In 100% purpose-built rental projects, consider requiring or encouraging a minimum of 5% of units to be secured as non-market rental units, registered on title for the duration of that term.
- Consider calculating non-market rental units as maximum rents based on 25% below CMHC's average market rents reported for the City of Maple Ridge (Maple Ridge-Pitt Meadows "Zone")⁷.

Table 8: Recommended Maximum Rents and Household Income for Securing Non-Market Rental Units in Maple Ridge

Unit Type	NON-MARKET UNITS - Secured through private sector development		
	CMHC Average Market Rents (Maple Ridge-Pitt Meadows) ⁷	LEMR Unit Rent (25% below)	Maximum Eligible Household Income
Bachelor	\$624	\$468	\$18,720
1 bdrm	\$762	\$572	\$22,860
2 bdrm	\$953	\$715	\$28,590
3 bdrm	\$1,070	\$814	\$32,550
4 bdrm	-	-	-

⁷ Table 8 calculations based on CMHC Rental Market Report, 2016. Calculations for LEMR units secured through private sector development would need to be updated annually as CMHC market reports are issued.

- Consider providing further incentives for all projects that secure 5% of units as non-market rental which should include, at minimum, the same incentives provided for projects with secured market rental housing and low-end market rental housing plus additional incentives to make non-market rental more viable.
- Consider directly correlating the level of incentives by the length of the secured term, registered on title for the duration of that term. There is opportunity to consider additional incentives, upon review and direction from Council.
- Consider accepting cash-in-lieu contributions as a substitute for built non-market units for projects that generate less than 5 non-market rental units, or at the discretion of the City. Consider undertaking a financial analysis to determine \$/square foot rate to ensure a fair alignment to built units. Establishing an Affordable Housing Reserve Fund could be considered for the funds to be allocated.
- The minimum requirements to secure non-market rental units outlined above are conservative, and it is recommended that they be monitored closely if implemented and adjusted as needed. Should the City of Maple Ridge desire higher requirements, it is suggested that the City undertake a more comprehensive financial analysis and test sample pro formas to determine if higher requirements would be viable. As noted above, comprehensive financial analysis were undertaken by the City of North Vancouver, City of Richmond, and by the City of New Westminster. At minimum, the City may wish to monitor absorption rates and adjust policy if/when required over time.

#4 - Family-friendly Housing Policy

- As the City evolves its discussion on rental housing policy and/or zoning, consider requiring a minimum number of family-friendly housing units in all new multi-unit development projects, with an option to also extend towards both market condominium and purpose-built market rental units. This policy could facilitate the creation of more housing choices for low and moderate income family households in Maple Ridge.

Table 9: Recommended Minimum Requirements for Family-Friendly Units in New Multi-unit Development Projects

	New Multi-unit Market Condominium Projects	New Multi-unit Market Rental Projects
3+ bedroom units	Minimum 5%	Minimum 5%

- The minimum requirements to require family-friendly units outlined above are conservative, and should be monitored closely if implemented and adjusted as needed. Should the City of Maple Ridge desire higher requirements, it is suggested that the City undertake a more comprehensive financial analysis and test sample pro formas to determine if higher requirements would be viable. Comprehensive financial analysis

were undertaken by the City of New Westminster (for the family-friendly housing requirement) to identify their requirement. At minimum, the City should monitor absorption rates and adjust policy if/when required over time.

#5 - Facilitate Partnerships between Developers and the Non-Profit Housing Sector

- For secured low-end market rental units and secured non-market rental units, the City may wish to consider strategies to identify organizations to administer and monitor the units secured through new development projects. Typically, non-profit housing societies acquire these secured units in partnership, such as the Metro Vancouver Housing Corporation, and are ideally introduced to the project concept in early stages of the development process.
- It is recommended that the City research and outline strategies to facilitate partnerships between the non-profit housing sector and private developers to ensure appropriate and sustainable management of secured low-end market rental units and secured non-market rental units.
- For secured market rental units, these units are typically managed by the private sector either by the developer or by a property management company engaged by the developer. Non-profit housing societies typically do not manage market rental units secured through private market development projects, unless there is a low-end market rental or non-market rental component. However, more non-profit housing societies are becoming increasingly open to acquiring market rental units as part of their portfolio, especially housing societies that have tenants who are no longer eligible for their subsidized units (i.e. tenant household income has improved/increased). Having market rental units as part of a non-profit housing society's portfolio provides the housing society with flexibility to relocate tenants if needed. There are a limited number of housing societies whose mandates support this approach.
- It is recommended that the City research and outline strategies to engage with non-profit housing societies that have a market rental housing component within their mandate, and facilitate partnerships between these select non-profit housing societies and private developers to administer secured market rental units in cases where the developer does not intend or have the ability to manage the secured market rental units.



585 - 1111 West Hastings Street, Vancouver BC V6E 2J3 | 604.687.2281

101-848 Courtney Street, Victoria BC V8W 1C4 | 250.383.0304

www.cityspaces.ca

City of Maple Ridge

TO:	Her Worship Mayor Nicole Read and Members of Council	MEETING DATE:	June 5, 2018
FROM:	Chief Administrative Officer	MEETING:	Workshop
SUBJECT:	Regional Context Statement Update		

EXECUTIVE SUMMARY:

The City's Regional Context Statement identifies the relationship between Maple Ridge's Official Community Plan (OCP) and Metro Vancouver's Regional Growth Strategy. Under *Local Government Act* requirements, the Regional Context Statement must be reviewed every five years to ensure it continues to support the Regional Growth Strategy. Maple Ridge's current Regional Context Statement forms part of the OCP and a copy is included in this report as Appendix A.

The current Regional Context Statement was accepted by Metro Vancouver on September 23, 2013 and followed the approval of the Regional Growth Strategy. City staff and Council worked closely with Metro Vancouver staff in the preparation of the Regional Growth Strategy, and issues raised during the 2009 review process were reflected in the adopted Regional Growth Strategy. As a result, the subsequent Regional Context Statement contained no inconsistencies with the Regional Growth Strategy.

This year marks the trigger date by which the City must review its Regional Context Statement and advise Metro Vancouver if there are any proposed changes. In light of the pending deadline, staff have undertaken a review of the current Regional Context Statement, and have determined that the Regional Context Statement continues to accurately identify the relationship between Maple Ridge's OCP and Metro Vancouver's Regional Growth Strategy. As a result, no Regional Context Statement updates are considered necessary at this five year interval. This report outlines the City's Regional Context Statement background and legislative framework, and recommends that at this time Council request re-acceptance of the Regional Context Statement by Metro Vancouver.

RECOMMENDATIONS:

That the Regional Context Statement be submitted for re-acceptance by the Metro Vancouver Regional District Board.

BACKGROUND:

Legislative Requirements

The *Local Government Act* outlines the requirements for Regional Growth Strategies and a municipality's requirement to include a Regional Context Statement in their OCP (Part 25, Sec. 446). After a new Regional Context Statement has been accepted by the Metro Vancouver Board there are three instances in which municipalities are required to submit a revised or new Regional Context Statement:

1. when a new OCP is being developed;
2. when amendments to an existing OCP are proposed that are not consistent with the accepted Regional Context Statement; or

3. within five years of the Board's latest acceptance of the Regional Context Statement.

Preparing a new or amended Regional Context Statement is an amendment to the OCP and as such, must follow the requirements outlined in the *Local Government Act* respecting consultation during the development or amendment of an OCP. In accordance with the *Local Government Act*, once a municipal Regional Context Statement has been accepted by Metro Vancouver, it must be reviewed at least every five years by the respective Council, and if there are no changes, resubmitted to the Board for continued acceptance.

Consideration of Existing Regional Context Statement

The City last underwent a Regional Context Statement review process in 2012-2013, following the adoption of the Regional Growth Strategy. The following resolution referring the draft Regional Context Statement to Metro Vancouver was made on July 23, 2013:

That Bylaw No. 7002-2013 be given first reading; and

That Bylaw No. 7002-2013 be referred to Metro Vancouver as part of the formal referral process for acceptance by the Metro Vancouver Regional Board.

Subsequent to Metro Vancouver's review of the draft Regional Context Statement, the Metro Vancouver Regional Board formally accepted the City's Regional Context Statement on September 23, 2013. This acceptance allowed consideration of further readings of the Regional Context Statement bylaw, resulting in final reading on November 26, 2013.

Consideration of Metro Vancouver 2040: Shaping Our Future Review

In September 2016, Metro Vancouver provided written communication to Council seeking comments on the need for, and scope of, a review of the *Metro Vancouver 2040: Shaping Our Future* Regional Growth Strategy. In response, Council provided the following resolution on October 24, 2016:

That staff advise Metro Vancouver that Maple Ridge Council recommends no full review of Metro 2040 – Regional Growth Strategy at this time, indicating, however, that concerns related to climate change issues were raised.

The City's position that no full review be conducted in 2016 was consistent with communication from six other member municipalities; while no position was taken by remaining member municipalities. Based on the responses Metro Vancouver received, no full review process was undertaken at that time.

DISCUSSION:

The Regional Growth Strategy was adopted in 2011 following an involved review process between Council and Metro Vancouver. In 2009, the City submitted formal comments and resolutions to Metro Vancouver, and this feedback was reflected in the final Regional Growth Strategy. Because of that detailed work, the Regional Growth Strategy and OCP were clearly aligned. The subsequent preparation of the Regional Context Statement reflected the alignment between the Regional Growth Strategy and OCP; and was favorably reviewed and accepted by Metro Vancouver staff and the Metro Vancouver Board. Due to this earlier Regional Growth Strategy work, no inconsistencies are identified in the Regional Context Statement.

Through the preparation of this report, the current Regional Context Statement was reviewed and no necessary changes were identified. Staff does note that since the adoption of the current Regional Context Statement, the City has completed a number of significant studies including the Strategic

Transportation Plan, the Housing Action Plan, and the Environmental Management Study. However, as these policy initiative were undertaken as part of the implementation of the City's OCP, and to further support Metro's Regional Growth Strategy as anticipated by our existing Regional Context Statement, staff have confirmed that both the current Regional Context Statement and the City's OCP remain in line with the Metro Vancouver Regional Growth Strategy. While some housekeeping amendments to the Regional Context Statement are anticipated later this year to reflect the endorsed plans and strategies completed by the City during the 2013-2018 period, it is felt that such amendments will not alter the alignment currently in place between the Regional Context Statement and the Regional Growth Strategy.

There is no requirement to update the Regional Context Statement if Council determines the document still aligns with the OCP and Regional Growth Strategy. As there are no significant amendments anticipated, staff recommend that Council adopt a resolution stating that consideration was given to the existing Regional Context Statement, and that it should be forwarded to the Metro Board for re-acceptance. In doing so, this approach will satisfy and achieve the City's five year review timeline.

NEXT STEPS:

In regards to updating Maple Ridge's Regional Context Statement, staff recommend that communication be sent to Metro Vancouver requesting re-acceptance of the current Regional Context Statement. Such as timeline will be in keeping with our 2018 deadline and will facilitate a September review by Metro Vancouver.

CONCLUSION:

The *Local Government Act* stipulates the conditions under which a municipality must submit a revised Regional Context Statement. As Maple Ridge's Regional Context Statement will be five years old this year, staff have reviewed the Regional Context Statement and confirm that it continues to accurately identify an aligned and supportive relationship between Maple Ridge's OCP and Metro Vancouver's Regional Growth Strategy. It is recommended that Council give consideration to the existing Regional Context Statement and request re-acceptance of the Regional Context Statement by the Metro Vancouver Board.

"Original signed by Amelia Bowden"

Prepared by: Amelia Bowden, M.Urb, MCIP, RPP
Planner 1

"Original signed by Christine Carter"

Approved by: Christine Carter, M.PL, MCIP, RPP
Director of Planning

"Original signed by Frank Quinn"

Approved by: Frank Quinn, MBA, P. Eng
GM: Public Works & Development Services

"Original signed by Paul Gill"

Concurrence: Paul Gill, CPA, CGA
Chief Administrative Officer

Appendix A – Regional Context Statement



1.4 REGIONAL CONTEXT STATEMENT

On July 29, 2011, The Metro Vancouver Board of Directors approved the Metro Vancouver 2040 Regional Growth Strategy Bylaw, pursuant to Section 863(1) of the *Local Government Act*.

Part 25 of the Local Government Act requires that an Official Community Plan must include a Regional Context Statement that is accepted in accordance with Section 866 of the Local Government Act by the Board of the Regional Government, in this case Metro Vancouver. The Regional Context Statement must identify the relationship between the municipal Official Community Plan and the Regional Growth Strategy and if applicable, how the OCP will be made consistent with the Regional Growth Strategy over time.

The Metro Vancouver 2040 Regional Growth Strategy is organized into five main goals:

- Goal 1: Create a Compact Urban Area
- Goal 2: Support a Sustainable Economy
- Goal 3: Protect the Environment and Respond to Climate Change Impacts
- Goal 4: Develop Complete Communities
- Goal 5: Support Sustainable Transportation Choices

The RGS also includes Regional Land Use Designations that are aimed at achieving the five goal areas of the Plan and include:

- General Urban
- Industrial
- Mixed Employment
- Rural
- Agricultural
- Conservation and Recreation

In addition a Regional Urban Containment Boundary has been established as a long-term area for urban development across the Region, within which nine urban centres have been identified, including the Maple Ridge Town Centre.

OFFICIAL COMMUNITY PLAN – STUDIES CURRENTLY UNDERWAY (JULY 2013)

The District of Maple Ridge is currently undertaking a number of significant studies that are anticipated to result in policy amendments to the Official Community Plan (as of July 2013). These studies include:

- Commercial and Industrial Strategy – that will provide updated employment projections and policy recommendations that strengthen the employment base (commercial, industrial and other employment opportunities) within the District.
- Strategic Transportation Plan – that will provide long-term direction for transportation network development and improvements, and may include revisions to the Major Corridor Network (OCP Figure 4), as well as other policy-related recommendations.
- Environmental Management Strategy – that will strive to connect the existing policy basis contained within the Official Community Plan with environmental and watercourse development permit guidelines and other Official Community Plan policies.
- Housing Action Plan – as a requirement of the Regional Growth Strategy, that will follow Maple Ridge Council’s consideration of potential bylaw amendments (e.g. Zoning Bylaw, Parking Bylaw) related to Secondary Suites and Temporary Residential Uses.
- Albion Flats Area Plan- preparation of an area plan for the Albion Flats area of Maple Ridge, currently designated as a Special Study Area within the Regional Growth Strategy.
- Population and Dwelling Unit Projections – will be undertaken by the District to align with the Regional Growth Strategy projections prior to 2018.

Each of the above projects is expected to contain policy recommendations that will be evaluated by District staff and within the context of the Regional Growth Strategy. It is anticipated that these studies will contribute to Maple Ridge working toward consistency with the Regional Growth Strategy.



GOAL 1: CREATE A COMPACT URBAN AREA

“Metro Vancouver’s growth is concentrated in compact communities with access to a range of housing choices, and close to employment, amenities and services. Compact transit-oriented development patterns help reduce greenhouse gas emissions and pollution, and support both the efficient use of land and an efficient transportation network.”

STRATEGY 1.1: CONTAIN URBAN DEVELOPMENT WITHIN THE URBAN CONTAINMENT BOUNDARY

Role of Municipalities:

Strategy 1.1.3a) Depict the Urban Containment Boundary

- Schedule “B” of the Official Community Plan (Bylaw 6425-2006) identifies the *Urban Area Boundary*. This boundary is generally consistent with the *Urban Containment Boundary* identified on the Maple Ridge Regional Context Statement - Regional Land Use Designations map.

1.1.3b) Provide municipal population, dwelling unit and employment projections

- The 2041 RGS includes estimated projections for the District of Maple Ridge that are intended to provide guidance to assist in regional and local planning. The estimated projections for Maple Ridge are:
 - Population = 132 000
 - Dwelling Units = 50 900
 - Employment = 48 000
- The District’s estimated projections are a guide for long-range planning purposes only and are the result of a comprehensive demographic analysis completed as part of the 2006 Official Community Plan update. The projections are generally consistent with the 2041 RGS as follows:
 - Population = 118,000*
 - Dwelling Units = 45,000*
 - Employment = 42 500**

*The population and dwelling unit projections are taken from the proposed updates to the RGS projections identified by Metro Vancouver that are reflective of the 2011 Census. The targets included are the low range for both population and dwelling units, as identified by Metro Vancouver

**Employment projections have been taken from The Commercial & Industrial Strategy: 2012 – 2041 prepared by G.P. Rollo & Associates, as received by Maple Ridge Council on November 26, 2012.

STRATEGY 1.2: FOCUS GROWTH IN URBAN CENTRES AND FREQUENT TRANSIT DEVELOPMENT AREAS

Strategy 1.2.6a) Provide dwelling unit and employment projections that indicate the municipal share of planned growth and that contribute to achieving the regional share of growth for Urban Centres and Frequent Transit Development Areas

- Chapter 10.4 Town Centre Area Plan, Section 1.3 Assumptions and Targets identifies the population, density, housing and commercial projections for the Regional Town Centre to 2021 as follows:
 - Population = 21,750 (approximately 24% of the total population)
 - Density = 70 to 100 persons per hectare
 - Housing = 11,065 dwelling units (approximately 32.5% of total housing)
 - Commercial goal to create between 0.25 to 0.75 new jobs for every new dwelling unit in the Town Centre.
- The District of Maple Ridge will work toward undertaking a review of the population, density, housing and commercial goals within the Town Centre Area Plan boundaries, which forms the extent of the Regional City Centre. This review will be to better align the projections for the Regional City Centre with the overall population, dwelling units and employment projections for the entire District.
- The Regional Growth Strategy does not identify any Frequent Transit Development Areas in Maple Ridge. The Official Community Plan is consistent with the RGS.

1.2.6b) Include policies for Urban Centres which:

i) Identify the general location, boundaries and types of Urban Centres on a map

- Schedule “B” of the Official Community Plan identifies the boundaries of the Town Centre Area Plan, which aligns with the location of the Regional Town Centre identified on *Map 2: Regional Land Use Designations* of the RGS.

ii) Focus growth and development in Urban Centres

- Chapter 2 Growth Management, Section 2.1.2 – Compact & Unique Community.
- 10.4 Town Centre Area Plan, Sections 1.2.1 Goals and Objectives; 1.3 Assumptions and Targets; 3.2 General Land-Use Requirements, policies 3-1 and 3-3.

iii) Encourage office development through policies and/or other financial incentives, such as zoning that reserves capacity for office uses and density bonus provisions;

- Chapter 6.3 Commercial Opportunities, Section 6.3.1 Commercial Strategy, policy 6-20.
- Chapter 10.4 Town Centre Area Plan, Chapter 3.2 General Land Use Requirements, policies 3-1 and 3-2

iv) In coordination with the provision of transit service, establish or maintain reduced residential and commercial parking requirements in Urban Centres, where appropriate

- 10.4 Town Centre Area Plan parking standard; Section 5.0 Multi-Modal Transportation Network, policies 5-4, 5-5 and 5-6.

1.2.6c) Include policies for Frequent Transit Development Areas which:

i) Identify on a map, in consultation with TransLink, the general location and boundaries of Frequent Transit Development Areas

- The Regional Growth Strategy does not identify any Frequent Transit Development Areas in Maple Ridge.

ii) Focus growth and development in Frequent Transit Development Areas

- The Regional Growth Strategy does not identify any Frequent Transit Development Areas in Maple Ridge.

iii) In coordination with the provision of transit service, establish or maintain reduced residential and commercial parking requirements in Urban Centres, where appropriate

- The Regional Growth Strategy does not identify any Frequent Transit Development Areas in Maple Ridge.

1.2.6d) Include policies for General Urban areas which:

i) Identify the General Urban areas and their boundaries on a map generally consistent with the Regional Land Use Designations map (Map 2).

- Schedule “B” of the Official Community Plan (Bylaw 6425-2006) identifies lands designated *Urban Residential; Commercial, Industrial, Institutional, Parks and Conservation and Urban Reserve* that are located within the Urban Area Boundary. These land uses are generally consistent with the Regional Land Use Designations of “General Urban”, “Industrial” and “Conservation and Recreation” identified on the Maple Ridge Regional Context Statement - Regional Land Use Designations map.

ii) Ensure development in General Urban areas outside of Urban Centres and Frequent Transit Development Areas are generally lower density than development in General Urban areas within Urban Centres and Frequent Transit Development Areas

- Chapter 2.1 Growth Management, Section 2.1.2 A Compact and Unique Community, policy 2-3.
- Section 10.1 Area Planning of the Official Community Plan establishes the area planning program for the District. In addition, Sections 10.2 – Albion Area Plan; 10.3 Silver Valley Area Plan; and 10.4 Town Centre Area Plan establish policies and guidelines for development within each of the area plan boundaries.
- Section 3.1.3 Residential Designations, Urban Residential policies 3-18 1) Neighbourhood Residential and 3-18 2) Major Corridor Residential.
- Section 3.1.4 Residential Infill and Compatibility Criteria, policies 3-19, 3-20 and 3-21.

iii) where appropriate, identify small scale Local Centres in the General Urban areas that provide a mix of housing types, local-serving commercial activities and good access to transit.

- The Regional Growth Strategy does not identify any Local Centres in the District of Maple Ridge. However, the following OCP policies reflect the spirit and intent of a ‘local centre’ as identified in the RGS:
 - Section 6.3.5 Community Commercial Node, policies 6-26, 6-27, 6-28 and 6-29.
 - Section 6.3.6 Neighbourhood Commercial Centres, policies 6-30, 6-31, 6-32 and 6-33.
 - Section 6.3.8 Historic Commercial, policies 6-37, 6-38 and 6-39.
 - Chapter 10.3 Silver Valley Area Plan, Section 5.2 River Village and 5.2.3 Main Street Commercial Areas.

iv) exclude non-residential major trip-generating uses, as defined in the Regional Context Statement, from those portions of General Urban areas outside of Urban Centres and Frequent Transit Development Areas

- Chapter 7.2 Road Network Plan, policy 7-11.

v) encourage infill development by directing growth to established areas, where possible;

- Chapter 2.1 Growth Management, Section 2.1.2 A Compact and Unique Community, policy 2-3.
- Chapter 3.1 Residential, Section 3.1.4 Residential Infill and Compatibility Criteria, policies 3-19, 3-20 and 3-21.

1.2.6e) Include policies that, for Urban Centres or Frequent Transit Development Areas that overlay Industrial, Mixed Employment, or Conservation and Recreation areas, the Industrial, Mixed Employment, and Conservation and Recreation intent and policies prevail, except in the Mixed Employment areas contained within the overlay area;

- Chapter 10.4 Town Centre Area Plan, Section 2.2.1 Protection of Natural Features, policies 2-1, 2-2, 2-13, 2-14 and 2-15.
- The Regional Growth Strategy does not identify any Frequent Transit Development Areas or Mixed Employment lands within the District of Maple Ridge.

1.2.6f) for Urban Centres, Frequent Transit Development Areas and General Urban areas, include policies which:

i) support continued industrial uses by minimizing the impacts of urban uses on industrial activities;

- Chapter 2.1 Growth Management, policy 2-1.
- Section 6.4.1 Industrial Lands, policies 6-40, 6-41 and 6-42.
- Note: The District of Maple Ridge is currently undertaking the preparation of a Commercial and Industrial Land Use Strategy that is anticipated to result in Official Community Plan policy amendments for the support, protection and intensification of industrial land uses.

ii) encourage safe and efficient transit, cycling and walking;

- Chapter 7.3 Transit
- Chapter 7.4 Cyclists
- Chapter 7.5 Pedestrians
- Chapter 10.4 Town Centre Area Plan, Section 5.2 Defining the Transportation Network.

iii) implement transit priority measures, where appropriate;

- Chapter 7.1 Transportation, policies 7-3, 7-4 and 7-5.
- Chapter 7.3 Transit, policies 7-16 through 7-24.
- Chapter 10.4 Town Centre Area Plan, Section 5.2 Defining the Transportation Network, policies 5-12 and 5-13.

iv) support district energy systems and renewable energy generation, where appropriate.

- Chapter 10.4 Town Centre Area Plan, Section 2.2 Integrating Green Infrastructure, policy 2-19.
- Chapter 5.5 Air Quality, policies 5-39 & 5-40.
- Chapter 5.6 Preparing for Climate Change.

STRATEGY 1.3: PROTECT RURAL AREAS FROM URBAN DEVELOPMENT

Strategy 1.3.3a) identify the Rural areas and their boundaries on a map generally consistent with the Regional Land Use Designations map (Map 2);

- Schedule “B” of the Official Community Plan (Bylaw 6425-2006) identifies land uses outside of the Urban Area Boundary that include Agricultural, Park, Parks Within the ALR, Forest, Rural Residential, Suburban Residential, Estate Suburban Residential and Conservation. These land uses are generally consistent with the Regional Land Use Designations of “Rural” and “Conservation and Recreation” identified on the Maple Ridge Regional Context Statement - Regional Land Use Designations map.

1.3.3b) limit development to a scale, form, and density consistent with the intent for the Rural land use designation, and that is compatible with on-site sewer servicing;

- Chapter 2.1 Growth Management, Section 2.1.2 A Compact and Unique Community, policies 2-4 and 2-6.
- Chapter 2.2 .2.2 Land Use Designations, *Agricultural, Rural Residential, Suburban Residential, Estate Suburban Residential*.
- Chapter 3.1 Residential, Section 3.1.3 Residential Designations, Rural Residential policies 3-6 through 3-9, Suburban Residential policies 3-10 through 3-13 and Estate Suburban Residential policies 3-14 through 3-17.
- Chapter 9.1 Municipal Services, Section 9.1.2 Septic Systems, policies 9-5 and 9-6.

1.3.3 c) include policies which:

i) specify the allowable density and form, consistent with Action 1.3.1, for land uses within the Rural land use designation;

- Section 3.1.3 Residential Designations policies 3-6 through 3-17.

ii) support agricultural uses within the Agricultural Land Reserve, and where appropriate, outside of the Agricultural Land Reserve.

- Section 2.1.2 A Compact and Unique Community policy 2-6.
- Chapter 6.2 Agricultural Opportunities, Sections 6.2.1 Economic Development Strategy and 6.2.2 Sustainable Agriculture.





GOAL 2: SUPPORT A SUSTAINABLE ECONOMY

“The land base and transportation systems required to nurture a healthy business sector are protected and supported. This includes supporting regional employment and economic growth. Industrial and agricultural land is protected and commerce flourishes in Urban Centres throughout the region.”

STRATEGY 2.1: PROMOTE LAND DEVELOPMENT PATTERNS THAT SUPPORT A DIVERSE REGIONAL ECONOMY AND EMPLOYMENT CLOSE TO WHERE PEOPLE LIVE

Role of Municipalities:

2.1.4 a) include policies that support appropriate economic development in Urban Centres, Frequent Transit Development Areas, Industrial and Mixed Employment areas;

- Chapter 6.1 Employment Generating Opportunities, policies 6-1, 6-2, 6-3 and 6-4.
- Note: The District of Maple Ridge is currently undertaking the preparation of a Commercial and Industrial Land Use Strategy that is anticipated to result in Official Community Plan policy amendments for the support, protection and intensification of industrial land uses.
- Chapter 6.3 Commercial Opportunities, policies 6-18, 6-20 and 6-21.
- Chapter 10.4 Town Centre Area Plan, Section 1.2 – 8 Guiding Sustainability Principles, Section 1.2.1 Goals and Objectives, Principles: 1 Each Neighbourhood is Complete 6 Jobs are close to home; and 7 The Centre is distinctive, attractive and vibrant.
- Chapter 10.4 Town Centre Area Plan, Section 3.2 General Land-Use Requirements policies 3-1, 3-2, 3-3, 3-5, 3-6, 3-9, 3-14 and 3-15.

2.1.4 b) support the development of office space in Urban Centres, through policies such as zoning that reserves land for office uses, density bonus provisions to encourage office development, variable development cost charges, and/or other financial incentives;

- Chapter 6.3 Commercial Opportunities, Section 6.31 Commercial Strategy policies 6-17, 6-18 and 6-21.
- Chapter 10.4 Town Centre Area Plan, Section 3.2 General Land-Use Requirements, policies 3-2 and 3-6.

2.1.4 c) include policies that discourage major commercial and institutional development outside of Urban Centres or Frequent Transit Development Areas;

The Maple Ridge Regional City Centre is intended to serve as the main commercial area within the District and provides a number of significant municipal services and facilities. It is also intended to be the primary location for any future post-secondary or technical institutional uses that do not require special site characteristics found elsewhere in the District.

- Chapter 4.2 Institutional, policies 4-31 through 4-37.
- Chapter 6.3 Commercial Opportunities, Section 6.3.1 Commercial Strategy, policy 6-22.

2.1.4 d) show how the economic development role of Special Employment Areas, post secondary institutions and hospitals are supported through land use and transportation policies.

- Chapter 6.5 Additional Employment Generating Opportunities, Section 6.5.5 Post Secondary Educational Institutions.

STRATEGY 2.2: PROTECT THE SUPPLY OF INDUSTRIAL LAND

2.2.4 a) identify the Industrial areas and their boundaries on a map generally consistent with the Regional Land Use Designations map (Map 2);

- Schedule “B” of the Official Community Plan (Bylaw 6425-2006) identifies land designated as *Industrial* and *Rural Resource*. These lands are generally consistent with the Regional Land Use Designation of “Industrial” identified on Maple Ridge Regional Context Statement - Regional Land Use Designations map.

2.2.4 b) include policies for Industrial areas which:

i) support and protect industrial areas;

- Chapter 6.4 Industrial Opportunities, Section 6.4.1 Industrial Lands, policies 6-40 through 6-46.
- Note: The District of Maple Ridge is currently undertaking the preparation of a Commercial and Industrial Land Use Strategy that is anticipated to result in Official Community Plan policy amendments for the support, protection and intensification of industrial land uses.

ii) support appropriate accessory uses, including commercial space and caretaker units;

- Section 6.4.2 Business Parks, policy 6-47.

iii) exclude uses which are inconsistent with the intent of industrial areas, such as medium and large format retail, residential uses (other than industrial caretaker units where necessary), and stand-alone office uses that are not supportive of industrial activities;

- Within the District, 'business parks' are intended to provide a range of light industrial uses and supporting industries. They are not considered to be the primary locations for office uses (restricted to a maximum of 25% of the total floor area of the development) or for professional and/or personal services.
- Section 6.4.2 Business Parks, policy 6-49.
- Section 6.5.3 Large Format Retail.

iv) encourage better utilization and intensification of industrial areas for industrial activities;

- Section 6.4.1 Industrial Lands, policies 6-41, 6-42 and 6-44.
- Note: The District of Maple Ridge is currently undertaking the preparation of a Commercial and Industrial Land Use Strategy that is anticipated to result in Official Community Plan policy amendments for the support, protection and intensification of industrial land uses.

2.2.4 c) identify the Mixed Employment areas and their boundaries on a map generally consistent with the Regional Land Use Designation map (Map 2);

- The Regional Growth Strategy does not identify any Mixed Employment lands within the District of Maple Ridge.

2.2.4 d) include policies for Mixed Employment areas which:

i) support a mix of industrial, commercial, office and other related employment uses, while maintaining support for established industrial areas, including potential intensification policies for industrial activities, where appropriate;

- The Regional Growth Strategy does not identify any Mixed Employment lands within the District of Maple Ridge.
- Chapter 6.1 Employment Generating Opportunities, policy 6-4.
- Note: The District of Maple Ridge is currently undertaking the preparation of a Commercial and Industrial Land Use Strategy that is anticipated to result in Official Community Plan policy amendments that may support a greater mix of employment-based land uses within the municipality.

ii) allow large and medium format retail, where appropriate, provided that such development will not undermine the broad objectives of the Regional Growth Strategy;

- The Regional Growth Strategy does not identify any Mixed Employment lands within the District of Maple Ridge.
- Chapter 6.1 Employment Generating Opportunities, policy 6-4.
- Note: The District of Maple Ridge is currently undertaking the preparation of a Commercial and Industrial Land Use Strategy that is anticipated to result in Official Community Plan policy amendments that may support a greater mix of employment-based land uses within the municipality.

iii) support the regional objective of concentrating commercial and other major trip-generating uses in Urban Centres and Frequent Transit Development Areas;

- The Regional Growth Strategy does not identify any Mixed Employment lands within the District of Maple Ridge.
- Chapter 6.1 Employment Generating Opportunities, policies 6-1 through 6-4.
- Note: The District of Maple Ridge is currently undertaking the preparation of a Commercial and Industrial Land Use Strategy that is anticipated to result in Official Community Plan policy amendments that may support a greater mix of employment-based land uses within the municipality.

iv) where Mixed Employment areas are located within Urban Centres or Frequent Transit Development Areas, support higher density commercial development and allow employment and service activities consistent with the intent of Urban Centres or Frequent Transit Development Areas;

- The Regional Growth Strategy does not identify any Mixed Employment lands within the District of Maple Ridge.
- Chapter 6.1 Employment Generating Opportunities, policies 6-1 through 6-4.
- Note: The District of Maple Ridge is currently undertaking the preparation of a Commercial and Industrial Land Use Strategy that is anticipated to result in Official Community Plan policy amendments that may support a greater mix of employment-based land uses within the municipality.

v) allow low density infill / expansion based on currently accepted local plans and policies in Mixed Employment areas and support increases in density only where the Mixed Employment area has transit service or where an expansion of transit service has been identified in TransLink's strategic transportation plans for the planned densities;

- The Regional Growth Strategy does not identify any Mixed Employment lands within the District of Maple Ridge.
- Note: The District of Maple Ridge is currently undertaking the preparation of a Commercial and Industrial Land Use Strategy that is anticipated to result in Official Community Plan policy amendments that may support a greater mix of employment-based land uses within the municipality.

2.2.4 e) include policies which help reduce environmental impacts and promote energy efficiency.

- Chapter 5.5 Air Quality, policies 5-39 through 5-42.
- Note: The District is currently undertaking an Environment Management Strategy that may recommend Official Community Plan amendments to include additional policies that promote energy efficiency.

STRATEGY 2.3: PROTECT THE SUPPLY OF AGRICULTURAL LAND AND PROMOTE AGRICULTURAL VIABILITY WITH AN EMPHASIS ON FOOD PRODUCTION

Role of Municipalities:

2.3.6 Adopt Regional Context Statements which:

a) specify the Agricultural areas and their boundaries on a map generally consistent with the Regional Land Use Designations map (Map 2);

- Schedule “B” of the Official Community Plan (Bylaw 6425-2006) identifies lands designated Agricultural and Parks within the ALR. These land uses are generally consistent with the Regional Land Use Designation of “Agriculture” identified on the Maple Ridge Regional Context Statement - Regional Land Use Designations map.

2.3.6 b) include policies to support agricultural viability including those which:

i) assign appropriate regional land use designations that support agricultural viability and discourage non-farm uses that do not complement agriculture;

- Chapter 6.2 Agricultural Opportunities, Section 6.2.2 Sustainable Agriculture, policies 6-9 through 6-14.

ii) discourage subdivision of agricultural land leading to farm fragmentation;

- Section 6.2.2 Sustainable Agriculture, policies 6-12 and 6-13.

iii) where feasible, and appropriate with other governments and agencies, maintain and improve transportation, drainage and irrigation infrastructure to support agricultural activities;

- Chapter 7.2 Road Network Plan, policy 7-9.

iv) manage the agricultural-urban interface to protect the integrity and viability of agricultural operations (e.g. buffers between agricultural and urban areas or edge planning);

- Chapter 2.1 Growth Management, Section 2.1.2 A Compact and Unique Community, policies 2-2, 2-4 and 2-6.
- Chapter 6.2 Agricultural Opportunities, Section 6.2.1 Economic Development Strategy, policy 6-6. (Note: Maple Ridge Agricultural Plan endorsed by Council Resolution R/09-516 in December 2009).
- Section 6.2.2 Sustainable Agriculture, policies 6-10, 6-12 and 6-13.

v) demonstrate support for economic development opportunities for agricultural operations (e.g. processing, agri-tourism, farmers' markets and urban agriculture);

- Section 6.2.1 Economic Development Strategy, policies 6-5 through 6-8.
- Section 6.2.2 Sustainable Agriculture, policies 6-9 through 6-14.

vi) encourage the use of agricultural land, with an emphasis on food production;

- Section 6.2.1 Economic Development Strategy, policies 6-7 and 6-8.

vii) support educational programs that provide information on agriculture and its importance for the regional economy and local food systems.

- Section 6.2.1 Economic Development Strategy, policies 6-6 and 6-8. (Note: Maple Ridge Agricultural Plan endorsed by Council Resolution R/09-516 in December 2009).





GOAL 3: PROTECT THE ENVIRONMENT AND RESPOND TO CLIMATE CHANGE IMPACTS

“Metro Vancouver’s vital ecosystems continue to provide the essentials of life – clean air, water and food. A connected network of habitats is maintained for a wide variety of wildlife and plant species. Protected natural areas provide residents and visitors with diverse recreational opportunities. Strategies also help Metro Vancouver and member municipalities meet their greenhouse gas emission targets, and prepare for, and mitigate risks from climate change and natural hazards.”

STRATEGY 3.1: PROTECT CONSERVATION AND RECREATION LANDS

Role of Municipalities:

3.1.4 Adopt Regional Context Statements which:

a) identify the Conservation and Recreation areas and their boundaries on a map generally consistent with the Regional Land Use Designations map (Map 2);

- Schedule “B” of the Official Community Plan (Bylaw 6425-2006) identifies lands designated Conservation, Forest, Park and Parks within the ALR. These land uses are generally consistent with the Regional Land Use Designation of “Conservation and Recreation” identified on the Maple Ridge Regional Context Statement - Regional Land Use Designations map.

3.1.4 b) include land use policies to support the protection of Conservation and Recreation areas that are generally consistent with the following:

i) public service infrastructure, including the supply of high quality drinking water;

- Chapter 4.3 Heritage, Section 4.3.1 Heritage Recognition, policy 4-40, and Section 4.3.2 Heritage Management, policy 4-45.
- Chapter 5.4 Water Resources, policies 5-32 through 5-38.

ii) environmental conservation;

- Chapter 5.2 Environmental Management Model, policies 5-1 through 5-8.
- Chapter 5.3 Land Resources, policies 5-9 through 5-16.
- Chapter 5.4 Water Resources, policies 5-28 through 5-32.

iii) recreation, primarily outdoor;

- Chapter 4.1 Social Sustainability, Section 4.1.2 Community Wellness, policies 4-7, 4-9 and 4-10.
- Chapter 5.3 Land Resources, policies 5-15 and 5-16.
- Chapter 10.3 Silver Valley Area Plan, Section 5.2.7 River Village Parks, Section 5.3.8 Blaney, Forest and Horse Hamlets Parks and Schools and 5.4.5 Eco-Clusters Parks.

iv) education, research and training facilities and uses that serve conservation and/or recreation users;

- Section 4.1.2 Community Wellness, policies 4-5, 4-6, 4-7 and 4-8.
- Chapter 6.5 Additional Employment Generating Opportunities, Section 6.5.1 Tourism.
- Chapter 6.5 Additional Employment Generating Opportunities, Section 6.5.4 Forest.

v) commercial uses, tourism activities, and public cultural or community amenities that are appropriately located, scaled and consistent with the intent of the designation;

- Chapter 4.1 Social Sustainability, Section 4.1.2 Community Wellness, policies 4-5, 4-7, 4-8, 4-10 through 4-13.
- Chapter 6.5 Additional Employment Generating Opportunities, Section 6.5.1 Tourism, policies 6-54, 6-55 and 6-56.

3.1.4 c) include policies, where appropriate, that effectively buffer Conservation and Recreation areas from activities in adjacent areas.

- Chapter 5.2 Environmental Management Model, policy 5-8.
- Chapter 5.3 Land Resources, policies 5-10 through 5-13 and 5-17.
- Chapter 5.3 Land Resources, Section 5.3.1 Hillside Development, policies 5-20 through 5-24.
- Chapter 6.2 Agricultural Opportunities, Section 6.2.2 Sustainable Agriculture, policy 6-12(b).

STRATEGY 3.2: PROTECT AND ENHANCE NATURAL FEATURES AND THEIR CONNECTIVITY

Role of Municipalities:

3.2.4 Adopt Regional Context Statements which include policies and/or maps that indicate how ecologically important areas and natural features will be managed (as conceptually shown on Map 10) (e.g. steep slopes and ravines, intertidal areas and other natural features not addressed in Strategy 3.1).

- Schedule “C” of the Maple Ridge Official Community Plan (Bylaw No. 6425-2006) identifies Natural Features including conservation lands, forests and major parks; Fraser River 200 Year Floodplain, Kanaka Creek Floodplain (interpreted) and Alouette River Floodplain, Canadian Wildlife Service Wetlands and the Fraser River Escarpment.

3.2.5 In collaboration with other agencies, develop and manage municipal components of the Metro Vancouver Regional Recreation Greenway Network and connect community trails, bikeways and greenways to the Regional Recreation Greenway Network where appropriate.

- Chapter 4.1 Social Sustainability, Section 4.1.2 Community Wellness, policies 4-8, 4-9 and 4-10.
- Chapter 5.2 Environmental Management Model, policies 5-3, 5-7 and 5-8.
- Chapter 5.3 Land Resources, policies 5-15 and 5-16.
- Chapter 7.6 Multi-Use Equestrian Trails, policies 7-42 and 7-43.

3.2.6 Identify where appropriate measures to protect, enhance and restore ecologically important systems, features, corridors and establish buffers along watercourses, coastlines, agricultural lands, and other ecologically important features (e.g. conservation covenants, land trusts, tax exemptions and ecogifting).

- Chapter 5.2 Environmental Management Model, policy 5-8.
- Chapter 5.4 Water Resources, policy 5-30.
- Chapter 6.2 Agricultural Opportunities, Section 6.2.2 Sustainable Agriculture, policy 6-12(b).
- Chapter 8 Development Permit Guidelines, Watercourse Protection Development Permit Area Guidelines.

3.2.7 Consider watershed and ecosystem planning and/or Integrated Stormwater Management Plans in the development of municipal plans.

- Chapter 5.4 Water Resources, policies 5-28, 5-29, 5-32 and 5-33.

STRATEGY 3.3: ENCOURAGE LAND USE AND TRANSPORTATION INFRASTRUCTURE THAT REDUCE ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS, AND IMPROVE AIR QUALITY

Role of Municipalities:

3.3.4 Adopt Regional Context Statements which:

a) identify how municipalities will use their land development and transportation strategies to meet their greenhouse gas reduction targets and consider how these targets will contribute to the regional targets;

- Chapter 5.6 Preparing for Climate Change, policies 5-43 through 5-45.
- Chapter 7.1 Transportation, policies 7-1, 7-3 and 7-4.

3.3.4 b) identify policies and/or programs that reduce energy consumption and greenhouse gas emissions, and improve air quality from land use and transportation infrastructure, such as:

- *existing building retrofits and construction of new buildings to green performance guidelines or standards, district energy systems, and energy recovery and renewable energy generation technologies, such as solar panels and geexchange systems, and electric vehicle charging infrastructure;*
- *community design and facility provisions that encourages transit, cycling and walking (e.g. direct and safe pedestrian and cycling linkages to the transit system);*
- Chapter 5.5 Air Quality, policies 5-39 through 5-42.
- Chapter 5.6 Preparing for Climate Change, policies 5-43, 5-44 and 5-45.
- Chapter 10.4 Town Centre Area Plan, Section 2.2 Integrating Green Infrastructure, policies 2-21 through 2-24.

3.3.4 c) focus infrastructure and amenity investments in Urban Centres and Frequent Transit Development Areas, and at appropriate locations along TransLink's Frequent Transit Network;

- Chapter 9.1 Municipal Services, Section 9.1.1 Municipal Infrastructure, policies 9-1, 9-2 and 9-3.

3.3.4 d) implement land use policies and development control strategies which support integrated storm water management and water conservation objectives.

- Chapter 5.4 Water Resources, policies 5-28, 5-30, 5-32 through 5-38.
- Chapter 10.4 Town Centre Area Plan, Section 2.2.1 Protection of Natural Features.



STRATEGY 3.4: ENCOURAGE LAND USE AND TRANSPORTATION INFRASTRUCTURE THAT IMPROVE THE ABILITY TO WITHSTAND CLIMATE CHANGE IMPACTS AND NATURAL HAZARD RISKS

Role of Municipalities:

3.4.4 Adopt Regional Context Statements that include policies to encourage settlement patterns that minimize risks associated with climate change and natural hazards (e.g. earthquake, flooding, erosion, subsidence, mudslides, interface fires).

- Chapter 5.3 Land Resources, policies 5-10 through 5-14, 5-18 and 5-19.
- Section 5.3.1 Hillside Development, policies 5-20 through 5-24.

3.4.5 Consider incorporating climate change and natural hazard risk assessments into the planning and location of municipal utilities, assets and operations.

- Chapter 5.3 Land Resources, policy 5-9.
- Chapter 5.6 Preparing for Climate Change, policy 5-43.
- Chapter 9.1 Municipal Services, Section 9.1.1 Municipal Infrastructure, policy 9-4
- Section 9.1.2 Septic Systems, policies 9-5 and 9-6.
- Section 9.1.3 Waste Reduction and Recycling, policies 9-7, 9-8 and 9-9.





GOAL 4: DEVELOP COMPLETE COMMUNITIES

“Metro Vancouver is a region of communities with a diverse range of housing choices suitable for residents at any stage of their lives. The distribution of employment and access to services and amenities builds complete communities throughout the region. Complete communities are designed to support walking, cycling and transit, and to foster healthy lifestyles.”

STRATEGY 4.1: PROVIDE DIVERSE AND AFFORDABLE HOUSING CHOICES

Role of Municipalities:

4.1.7 Adopt Regional Context Statements which:

a) include policies or strategies that indicate how municipalities will work towards meeting the estimate future housing demand as set out in Appendix Table A.4, which:

i) ensure the need for diverse housing options is articulated in municipal plans and policies, including neighbourhood and area plans;

- Chapter 2.1 Growth Management, Section 2.1.2 A Compact and Unique Community, policies 2-1, 2-2, 2-3, 2-5 and 2-6.
- Chapter 3.1 Residential, section 3.1.1 Housing and Land Requirements, policy 3-1.
- Section 3.1.2 Community Character and Sense of Place, policies 3-2, 3-3 and 3-5.
- Section 3.1.3 Residential Designations policies 3-8, 3-12, 3-15, 3-17, 3-18 (1) and (2).
- Section 3.1.4 Residential Infill and Compatibility Criteria, policies 3-19 (1) and (2), 3-20 and 3-21.
- Section 3.1.5 Urban Reserve.
- Chapter 10.4 Town Centre Area Plan, Section 3.2 General Land-Use Requirements, policy 3-1.

ii) increase the supply and diversity of the housing stock through infill developments, more compact housing forms and increased density;

- Section 3.1.4 Residential Infill and Compatibility Criteria

iii) in collaboration with the federal government and the province, assist in increasing the supply of affordable rental units for households with low or low to moderate incomes through policies, such as density bonus provisions, inclusionary zoning or other mechanisms, particularly in areas that are well served by transit;

- Chapter 3.2 Affordable, Rental and Special Needs Housing, policies 3-27 through 3-33.

iv) encourage and facilitate affordable housing development through measures such as reduced parking requirements, streamlined and prioritized approval processes, below market leases of publicly owned property, and fiscal measures.

- Chapter 10.4 Town Centre Area Plan, Section 3.2 General Land-Use Requirements, policies 3-1, 3-7 and 3-8.
- Chapter 10.4 Town Centre Area Plan, Section 5.0 Multi-Modal Transportation Network, Section 5.1 Offering Transportation Choices, policy 5-4.
- *Note: Section 10.0 of the Off-Street parking and Loading Bylaw No. 4350-1990 (as amended), outlines provisions for reduced parking standards for multi-family non-market housing, Seniors Independent Living, Assisted Living, Supportive Housing and Congregate Care facilities.

4.1.8 Prepare and implement Housing Action Plans which:

a) assesses local housing market conditions, by tenure, including assessing housing supply, demand and affordability;

- Chapter 3.2 Affordable, Rental and Special Needs Housing, policies 3-27, 3-28, 3-29 and 3-31.
- Note: The Maple Ridge Housing Action Plan is currently in preparation with an anticipated Council endorsement/adoption date in 2014.

4.1.8 b) identify housing priorities, based on the assessment of local housing market conditions, and consideration of changing household demographics, characteristics and needs;

- Chapter 3.2 Affordable, Rental and special Needs Housing, policies 3-27, 3-29, 3-30, 3-31 and 3-32.
- Note: The Maple Ridge Housing Action Plan is currently in preparation with an anticipated Council endorsement/adoption date in 2014.

4.1.8 c) identify implementation measures within the jurisdiction and financial capabilities of municipalities, including actions set out in Action 4.1.7;

- The Maple Ridge Housing Action Plan is currently in preparation with an anticipated Council endorsement/adoption date in 2014.

4.1.8 d) encourage the supply of new rental housing and where appropriate mitigate or limit the loss of existing rental housing stock;

- Chapter 3.2 Affordable, Rental and special Needs Housing, policies 3-30 through 3-33.
- Note: The Maple Ridge Housing Action Plan is currently in preparation with an anticipated Council endorsement/adoption date in 2014.

4.1.8 e) identify opportunities to participate in programs with other levels of government to secure additional affordable housing units to meet housing needs across the continuum;

- Chapter 3.2 Affordable, Rental and special Needs Housing, policy 3-28.

- Note: The Maple Ridge Housing Action Plan is currently in preparation with an anticipated Council endorsement/adoption date in 2014.

4.1.8 f) cooperate with and facilitate the activities of the Metro Vancouver Housing Corporation under Action 4.1.5.

- Chapter 3.2 Affordable, Rental and special Needs Housing, policy 3-28.
- Note: The Maple Ridge Housing Action Plan is currently in preparation with an anticipated Council endorsement/adoption date in 2014.

STRATEGY 4.2: DEVELOP HEALTHY AND COMPLETE COMMUNITIES WITH ACCESS TO A RANGE OF SERVICES AND AMENITIES

4.2.4 Include policies within municipal plans or strategies, that may be referenced in the Regional Context Statements which:

a) support compact, mixed use, transit, cycling and walking oriented communities;

- Chapter 2.1 Growth Management, Section 2.1.2 A Compact and Unique Community.
- Chapter 3.1 Residential, Section 3.1.2 Community Character and Sense of Place.
- Section 3.1.3 Residential Designations, policies 3-18 (1) and (2).
- Section 3.1.4 Residential Infill and Compatibility Criteria.
- Chapter 4.1 Social Sustainability, Section 4.1.2 Community Wellness Community & Cultural Services, policies 4-2, 4-5, 4-7 through 4-11 and 4-13.
- Chapter 7.3 Transit.
- Chapter 7.4 Cyclists.
- Chapter 7.5 Pedestrians.
- Chapter 7.6 Multi-Use and Equestrian Trails.
- Chapter 10.2 Albion Area Plan, Section 10.2.6 Village Centre.
- Chapter 10.3 Silver Valley Area Plan, Section 5.2 River Village and Section 5.3 Hamlets.
- Chapter 10.4 Town Centre Area Plan, Section 1.2.8 Guiding Sustainability Principles, Section 1.2.1 Goals and Objectives, Section 3.2 General Land-Use Requirements, Section 4.0 Park and Conservation, Section 5.1 Offering Transportation Choices and Section 5.2 Defining the Transportation Network.

4.2.4 b) locate community, arts, cultural, recreational, institutional, medical/health, social service, education facilities and affordable housing development in Urban Centres or areas with good access to transit;

- Chapter 4.1 Social Sustainability, Section 4.1.2 Community Wellness, Community & Cultural Services.
- Section 4.1.4 Diverse Population.
- Chapter 4.2 Institutional.
- Chapter 4.3 Heritage, Section 4.3.2 Heritage Management.
- Chapter 6.5 Additional Employment Generating Opportunities, Section 6.5.5 Post Secondary Educational Institutions.

4.2.4 c) provide public spaces and other place-making amenities for increased social interaction and community engagement;

- Chapter 4.1 Social Sustainability, Section 4.1.2 Community Wellness Community & Cultural Services.
- Section 4.1.4 Diverse Population, policies 4-18 and 4-19.

4.2.4 d) support active living through the provision of recreation facilities, parks, trails, and safe and inviting pedestrian and cycling environments;

- Chapter 4.1 Social Sustainability, Section 4.1.2 Community Wellness, Community & Cultural Services, policies 4-5, 4-7 through 4-13.
- Chapter 5.2 Environmental Management Model, policies 5-7 and 5-8.
- Chapter 5.3 Land Resources, policies 5-14, 5-15 and 5-16.
- Chapter 7.2 Road Network Plan, policies 7-10, 7-11, 7-13 and 7-15.
- Chapter 7.4 Cyclists.
- Chapter 7.5 Pedestrians.
- Chapter 7.6 Multi-Use and Equestrian Trails.

4.2.4 e) support food production and distribution throughout the region, including in urban areas, roof top gardens, green roofs and community gardens on private and municipally-owned lands and healthy food retailers, such as grocery stores and farmers' markets near housing and transit services;

- Chapter 6.2 Agricultural Opportunities, Section 6.2.1 Economic Development Strategy.
- Section 6.2.2 Sustainable Agriculture.

4.2.4 f) assess overall health implications of proposed new communities, infrastructure and transportation services, including air quality and noise, with input from public health authorities;

- Chapter 2.1 Growth Management, Section 2.1.2 A Compact and Unique Community, policy 2-5.
- Chapter 3.1 Residential, Section 3.1.2 Community Character and Sense of Place, policy 3-5.
- Chapter 5.5 Air Quality, policies 5-39 through 5-42.
- Chapter 7.1 Transportation, policies 7-1 and 7-4.
- Chapter 10.1 Area Planning, policy 10-3.

4.2.4 g) support universally accessible community design;

- Chapter 3.1 Residential, policy 3-1.
- Section 3.1.2 Community Character and Sense of Place, policy 3-5.
- Chapter 7.5 Pedestrians, policy 7-38.

4.2.4 h) where appropriate, identify small scale Local Centres in General Urban areas that provide a mix of housing types, local-servicing commercial activities and good access to transit. Local Centres are not intended to compete with or compromise the role of Urban Centres and should preferably be located within Frequent Transit Development areas;

- Chapter 6.3 Commercial Opportunities, Section 6.3.6 Neighbourhood Commercial Centres, policies 6-30, 6-32 and 6-33.
- Section 6.3.8 Historic Commercial, policies 6-37 through 6-39.

4.2.4 i) recognize the Special Employment Areas as shown on the Local Centres, Hospitals and Post-Secondary Institutions map (Map 11). Special Employment Areas are located outside of Urban Centres and Frequent Transit Development Areas, and are region-serving, special purpose facilities that have a high level of related transportation activity due to employee, student or passenger trips.

- Map 11 of the Regional Growth Strategy does not identify any Special Employment Areas in the District of Maple Ridge.





GOAL 5: SUPPORT SUSTAINABLE TRANSPORTATION CHOICES

“Metro Vancouver’s compact, transit-oriented urban form supports a range of sustainable transportation choices. This pattern of development expands the opportunities for transit, multiple-occupancy vehicles, cycling and walking, encourages active lifestyles, and reduces energy use, greenhouse gas emissions, household expenditure on transportation, and improves air quality. The region’s road, transit, rail and waterway networks play a vital role in serving and shaping regional development, providing linkages among the region’s communities and providing vital goods movement networks.”

STRATEGY 5.1: COORDINATE LAND USE AND TRANSPORTATION TO ENCOURAGE TRANSIT, MULTIPLE-OCCUPANCY VEHICLES, CYCLING AND WALKING

Role of Municipalities:

5.1.6 Adopt Regional Context Statements which:

a) identify land use and transportation policies and actions, and describe how they are coordinated, to encourage a greater share of trips made by transit, multiple-occupancy vehicles, cycling and walking, and to support TransLink’s Frequent Transit Network;

- Chapter 7.1 Transportation, policies 7-1 through 7-5.
- Chapter 7.2 Road Network Plan, policies 7-9, 7-10, 7-11 and 7-15.
- Chapter 7.3 Transit, policies 7-16 through 7-24.
- Chapter 7.4 Cyclists, policies 7-25 through 7-33.
- Chapter 7.5 Pedestrians, policies 7-34 through 7-41.
- Chapter 10.4 Town Centre Area Plan, Section 5.2 Defining the Transportation Network.
- Chapter 10.4 Town Centre Area Plan, Figure 3 Future Rapid Transit Route identifies the potential future location of a rapid transit route along the Lougheed Highway in the Regional City Centre.
- The District will work towards consistency between the OCP and RGS over time through the completion of the Maple Ridge Transportation Plan. (Note: The Transportation Plan is currently under preparation with an anticipated completion in 2013.)

5.1.6 b) identify policies and actions that support the development and implementation of municipal and regional transportation system and demand management strategies, such as parking pricing and supply measures, transit priority measures, ridesharing, and car-sharing programs;

- Chapter 10.4 Town Centre Area Plan, Section 5.1 Offering Transportation Choices, policies 5-4, 5-5 and 5-6.
- The District will work towards consistency between the OCP and RGS over time through the completion of the Maple Ridge Transportation Plan. (Note: The Transportation Plan is currently under preparation with an anticipated completion in 2013.)

5.1.6 c) identify policies and actions to manage and enhance municipal infrastructure to support transit, multiple-occupancy vehicles, cycling and walking.

- Chapter 7.1 Transportation, policies 7-1, 7-4 and 7-5.
- Chapter 7.2 Road Network, policies 7-10, 7-11 and 7-14.
- Chapter 7.3 Transit, policies 7-16, 7-17, 7-19, 7-20, 7-23 and 7-24.
- Chapter 7.4 Cyclists, policies 7-25, 7-26 and 7-29 through 7-33.
- Chapter 10.4 Town Centre Area Plan, Section 5.1 Offering Transportation Choices, policies 5-1 and 5-2.
- The District will work towards consistency between the OCP and RGS over time through the completion of the Maple Ridge Transportation Plan. (Note: The Transportation Plan is currently under preparation with an anticipated completion in 2013.)

STRATEGY 5.2: COORDINATE LAND USE AND TRANSPORTATION TO SUPPORT THE SAFE AND EFFICIENT MOVEMENT OF VEHICLES FOR PASSENGERS, GOODS AND SERVICES

Role of Municipalities:

5.2.3 Adopt Regional Context Statements which:

a) identify routes on a map for the safe and efficient movement of goods and service vehicles to, from, and within Urban Centres, Frequent Transit Development Areas, Industrial, Mixed Employment and Agricultural areas, Special Employment Area, ports, airports and international border crossings;

- Figure 4 – Proposed Major Corridor Network Plan (2005 – 2031) identifies the current (Nov. 14, 2006) and proposed major transportation routes within the District.
- Note: The District is currently preparing a Transportation Plan which may include proposed changes to Figure 4 – Proposed Major Corridor Network Plan (2005 – 2031).

5.2.3 b) identify land use and related policies and actions that support optimizing the efficient movement of vehicles for passengers, Special Employment Areas, goods and services on the Major Road Network, provincial highways, and federal transportation facilities;

- Chapter 7.1 Transportation, policies 7-1, 7-2 and 7-3.

- Chapter 7.2 Road Network Plan, policies 7-8, 7-9, 7-10, 7-12 and 7-14.
- Note: The District is currently preparing a Transportation Plan that may include additional policies and actions that further address this Strategy.

5.2.3 c) support the development of local and regional transportation system management strategies, such as the provision of information to operators of goods and service vehicles for efficient travel decisions, management of traffic flow using transit priority measures, coordinated traffic signalization, and lane management;

- Chapter 7.1 Transportation, policy 7-1.
- Chapter 7.2 Road Network Plan, policies 7-6 through 7-11.
- Chapter 7.3 Transit, policy 7-18.
- Note: The District is currently preparing a Transportation Plan that may include additional policies and actions that further address this Strategy.

5.2.3 d) identify policies and actions which support the protection of rail rights-of-way and access points to navigable waterways in order to reserve the potential for goods movement, in consideration of the potential impacts on air quality, habitat and communities.

- Chapter 7.2 Road Network Plan, policies 7-12 and 7-13.
- Chapter 10.4 Town Centre Area Plan, Section 5.2.2 Enhancing the Multi-Modal Network, policy 5-13.
- The District will work towards consistency between the OCP and RGS over time through the completion of the Maple Ridge Transportation Plan. (Note: The Transportation Plan is currently under preparation with an anticipated completion in 2013.)

REGIONAL GROWTH STRATEGY IMPLEMENTATION FRAMEWORK

6.2 REGIONAL CONTEXT STATEMENTS: PROVIDING FOR APPROPRIATE MUNICIPAL FLEXIBILITY

6.2.7 A municipality may include language in its Regional Context Statement that permits amendments to the municipality's Official Community Plan to adjust the boundaries of regional land use designations (or their equivalent Official Community Plan designation) within the Urban Containment Boundary, provided that:

a) the municipality may re-designate land from one regional land use designation to another regional land use designation, only if the aggregate area of all proximate sites so re-designated does not exceed one hectare;

- The Maple Ridge Official Community Plan hereby permits such amendments.

6.2.7 b) notwithstanding section 6.2.7(a), for sites that are three hectares or less, the municipality may re-designate land:

- **from Mixed Employment or Industrial to General Urban land use designation, if the site is located on the edge of an Industrial or Mixed Employment area and the developable portion of the site will be predominantly within 150 metres of an existing or approved rapid transit station on TransLink's Frequent Transit Network; or**
- **from Industrial to Mixed Employment land use designation if the developable portion of the site will be predominantly within 250 metres of an existing or approved rapid transit station on TransLink's Frequent Transit Network;**

provided that:

- **the re-designation does not impede direct rail, waterway, road or highway access for industrial uses; and**
- **the aggregate area of all proximate sites that area re-designated does not exceed three hectares;**
- **The Maple Ridge Official Community Plan hereby permits such amendments.**

6.2.7 c) the aggregate area of land affected by all re-designations under section 6.2.7(a) and (b) together cannot exceed two percent of the municipality's total lands within each applicable regional land use designation.

- **The Maple Ridge Official Community Plan hereby permits such amendments.**

6.2.8 A municipality may include language in its Regional Context Statement that permits amendments to the municipality's Official Community Plan to adjust the boundaries of the municipality's Urban Centres and Frequent Transit Development Areas, provided such boundary adjustments meet the guidelines set out in Table 3 (Guidelines for Urban Centres and Frequent Transit Development Areas) of the Regional Growth Strategy.

- **The Maple Ridge Official Community Plan hereby permits such amendments.**

6.2.9 Municipalities will notify Metro Vancouver of all adjustments, as permitted by sections 6.2.7 and 6.2.8, as soon as practicable after the municipality has adopted its Official Community Plan amendment bylaw.

- **The District of Maple Ridge will implement policy 6.2.9 of the Regional Growth Strategy.**

6.2.10 If a municipality includes language in its Regional Context Statement that permits amendments to the municipality's Official Community Plan to adjust the boundaries of regional land use designations within the Urban Containment Boundary or the boundaries of Urban Centres and Frequent Transit Development Areas, as permitted by sections 6.2.7 and 6.2.8 respectively, the prescribe adjustments do not require an amendment to the municipality's Regional Context Statement. All other adjustments to regional land use designation boundaries will require an amendment to the municipality's Regional Context Statement, which must be submitted to the Metro Vancouver Board for acceptance in accordance with the requirements of the Local Government Act.

- The Maple Ridge Official Community Plan hereby permits such amendments.





City of Maple Ridge

TO: Her Worship Mayor Nicole Read
and Members of Council
FROM: Chief Administrative Officer
SUBJECT: Agri-Food Hub: Maple Ridge Food Hub Implementation Plan Update

MEETING DATE: June 5, 2018
MEETING: Council Workshop

EXECUTIVE SUMMARY:

In 2016, Council directed that the exploration of the feasibility of an agri-food hub be a part of the Agricultural Advisory Committee workplan for 2017. A food hub is a centrally-located facility which aggregates, processes, and distributes agricultural products and would support the local farming community by potentially minimizing costs and other challenges faced by Maple Ridge farmers. In the summer of 2017, Upland Agricultural Consulting Ltd was engaged to affirm potential demand and to draft an Implementation Plan for a Food Hub in Maple Ridge. At the May 17, 2018 Agricultural Advisory Committee meeting, the Agricultural Advisory Committee endorsed the draft Maple Ridge Food Hub Implementation Plan and supported moving forward with a proposed public consultation process to engage stakeholders and the community.

This report updates Council on the work that has been completed to-date and seeks endorsement on a proposed consultation program to engage the community. Concurrently, the report identifies a similar Agricultural Advisory Committee-proposed engagement process related to backyard chickens.

RECOMMENDATIONS:

1. That the “Proposed Consultation Program” identified in the report titled “Agri-Food Hub: Maple Ridge Food Hub Implementation Plan Update”, dated June 5, 2018 be endorsed.

BACKGROUND:

a) Maple Ridge Context

The City of Maple Ridge has always had a strong agricultural sector. However, it also experiences unique challenges as many of the farms are under eight hectares (20 acres) and current farmers spend much of their time marketing and distributing, rather than farming. In addition, most farmland owners rely on primary income from other sources to offset land and home costs, making the time and effort required to market potential products another significant barrier. As well, because the farms are small, additional costs associated with processing and preserving facilities are difficult to justify, often resulting in the waste of unsold products and a limited season to market their products.

A food hub could support the local farming community by potentially minimizing costs and other challenges facing the City’s farmers. A food hub is a centrally-located facility which aggregates, processes, and distributes agricultural products linking local producers with wholesale or retail buyers.

Recent trends indicate that the demand for local products is high, with noted increases in sales at farmers markets, restaurants and local retailers. Anecdotally, diners are seeking local options at Maple Ridge restaurants, and customers are asking for local produce at grocery stores. Demand for locally-sourced products is continuing to grow and is not only being noticed within Maple Ridge and Greater Vancouver but across North America, indicating a broader consumer support base for the local food movement.

With the intent of strengthening the local farming community, the primary goal of the Maple Ridge Food Hub project is to develop an implementation plan for a shared facility that would help local farmers capitalize on the demand for local farm products, while also leading to a reduction in time and money by processing and distributing their respective products at one centralized location. Resources including staff and equipment would be shared to lessen and distribute the often challenging costs of bringing products to market among the group of local farmers.

b) Council Direction to Date

On October 17, 2016, Council directed the exploration of a food hub as part of the 2017 Agricultural Advisory Committee workplan through the following resolution:

That Option 2 identified in the report dated October 17, 2016 and titled “Agricultural Plan Facilitated Session – Next Steps” be selected as the basis for the Agricultural Advisory Committee actions in 2017, which includes:

- a) Preparation of Development Permit Area (DPA) guidelines to protect agricultural land;**
- b) Exploration of the feasibility of an agro-industrial (food hub); and**
- c) Evaluation of the remaining action items in Table 1 for Council consideration in the 2017 Business Planning process.**

Based on a past work program request, Council received information on approaches to accommodating backyard chickens in residential areas in other municipalities in the summer of 2017. On July 18, 2017, Council directed:

That staff in consultation with the Agricultural Advisory Committee develop a backyard chickens program to permit the keeping of chickens in residential areas as identified under the Process section of the report entitled “Backyard Chickens – Discussion Paper” dated July 18, 2017.

Through that Staff report, it was suggested that the backyard chicken program be presented to the community to assess the level of support for the program and following the community conversations, staff would prepare a follow-up report summarizing the consultation results and potential next steps for Council’s consideration.

c) Work Completed to Date

A Request for Proposals was issued in the spring of 2017 for consulting services to develop an implementation plan for the first phase of a food hub in Maple Ridge. With funding support from the Investment Agriculture Foundation of British Columbia, Upland Agricultural Consulting Ltd was selected and engaged in the summer of 2017 to develop an organizational framework, affirm potential supply and demand, and to determine if the food hub enterprise would have sufficient support within the community to be viable.

Over the following year, the consultant conducted research and stakeholder engagement to identify appropriate markets, review relevant regulations, determine workable governance options, as well as develop a draft implementation plan. At key project milestones, feedback

from members of the Agricultural Advisory Committee Food Distribution Subcommittee was submitted to the consultant via the Agricultural Advisory Committee Staff Liaison.

In addition, the consultant provided updates to the Agricultural Advisory Committee at large. A project update was presented on January 25, 2018 and an overview of the draft Implementation Plan on May 17, 2018. At the May 17, 2018 Agricultural Advisory Committee meeting, the Committee endorsed the draft Maple Ridge Implementation Plan (Appendix A) and supported moving forward with the proposed public consultation process to engage the community on this and other Agricultural Advisory Committee initiatives.

DISCUSSION:

Working with the Agricultural Advisory Committee throughout 2017 and 2018, Upland Agricultural Consulting Ltd. has engaged with local stakeholders to solicit input on the development of the Implementation Plan. It is now time to bring forward the draft Maple Ridge Food Hub Implementation Plan for further stakeholder review and for comment from the wider community.

a) Maple Ridge Food Hub Implementation Plan

The City of Maple Ridge has always had a strong agricultural sector, however food processing (e.g. aggregation, promotion and distribution) components of the food system are missing locally. The gaps in local food system infrastructure are a challenge for farmers as they must spend much of their time marketing and distributing rather than farming. As well, because the farms are small, additional costs associated with processing and preserving facilities are difficult to justify, often resulting in the waste of unsold products and a limited season to market their products. The City's Agricultural Plan identifies the need to explore the feasibility of agro-industrial infrastructure as a means to support local producers and pursue economic development opportunities locally.

A Maple Ridge Food Hub could benefit farmers by reducing the time they need to spend on promotion, marketing and sales. Most farmland owners rely on primary income from other sources to offset land and home costs, making the time and effort required to market potential products another significant barrier to increasing production. However, based on industry data, if fixed on-farm costs remain constant, a two-fold increase in product sales could result in an increase of 20 – 35% for a farm's direct return on sales.

The draft Maple Ridge Food Hub Implementation Plan (attached in Appendix A for information) provides recommendations and a framework for a five-year pilot program. The draft Plan builds on information gathered during earlier processes, including studies undertaken in partnership with the City of Pitt Meadows, and sets out to determine the feasibility of a food hub in Maple Ridge.

The draft Maple Ridge Food Hub Implementation Plan proposes a scalable business plan that would begin with approximately five farm members. Over the first five years, the Food Hub could grow to a much larger operation of up to over 35 farm members. The draft Plan proposes starting with hardy crops already grown in Maple Ridge, such as cucumbers, leafy greens, potatoes and garlic. The draft Plan identifies that there is room to expand to more perishable items, such as tomatoes, strawberries and blueberries, as the capacity of the Maple Ridge Food Hub grows.

The draft Maple Ridge Food Hub Implementation Plan also identifies opportunities to partner with local community members, such as the Haney Farmers Market and CEED Centre as well as farms from neighbouring communities, depending on consumer demands. Initially, the draft Plan

proposes individuals, families and existing local small & medium sized retailers as the customer base for the pilot project. However, it is anticipated that opportunities to support larger restaurants and/or local institutions (e.g. hospitals and schools) may become available in the future as the Maple Ridge Food Hub grows and in recognition of senior levels of government supporting local farmers with the Grow / Buy / Feed BC program.

For the first five years, the draft Plan proposes a virtual set-up that would utilize existing storage space on a farm member's farm. Initially, food hub orders will be picked-up by the customer; however delivery services may be available for a small additional fee. The draft Plan suggests that pick-up sites should be centrally located and easily accessible for both farmer drop-off and customer pick-up.

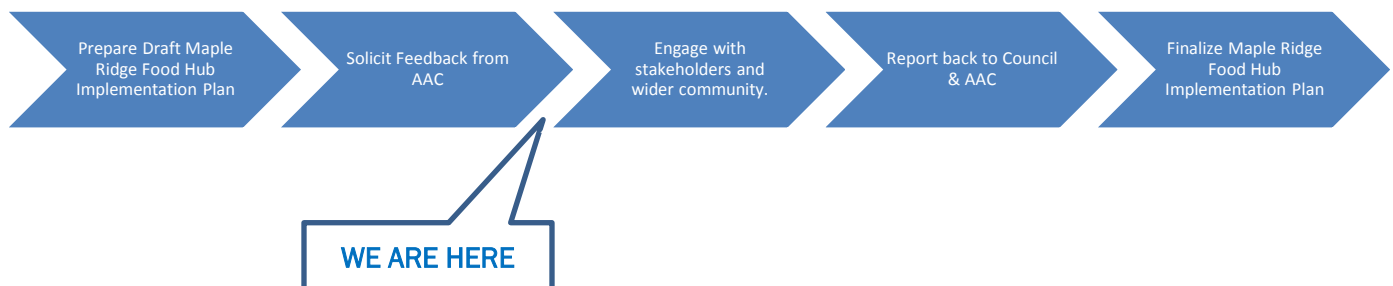
Based on the projected financials, a stand-alone bricks and mortar location will not be feasible during this timeframe. The draft Plan states that a bricks and motor location should only be considered within the five year pilot project should a site and all associated overhead costs (e.g. utilities, rent, fees & taxes) be donated. However, the draft Plan does not account for such a donation. Therefore, should a sizeable donation or subsidy be offered to the Maple Ridge Food Hub, the financial feasibility and impact assessment would need to be independently reviewed at that time. The draft Plan does identify that the bricks and mortar location, criteria and feasibility should be re-assessed following the successful completion of the five year pilot project.

The draft Plan proposes to employ up to three staff members over the first five years. The first hire, the Hub Manager, would oversee product aggregation, order coordination, delivery services as well as marketing and promotional services, which may complement local agri-tourism initiatives. The draft Plan notes that hiring an effective Hub Manager is a critical first step for the Maple Ridge Food Hub and that without the right Hub Manager, it will be more challenging to achieve the identified targets.

It is anticipated that the Maple Ridge Food Hub will require \$50,000 in start-up funding for the five year pilot project. This could come from a mix of loans, grants and in-kind support. Based on the projected financials, the Maple Ridge Food Hub could be solvent by Year 3 of the Pilot Project using a brokerage fee model assuming an increase in farm and customer growth year over year.

b) Proposed Public Consultation Program

The next phase of the Maple Ridge Food Hub project workplan is to discuss the proposed Implementation Plan with the stakeholders and community to solicit feedback, determine levels of community support, fine-tune the proposed Plan (if required) as well as to promote the plan to the wider farming community and potential customer base.



The consultation process proposed for Council endorsement includes:

- Outreach to local stakeholders such as agricultural producers and community groups that have an interest in local agriculture to solicit feedback and buy-in to the proposed Plan.
- Attending the Backyard Farming section of the Maple Ridge/Pitt Meadows Agricultural Association's Country Fest, held July 28 & 29 2018 at the Albion Fair Grounds, to raise public awareness and generate consumer interest in the Food Hub.
- Hosting a booth at the Haney Farmers Market on at least one weekend of the month in July and August.
- A questionnaire to obtain feedback on the draft Maple Ridge Food Hub Implementation Plan. The questionnaire will be available on the City's website and social media platforms, as well as paper copies at outreach events.
- Process and event updates for interested producers and residents (opt-in required) from the new agriculture@mapleridge.ca email address.

Where possible, stakeholder engagement and community consultation regarding the draft Maple Ridge Food Hub Implementation Plan will take place in conjunction with other on-going Agricultural Advisory Committee projects including the 2018 Food Garden Contest and community conversations on the keeping of backyard hens.

Regarding this latter initiative, in addition to working on the Maple Ridge Food Hub project, members of the Agricultural Advisory Committee have been exploring the keeping of backyard hens in residential areas in Maple Ridge. In July 2017, Council received a Staff report that set out background, contextual information and possible regulatory areas of focus for keeping backyard hens. Council directed this work be added to the Agricultural Advisory Committee workplan for 2018 and, throughout 2018, the Agricultural Advisory Committee Backyard Chicken Subcommittee has been working with Planning Staff to develop a backyard hen program that aligns with the themes that emerged from the background review.

Consistent with the direction given by Council in July 2017, information regarding the keeping of backyard hens will be available at the Backyard Farming section of Country Fest (July 28 & 29) and on select Saturday's at the Haney Farmers Market in July and August. These events will be complemented by a questionnaire (available online and on paper) to obtain community feedback and comments on the keeping of backyard hens.

Following the summertime stakeholder and community engagement activities, Council will receive a summary of the feedback on the draft Maple Ridge Food Hub Implementation Plan and on the review of the keeping of backyard hens. The draft Maple Ridge Food Hub Implementation Plan will then be finalized and brought before Council as well as possible policy and regulatory options related to backyard hens.

AGRICULTURAL ADVISORY COMMITTEE:

Working to implement one of the Maple Ridge Agricultural Plan's visions towards encouraging sustainable farming opportunities that engages with local residents, attracts new entrants, and takes profitable advantage of local marketing opportunities, the Agricultural Advisory Committee has been a strong proponent of exploring the feasibility of a food hub for Maple Ridge farmers. Early on, the Agricultural Advisory Committee set up a Food Distribution Subcommittee which oversaw and guided the development of the draft Maple Ridge Food Hub Implementation Plan.

At key project milestones, the project consultant met with members of the Agricultural Advisory Committee Food Distribution Subcommittee for direction and feedback. At the January 25, 2018 Agricultural Advisory Committee, the consultant provided an overview of the work done to date, including project background, methodology, situational analysis and proposed product mix and target sectors for Food Hub sales to the Agricultural Advisory Committee at large. At this meeting, members of the Agricultural Advisory Committee provided feedback to the consultant which was then incorporated into the next phase of work.

At the May 17, 2018 Agricultural Advisory Committee meeting, the draft Maple Ridge Food Hub Implementation Plan was presented to the Agricultural Advisory Committee and attending members of the public. The Agricultural Advisory Committee supported the direction of the proposed Plan and endorsed the draft Maple Ridge Implementation Plan (Appendix A) at that meeting. The Agricultural Advisory Committee also supported moving forward with a proposed public consultation process to engage stakeholders and the community on this and other Agricultural Advisory Committee initiatives.

The Agricultural Advisory Committee also wishes to acknowledge the support of the City of Maple Ridge and Investment Agriculture Foundation of British Columbia in the development of the Maple Ridge Food Hub Implementation Plan.

CONCLUSION:

Recently, the concept of an 'Agri-Food Hub' has garnered a great deal of interest locally by the Agricultural Advisory Committee as well as our local community. With the intent of strengthening the local farming community, the primary goal of Maple Ridge Food Hub project is to develop an implementation plan for a shared facility that would help local farmers save time and money by processing and distributing their respective products at one centralized location. This report provides an update to Council on the work that has been completed to-date regarding the Maple Ridge Food Hub Implementation Plan and seeks endorsement on a proposed consultation program on this and other Agricultural Advisory Committee initiatives.

"Original signed by Amanda Grochowich"

Prepared by: Amanda Grochowich, MCIP, RPP
Planner I

"Original signed by Christine Carter"

Approved by: Christine Carter, MPL, MCIP, RPP
Director of Planning

"Original signed by Frank Quinn"

Approved by: Frank Quinn, MBA, P. Eng.
GM: Public Works & Development Services

"Original signed by Kelly Swift" for

Approved by: Paul Gill, CPA, CGA
Chief Administrative Officer

Appendix A – Draft Maple Ridge Food Hub Implementation Plan Report

Maple Ridge Food Hub Implementation Plan



(Page intentionally left blank)

DRAFT

Acknowledgements

This report was developed by Upland Agricultural Consulting in partnership with Farm|Food|Drink and AEL Agroecological Consulting. Additional research assistance was provided by K. Bonner.

Invaluable input was provided by City of Maple Ridge staff and the City's Agricultural Advisory Committee's Food Hub Subcommittee.

A number of stakeholders and experts were consulted throughout the course of this project, and we sincerely thank them for the time and resources that they were able to contribute. A complete listing of stakeholders is listed in Appendix I.

Cover photo credit: [Roaring Fork Lifestyle](#)

Table of Contents

Acknowledgements.....	iii
Table of Contents.....	iv
Table of Tables	vi
Acronyms	vii
Executive Summary.....	viii
1. Introduction	1
2. Operations	1
2.1 Food Hub Governance	2
2.2 Food Hub Staffing	2
2.3 Food Hub Partnerships.....	3
2.3.1 CEED Centre	3
2.3.2 Haney Farmers Market Society.....	4
2.4 Food Hub Customers.....	4
2.4.1 Expected Value of Weekly Orders	5
2.5 Food Hub Members and Product Mix.....	5
2.6 Food Hub Ordering Logistics.....	7
2.6.1 Email Listserv.....	7
2.6.2 Online Software Platform for Individual Customers.....	8
2.6.3 Retail Customer Ordering	8
2.7 Food Hub Order Aggregation and Distribution.....	8
2.7.1 Maple Ridge Food Hub Site Location Criteria	9
2.7.2 Other Site Location Considerations	10
2.8 Food Hub Promotion.....	10
2.8.1 Name and Logo	11
2.8.2 Food Hub Website	11
2.8.3 Social Media	11

2.8.4 Public Relations, News Releases, and Print Media	11
3. Financial Considerations	12
3.1 Start-up Funding	12
3.2 Product Pricing	13
3.3 Communicating the Hub's Advantages	13
4. Financial Projections	14
4.1 Brokerage Fee Rationale	14
4.1.1 Anticipated Suppliers and Sales	16
4.2 Income and Expense Projections	17
4.2.1 Variable Expenses	17
4.2.2 Other Fixed Expenses	17
4.3 Cash Flow Projection	20
5. Ratios	21
6. Risk and Sensitivity Analysis	22
6.1 Risk Scenario 1: Lack of Start-up Capital	22
6.2 Risk Scenario 2: Product Sales Level Adjustments	23
6.3 Sensitivity Analysis for Variable and Fixed Expenses in Year 1 and Year 3	23
7. Balance Sheet Summary	25
8. Breakeven Analysis	25
9. Conclusions	26
Appendix I	I
Appendix II	II

Table of Tables

Table i. Summary of key features of the implementation plan over a five year pilot project period	ix
Table 1. Staffing requirements over the five year pilot project.	3
Table 2. Anticipated suppliers, sales, and brokerage fees for the Maple Ridge Food Hub during Years 1 - 5.	17
Table 3. Breakdown of staffing wages over Years 1 - 5.	18
Table 4. Anticipated Income and Expenses Years 1 - 5.	19
Table 5. Anticipated cash flow for the Maple Ridge Food Hub pilot project from Year 1 to Year 5.	20
Table 6. Operating loan and debt repayments for the Maple Ridge Food Hub pilot project from Year 1 to Year 5.	20
Table 7. Anticipated liabilities and equity for the Maple Ridge Food Hub pilot project from Year 1 to Year 5.	21
Table 8. Anticipated financial ratios for the Maple Ridge Food Hub pilot project from Year 1 to Year 5.	21
Table 9. Risk analysis scenario with \$50,000 vs. \$5,000 of startup capital in Year 1.	22
Table 10. Change in brokerage fees and associated net income during Year 1 and Year 5.	23
Table 11. Sensitivity analysis for Year 1 – Variable Expenses.	23
Table 12. Sensitivity Analysis for Year 1 – Fixed Expenses	24
Table 13. Sensitivity analysis for Year 3.	24
Table 14. Summary balance sheet for the MRFH Year 1 through Year 5.	25
Table 15. Breakeven analysis for Year 1 through Year 5.	25

Acronyms

ALC	Agricultural Land Commission
ALR	Agricultural Land Reserve
CEED Centre	Community Education on Environment and Development Centre
DSCR	Debt Service Coverage Ratio
FTE	Full Time Equivalent
HFMS	Haney Farmers Market Society
LFM	Local Food Marketplace
MRFH	Maple Ridge Food Hub

DRAFT

Executive Summary

The *Maple Ridge Food Hub Implementation Plan* (the ‘Plan’) provides recommendations regarding a five-year pilot program for hub operations and presents an associated set of financial projections. The Plan supports the *Maple Ridge Agricultural Plan* by exploring the feasibility of a shared agricultural infrastructure strategy. The Plan builds upon the Maple Ridge Food Hub *Situational Analysis* and *Market Identification Report* to include a robust and scalable strategy for the food hub framework. The primary goal of the Plan is to assist local farmers in saving time and money by selling their products collectively. Resources, including staff and equipment, would be shared to minimize overhead and operational costs.

The Maple Ridge Food Hub (MRFH) will be based on a broker fee model, whereby farmer members each set their own prices for their products and the hub then retains a 25% fee for the services provided. These services, overseen by a hub manager, include product aggregation, order coordination, delivery, and promotion. The financial projections have been built with growth in mind over a five year pilot program period.

The first two years represent the launch of the pilot program and therefore only a handful of suppliers (farmer members) are expected to join during this initial period. Approximately 60 weekly orders averaging \$35 per week, over a nine month period, are targeted during the first year. An infusion of \$50,000 of external funds will be required to get the hub up and running and an additional infusion of \$15,000 of capital will be required during Year 2. These funds can be brought in as loans, grants, or a combination thereof.

Once the initial proof of concept is demonstrated more members are likely to participate in the hub. By Year 3 the hub is expected to be solvent, with steady growth in membership, customers, and brokerage fees. By the final year of the pilot project (Year 5) the hub is expected to be fully self-sustaining with three staff members, 35 farmer members, and a dedicated delivery truck. However, the financial projections indicate that a bricks & mortar facility will not be affordable during the initial five year pilot project. Rather, the financial model allows for compensation for a farmer member who will provide space and cold storage for the other suppliers to use as a centralized aggregation point.

This report provides a detailed explanation of the assumptions and recommendations that are demonstrated in the financial projections, which has been developed in a conservative manner. The financial plan includes a cash flow projection and risk and sensitivity analysis. Table (i) on the following page summarizes the main features of the proposed plan over the MRFH’s five year pilot program.

Table (i). Summary of key features of the Maple Ridge Food Hub Implementation Plan over a five year pilot project period.

Stage of Growth	Governance Type	Target Farm Members	Target Weekly Customers ¹	Coordination of Orders	Staffing	Aggregation Point	Distribution Methods	Infrastructure	Partnership Roles
Up and running Years 1-2	Non-profit co-operative	5 to 15	50 to 215	Email listserv Online software platform In-person	Hub manager	Farm with cold storage	Customers will pick up most orders	Cold storage	Assistance with promotion Order pick-up locations
Steady growth Years 3-4	Non-profit co-operative	20 to 30	350 to 640	Online software platform In-person	Hub manager Hub assistant	Farm with cold storage	Customers will pick up most orders Deliveries for additional fee	Cold storage Freezer Food dehydrator	Assistance with promotion Order pick-up locations
Independence Years 5 and later	For-profit co-operative after Year 5	At least 35	At least 800	Online software platform In-person	Hub manager Hub assistant Hub promoter	Farm with cold storage Consider shared space with a partner after Year 5	Customers will pick up most orders Deliveries for additional fee Dedicated pick-up truck or van	Cold storage Freezer Food dehydrator FoodSafe kitchen after Year 5	Assistance with promotion Order pick-up locations Possible co-location of rented or leased space after Year 5

¹ Assumes customers will place average weekly orders of \$35 over 9 months (40 weeks).

1. Introduction

The *Maple Ridge Food Hub Implementation Plan* (the 'Plan') supports Goal 7 of the *Maple Ridge Agricultural Plan* to "Develop Local Food System Infrastructure Capacity" by acting on the associated recommendation to "work with producers and local entrepreneurs to explore the feasibility of an agro-industrial infrastructure strategy that could include: shared industrial spaces; branding; small scale processing facilities; community kitchens; and mobile slaughter facilities."

With the intent of strengthening the local farming community, the primary goal of the Maple Ridge Food Hub implementation plan is to therefore develop a shared organizational structure that would help local farmers save time and money by aggregating, storing, packing, processing, distributing, and marketing their respective products together. Resources, including staff and equipment, would be shared to minimize overhead and operational costs. This Plan provides recommendations regarding a five-year pilot program for hub operations and presents a business case to get the first steps underway. It builds upon the Maple Ridge Food Hub *Situational Analysis* and *Market Identification Report* to include a robust and scalable strategy for the food hub framework.

2. Operations

A successful food hub is versatile and flexible, able to change course to meet and align with changes in the marketplace from season to season and year to year. This versatility must be anchored within a solid operations plan and be tied to a feasible and realistic financial plan.

The operations plan developed for the Maple Ridge Food Hub (MRFH) considers the following elements in order to ensure that the hub is functional and successful from the moment it opens:

- Governance: under what business model will the hub operate?
- Staffing: what are the basic needs for managing the food hub and how might those needs shift along with changes in profitability?
- Partnerships: what kinds of partners would benefit from aligning with the food hub, and vice versa?
- Members: what types of producers can be expected to join the organization to sell products through the food hub? What products will members of the food hub be able to offer to customers?
- Customers: what are the primary and secondary target customers and how much can they be expected to spend per order?
- Orders and deliveries: how will the orders be placed and how will the deliveries be coordinated?
- Marketing and Promotion: how will the hub be advertised and how will farm members benefit from this promotion?

The operations section of this plan addresses these questions so that the implementation of the food hub can be undertaken right away. The recommendations presented in the operations portion of the plan will likely require adjustments over the life of the food hub and should be revisited from time to time, particularly if targets within the associated business plan are either not being met or are being

exceeded, and most importantly at the end of the five year pilot program, before additional investments are made.

2.1 Food Hub Governance

A key first step in the development of the MRFH will be to establish the organization itself. It is recommended that the food hub commence as a not-for-profit co-operative that will eventually evolve into a for-profit co-operative. This approach has worked well for other food hubs². In order for this to occur a local champion will need to step forward to get these first steps underway. This champion will assist in completing the co-operative's organizational paperwork and establishing a volunteer Board of Directors, who will set the direction of the hub's policies and manage staff. This local champion may or may not end up participating as a farmer, Board member, or working for the MRFH as a staff (e.g. manager) but they will be instrumental in ensuring that these crucial first steps are completed. In addition to the local champion, volunteer farmer members will be required. Since the food hub would start out as a not-for-profit co-op, farmer members must be willing to volunteer some of their time to help the organization in order for it to become successful. Under this governance model, all profits are returned to the MRFH for re-investment into infrastructure and equipment.

2.2 Food Hub Staffing

The most important ingredient in operating a successful food hub will be to hire the best possible food hub manager from day one. Without the right manager, it will be more challenging to achieve the targets for farm membership, brokerage fees, and overall financial success during the pilot project phase. Simply put, finding the right manager is the most critical first step.

The food hub manager will need to bring a combination of skills to the role, including agricultural production, processing, business management, marketing, and communications. Long hours and hard work will be required during peak summer months. Farming can be unpredictable, and therefore the manager will need to be flexible enough to accommodate fluctuations in effort requirements. A manager who knows the local farming community, and who has previous relationships with both producers and buyers may be preferred, in order to jump-start the level of trust required to ensure that the hub succeeds. However, business skills and project management abilities are of primary importance.

While three staff positions are recommended, only one is expected to be employed during the first three years. Once the MRFH is financially solvent (by end of Year 3), hiring a second employee as an assistant to the manager will become feasible. By the end of the pilot project (Year 5) the financial model predicts that a third, albeit part-time, employee could be hired to focus on the ongoing promotion of the hub. If, for whatever reason, the target revenues are not being met over the course of the pilot project, then these recommendations should be reviewed and reassessed. For instance, if the hub is solvent before Year 3, it is possible that an assistant could be hired by Year 2. If the hub takes longer to generate revenues then the hiring of an assistant and/or promoter could be delayed.

A summary of the recommended positions are presented in Table 1.

² For example: the Cowichan Cow-Op, Sechelt Farm Collective, and Merville Organics have followed this route (either formally or informally).

Table 1. Staffing requirements over the five year pilot project.

Job Title	Role	Level of Employment Effort	Contract Amount ³
Food hub manager	Manage all day to day operations. The position would include general organizational management, supplier relations, order coordination, developing relationships with potential funders, and overseeing and managing the food hub's budget.	0.75 FTE ⁴ during years 1, 2, and 3 1.00 FTE year 4 and year 5 (includes a raise)	Year 1: \$32,500 Year 2: \$32,500 Year 3: \$37,500 Year 4: \$37,500 Year 5: \$45,000
Food hub assistant	Assist with the coordination of customer orders, deliveries, and invoicing.	This position would begin in year 4, once the food hub becomes solvent. 0.75 FTE in year 4 1.00 FTE in year 5 and beyond.	Year 1: \$0 Year 2: \$0 Year 3: \$0 Year 4: \$25,000 Year 5: \$33,000
Food hub promoter	Coordinate and run all social media accounts, advertising campaigns, and general media and communications.	0.50 FTE beginning in year 5.	Year 1: \$0 Year 2: \$0 Year 3: \$0 Year 4: \$0 Year 5: \$22,000

2.3 Food Hub Partnerships

A number of Maple Ridge-based organizations may provide partnership possibilities for the food hub. The Community Education on Environment and Development (CEED) Centre and the Haney Farmers Market Society (HFMS) are described here, however others may exist and may naturally emerge as the food hub gets underway. A mutually beneficial relationship is expected to emerge between the MRFH and its partners, whereby cross-promotion is anticipated. Customers of the Haney Farmers Market may also become customers of the MRFH and vice versa. One option could include purchasing food through the MRFH and potentially picking up orders at the CEED Centre or the HFM. Additional examples are provided below.

2.3.1 CEED Centre

The Community Education on Environment and Development (CEED) Centre serves the communities of Maple Ridge and Pitt Meadows. Over the years, the organization has explored the feasibility of a local food hub and continues to be active in programming regarding community gardens, school gardens, and organic farming. The history and skills of the CEED Centre provide a natural partnership potential for the MRFH. This may include using the CEED Centre as a possible order pick-up location, combining efforts around advertising and workshops, or inviting CEED Centre staff and/or directors to join the food hub Board of Directors.

³ The positions could be awarded through salaries or consulting fees.

⁴ FTE = full time equivalent position or 37.5 hour work week. Therefore a 0.50 FTE is equivalent to a 18.75 hour work week and 0.75 FTE is equivalent to a 28.125 hour work week.

2.3.2 Haney Farmers Market Society

The HFMS aims to provide the public with direct access to food producers, stimulate and support the local economy, provide opportunities to inform and entertain and to support and strongly encourage environmental sustainability. These goals align well with the MRFH and the HFMS would be a natural partner. However, the scope and intent of that partnership will require further discussion as the food hub gets underway and grows. The vendors who sell at the HFM may also be interested in selling a portion of their produce through the food hub. The market location may provide an easy and accessible order pick-up location during the months that it is in operation. Furthermore, members of the HFMS may be interested in becoming Board Members of the food hub once the hub formally becomes a co-operative organization. The food hub manager may wish to align with the HFMS to help plan the product mix, consider sharing staff resource costs, branding, and marketing.

2.4 Food Hub Customers

In order to ensure that the pilot program is a success, both in terms of revenues and marketing, the consumer sectors will need to be properly identified so that the amount of targeted sales, and associated broker fees, are met. The overall approach towards growing a customer base at the start of the hub's establishment must also be based upon a modest level of effort expended, as all of the MRFH's operations will be managed by a single staff member during the first two years. The *Market Identification Report*, produced during the initial stages of this project, provides a detailed summary of the potential demand for local and organic produce. The recommendations provided here are based on that report and on discussions with the AAC Food Hub Subcommittee and City staff.

Typical MRFH customers are expected to be single females and those buying food for households with young children. This expected demographic is based on anecdotal evidence⁵, and is also backed up by spending trends noted by the Canadian Organic Trade Association in their 2012 report on the BC organic market sector⁶. In order to bolster the value of sales, the MRFH is also expected to solicit larger orders from medium-scale retailers in the region (e.g. Bruce's, Hopcott's). Based on these discussions and on the initial market research findings compiled to date, the recommended focus should be directed to the following target sector sales:

Pilot project target sectors:

- Individuals and families (similar to a CSA).
- Existing small and medium sized retailers.

Longer term target sectors:

- Institutions, restaurants.

⁵ Sechelt Farm Collective and Cowichan Co-op, personal communication (2018).

⁶ The BC Organic Market: Growth, Trends & Opportunities, 2013. S. MacKinnon. Canadian Organic Trade Association.
<https://www.certifiedorganic.bc.ca/docs/BC%20Organic%20Market%20Report%202013.pdf>

2.4.1 Expected Value of Weekly Orders

A 2016 report⁷ by the B.C. Provincial Health Services Agency found that the average monthly cost of a nutritious food basket for a family of four in BC was \$974 (or approximately \$244 per week). According to Statistics Canada, the actual food expenditures by the average BC household is \$9,139 per year (or an estimated \$175 per week)⁸. A 2012 report by the BC Farmers Market Association indicated that visitors to the Haney Farmers Market spend on average \$25-\$30 per visit, and numbers collected by the HFMS suggest this value may be higher⁹. In addition, a farm retail collective on the Sunshine Coast reports average customer sales in excess of \$40 per order, and the Cowichan Co-op reports an average of \$50-\$60 per weekly order per customer¹⁰.

How many customers does the food hub need to reach \$75,000 of total sales in its first year?

60 customers spending \$35 a week over 36 weeks (about 9 months) would amount to \$75,600 in sales.

The MRFH financial models are built on the assumption that annual target sales of \$75,000¹¹ will be met in Year 1, rising to over \$1 million per year by Year 5. In order to reach these targets, there will need to be at least 60 customers spending an average of \$35 a week Year 1 (see call-out box, above), rising to over 800 customers by Year 5.

An example of a typical weekly order, totaling \$38, is provided in the call-out box within section 2.5.

2.5 Food Hub Members and Product Mix

While the *Market Identification Report* pointed to the ability of both local and organic products to receive higher price points in the marketplace, it is recognized that only a small base of farms within the Maple Ridge community (approximately 10) are using practices that are certified organic. In order to ensure that the food hub has a wide enough membership to succeed, it is recommended that membership not be strictly limited to organic farms, although organic products will be welcomed. It is expected that price points between the organic and non-organic products will differ accordingly. At the end of the five year pilot program (or sooner if the demand and supply warrant) the possibility of an organic product stream could be considered.

Since a goal of the food hub is to strengthen the local farm community and to encourage new farms to enter into and increase production, it is recommended that membership target small and medium-scale farms, as these operations are most likely to struggle with market entrance and expansion. If these small and medium-scale operators can be showcased as achieving success through the hub it may encourage others to farm land that is currently unproductive or underproductive.

If the hub is challenged with membership early on it could widen the scope of possible members to producers in communities such as Pitt Meadows, Mission, and across the Fraser River into Langley and other neighboring communities. By the end of the five year pilot project the MRFH membership should

⁷ Provincial Health Services Agency, 2016. Food Costing in BC 2015. <http://www.phsa.ca/population-public-health-site/Documents/2015%20Food%20Costing%20in%20BC%20-%20FINAL.pdf>

⁸ Statistics Canada, 2016. Average household food expenditure, by province (British Columbia). <http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/famil132k-eng.htm>

⁹ Economic and Social Benefits Assessment: Final Report. 2012. Haney Farmers Market. BC Association of Farmers Markets.

¹⁰ Sechelt Farm Collective and Cowichan Co-op, personal communication (2018).

¹¹ As a point of reference, the Haney Farmers Market Society reports annual sales of over \$400,000/year or approximately \$15,000/week.

be reviewed to ensure that the membership criteria (location of farm members, farm size, and product offerings) are meeting the hub's needs.

In discussions conducted with representatives from local retailers, local food distributors, and local restaurants for the *Market Identification Report*, the general consensus is that most local fruits and vegetables sell well, although there may be challenges in selling any products that are new, or unfamiliar, with the general public. Products such as berries, salad greens, root crops, and greenhouse vegetables easily sell. Organic produce, in particular, is in growing demand, but is not necessarily a requirement for sale. This reinforces the opportunity for the MRFH to provide a complement of organic product sales, while leaving the membership open to non-organic producers. Hub membership and corresponding product demand will therefore naturally affect the mix of products that are made available.

While meeting demand is an important factor, during the initial stages it will also be important to offer products that producers have consistently available¹². What farmers are already producing will directly influence the product mix during the first few years, after which the product mix will naturally become more market driven and guide production decision-making amongst suppliers. This speaks to the importance of crop planning based, in part, on sales generated during the previous season.

It is therefore recommended that the MRFH begin with a focus on a few key products that are both in demand and that can be supplied consistently and at a high level of quality from local producers. It may be prudent to focus on vegetables, in particular hardy crops, cucumbers, leafy greens, and possibly blueberries during the first year or two, with tomatoes, strawberries, raspberries, sweet peppers and other more perishable items added only when adequate storage and delivery systems are in place.

While the primary goal at the start of the MRFH is to create capacity by attracting existing farmers to the hub, the secondary goal will be to encourage new and emerging farmers to participate. While cranberries, nursery plants, dairy, poultry, eggs, and meat products are also produced locally, these products tend to be produced through larger-scale operations and/or must adhere to specific food safety and food quality regulations (i.e. egg grading) and are therefore not further considered for the purposes of launching the food hub. However, they may be options that can be made available after the pilot project is completed (i.e. after Year 5). It should be noted that the food hub manager will need to pay close attention to regulations affecting the aggregation, sales, and processing of food products within BC, and if these regulations shift then the product mix of the MRFH may need to change accordingly.

Example of a weekly food hub order for a couple or a small family:

Bunch of kale:	\$4.00
Salad green mix:	\$4.00
Potatoes (1 kg):	\$4.50
Organic carrots:	\$4.00
Three garlic bulbs:	\$3.50
Four small onions:	\$3.00
Organic cabbage:	\$4.50
Broccoli head:	\$3.50
3 small cucumbers:	\$3.00
Pint of blueberries:	\$4.00
Total:	\$38.00

Note: prices are provided as examples only and may not illustrate exact final price points.

An example of a typical weekly food hub order that could satisfy the needs of a couple or a small family is presented in the call-out box, above.

¹² Interviews with the Tofino Ucluelet Culinary Guild and other co-operative suppliers indicated that the initial farmer members and what they are already producing will drive the product mix during the start of the food hub.

Product mix recommendations are therefore as follows:

- Years 1 and 2: a mix of vegetables, including leafy greens, cucumbers, and root crops. The seasonal addition of blueberries is possible, particularly if cold storage is available. Vegetable examples include yams, potatoes, parsnips, garlic, onions, beets, carrots, rutabagas, turnips, radishes, broccoli, brussels sprouts, cabbage, cauliflower, and squash.
- Years 3 and beyond: add a wider selection of vegetables and berries. Examples include celery, tomatoes, sweet peppers, and raspberries, strawberries.

2.6 Food Hub Ordering Logistics

It is expected that the MRFH will need to use a variety of ordering methods so that a wide range of customers will be attracted to the hub. There are several tried-and-tested methods, including email listserves, online ordering platforms (in conjunction with a website), and phone call or face-to-face order placements. All of these methods are associated with varying degrees of effort. They are each recommended for the MRFH and are described below.

2.6.1 Email Listserv

During Year 1, the MRFH is expected to consist of a relatively small number of farm suppliers (up to 15) and less than 100 customers. At that scale, it will be efficient to start the ordering process with an email-based listserv, such as MailChimp¹³. MRFH staff will be able to customize the email using a fresh sheet approach, highlighting the availability of products on a weekly basis. The listserv can also direct customers to the MRFH website, which will be the main platform for the eventual online ordering software (see Appendix II for more details). The software will be purchased in Year 1 but may take time to be established, therefore the email listserv can provide a good additional layer for ordering starting immediately.

How it Works: Email listserv¹⁴

1. Farmers send in a list of type, quantity, and price of products to MRFH staff.
2. Hub staff sends out weekly fresh sheet lists and associated pricing through the listserv with list of products to customers (e.g. individuals and/or retail buyers)
3. Customer orders are returned to MRFH staff at a weekly deadline.
4. Follow-up/confirmation of order is made to ensure order accuracy and confirm order payment.

For example, producers send in their product availability and pricing lists to MRFH staff on Mondays, an email can then be sent out by MRFH staff on Tuesday by noon to all potential customers. Orders are returned via email to MRFH staff by Wednesday at 5pm, and are ready for pick-up or delivery on Thursday afternoons. The cycle repeats weekly (days can be adjusted as needed to suit the needs of the suppliers).

¹³ The Sechelt Farm Collective operates at a similar scale and uses MailChimp for all of its listserv-based orders.

¹⁴ Saanich Organics, a small-scale (3-7 farmers) business, uses this method and has a customized excel spreadsheet to manage orders and inventory.

2.6.2 Online Software Platform for Individual Customers

Online software provides pricing flexibility for farmers (each farmer will be able to set their own price for each of their products). As orders are made the information is delivered to farm operators regarding the specific products and volumes that the orders require. This would also allow for price differentiation between organic and non-organic products.

Individual and commercial customers order through an online interface where all the suppliers' products are listed in one place. MRFH staff would manage the software interface.

It is recommended that the MRFH investigate software platform options and choose the model that best fits the needs and budget of the hub. The following two software platforms are used by other hubs and farm collectives:

Local Food Marketplace¹⁵

The Local Food Marketplace (LFM) platform offers flexibility and scalability, including individualized design to meet website branding and layout needs. It also allows for mobile app usage, e-commerce options, and distribution routes based on orders placed. The price is approximately \$1,500 to have the software setup, and a \$230/month fee thereafter.

Local Orbit¹⁶

Local Orbit offers a similar interface to LFM, with the ability to provide farmer profiles and stories alongside products, advanced pricing options, inventory management, and more. The pricing is similar, although there is no setup fee, the monthly rates for a package that would be useful for the Maple Ridge food hub would be approximately \$450 per month.

2.6.3 Retail Customer Ordering

FarmFolk/CityFolk¹⁷ research shows that to gain commercial customers (e.g. retailers, restaurants) suppliers must be able to develop a relationship with produce managers by being able to contact the businesses directly. This typically involves either direct calls or visits. MRFH staff would be expected to meet the produce manager at their work place with samples and product information such as pricing, farm source, and availability. Depending on the retailer, there may be an opportunity to sell MRFH products in higher quantities if supply of certain products is high, or develop a standing order for specific products over the course of the season. It may be expected that the MRFH offer discounted pricing compared to the pricing being offered to individual customers, as the retailer will also need to include their margin within their final sales. Retailers will also expect the order to be delivered at a pre-arranged schedule.

2.7 Food Hub Order Aggregation and Distribution

Once orders are placed, operators will then be required to bring their products to a central aggregation point. During Years 1 to 4 of the pilot project this will ideally be located at a members' farm, with access to cold storage. As the membership and customer base grows, and if the financial targets are being met,

¹⁵ Local Food Marketplace: <http://home.localfoodmarketplace.com/>

¹⁶ Local Orbit: <https://localorbit.com/>

¹⁷ FarmFolk CityFolk Food Hub Report 5: [http://www.farmfolkcityfolk.ca/PDFs & Docs/Distribution%20Research%20Reports/Report%205_Buyers%20Needs%20from%20a%20Small_Medium%20Farm%20Product%20Distribution%20Service.pdf](http://www.farmfolkcityfolk.ca/PDFs_%20Docs/Distribution%20Research%20Reports/Report%205_Buyers%20Needs%20from%20a%20Small_Medium%20Farm%20Product%20Distribution%20Service.pdf)

the hub would be able to plan to move into a physical location (bricks & mortar) once the pilot program is completed. However, based on the financial projections, a bricks & mortar location does not appear to be feasible during the initial five years, unless the space and all overhead costs (e.g. hydro) are donated. The bricks & mortar option is therefore a longer term goal outside the scope of this initial five year pilot project. The financial margins for the food hub will be very slim until the average broker fees cover all expenses. For instance, a dedicated MRFH pick-up truck is not a viable purchase until Year 5.

Therefore, the focus of the operations plan is on the majority of orders being distributed through customer pick-up. Pick-up sites could include the main order aggregation site (likely a member's farm); other members' farms, the Haney Farmers Market; the CEED Centre; or a local or regional retailer such as Hopcott Meats or Bruce's Country Market. Until such a time that a dedicated pick-up truck is purchased (expected in Year 5), the MRFH will need to borrow a truck on a weekly basis to ensure that the orders are dropped off at the pick-up locations. As one or two local retailers are also likely to form part of the customer base, delivery will be required for these larger orders. In Year 5, a dedicated vehicle would replace the borrowed truck, and the MRFH would then be able to make frequent smaller deliveries to residential areas, thereby increasing the customer base. Delivery costs could be offset by a small additional fee-for-service for smaller orders (e.g. \$2 to \$5 per delivery), in addition to offering pick-up available at pre-arranged dates, locations, and times.

Based on projected financials, a bricks & mortar location will not likely be feasible during the first five years of the hub's inception¹⁸. Instead, it is recommended that the MRFH compensate a farmer member with existing storage space to provide a centralized product aggregation site. This compensation is established within the budget at 12% of the broker fees.

2.7.1 Maple Ridge Food Hub Site Location Criteria

For either farm-based order aggregation and/or a future bricks & mortar location, the potential site must:

- Be in a central location for individual farmers to make order drop-offs.
- Be large enough for MRFH staff to physically arrange the orders.
- Include cold storage on-site (or the ability to purchase a walk-in fridge to place on-site).
- Be suitable (in terms of access, parking) for customers to pick-up orders safely.

Additional bricks & mortar location criteria must also¹⁹:

- Be able to accommodate a FoodSafe kitchen for the production of value-added products (this will become increasingly viable after the pilot project is successfully completed).
- Have topography that is relatively flat for ease of building development.
- Be located near a large group of producers who are members of the MRFH.
- Have access to major transportation routes to accommodate trucks, customer access, parking.
- Consider provincial Agricultural Land Reserve (ALR) regulation and align with municipal zoning as much as possible.

¹⁸ After 5 years, it may be possible to begin discussions with financial institutions, funding agencies, and/or private investors regarding the establishment of a bricks & mortar facility.

¹⁹ The bricks & mortar criteria should also be re-considered once the five year pilot project is completed successfully

It is important to note that the Agricultural Land Commission's regulations and policies²⁰ will apply to the MRFH if it is situated within the ALR. The following additional considerations would then need to be made, and should be revisited after the pilot project is completed:

- Storage, packing, product preparation or processing, and retail of farm products is only permitted within the ALR if at least 50% of the farm (or co-operative's) products are produced on the farm. The 50% threshold is based on the quantity (measured by volume or weight of processed farm products used) calculated over the full product line.
- The parameters around the construction, maintenance and operation of a building for the food hub would be partly regulated by the City, and would stipulate building footprint and setbacks.

Since the food hub would likely be storing, aggregating, and distributing goods from multiple farms it would be unlikely that any one farmer will be able to provide a minimum of 50% of the products. However, if the food hub members formed a formal co-operative then the 50% rule would apply to the co-operative itself and not to individual members.

The City of Maple Ridge's Zoning Bylaw (1985) will also determine the potential location of a future bricks & mortar food hub. "Food hubs" are not currently an expressly permitted use within the Zoning bylaw²¹ and would therefore require a re-zoning application. It is important to note that there may be a fee associated with this re-zoning process.

Locating the food hub outside of the ALR or on an agriculturally zoned property and directing it towards an Industrial or Business Park area may create a simpler business licencing and permitting process. Primary processing, warehouses, and wholesale use are permitted in certain zones, namely the Service Industrial and Business Park zones. As previously mentioned, if the food hub is to be located within the ALR then both provincial and municipal zoning regulations will be applicable. If the land is outside of the ALR then only the municipal zoning regulations will apply. The issue of zoning will be easier to address after the end of the five year pilot program, at which point any specific potential food hub sites that have been identified can be more thoroughly assessed.

2.7.2 Other Site Location Considerations

While the Albion Flats had been noted as a possible location for a food hub during earlier discussions (e.g. when the Agricultural Plan was being developed), the MRFH implementation plan does not identify any one particular location as an ideal possible site for a future bricks & mortar. Based on the criteria identified during stakeholder engagement and presented in section 2.7.1, the Albion Flats may not be an ideal fit for the food hub.

In addition, as identified in this report, a bricks & mortar operation is not considered financially viable in the first five years of MRFH operations. However, if donations or subsidies for a bricks & mortar operation arise, and the potential site aligns with the above criteria, this direction should be revisited.

2.8 Food Hub Promotion

Promotion will be required in order to attract and retain customers and suppliers to the MRFH. Throughout all of the branding, marketing, and advertising efforts, statements representing the purpose and values of the MRFH will need to be consistent. This clarity regarding food hub brand statements will

²⁰ ALR Regulations - http://www.bclaws.ca/civix/document/id/complete/statreg/171_2002;

ALR Policies - <http://www.alc.gov.bc.ca/alc/content/legislation-regulation/alc-policies>

²¹ City of Maple Ridge Zoning Bylaw. Agriculture zones are A1, A2, A3, A4, and A5. <https://www.mapleridge.ca/DocumentCenter/View/587>

help to strengthen messaging towards the target customer base and ensure that it is maintained in all hub communications.

2.8.1 Name and Logo

While the True North Fraser brand is strong and well-recognized locally, it may not be the most appropriate use for the food hub itself. Rather, True North Fraser can be viewed as a larger initiative under which the hub is one component. It may therefore provide more clarity for customers if the food hub is presented as a stand-alone entity that could be part of a larger True North Fraser campaign or suite of initiatives.

A simple approach to developing a brand is recommended. A name, logo and tagline will need to be developed for the MRFH, but this need not be complicated (such as Maple Ridge Food Hub or the Maple Ridge Farm Collective). The food hub's name and logo should be in place by the end of Year 1 and should clearly express what the benefits will be for the distinct target audience segments (community, potential consumers, stakeholders/members). Along with a name and logo, brand positioning and value proposition statements must be developed, and may naturally begin to emerge over the first two years.

2.8.2 Food Hub Website

Creation of a website specifically for the MRFH will be required during Year 1. The website will be the main touchpoint with the public and will need to be directly linked to any online ordering platform. A main feature of the website should be profiles of each of the farms and operators, staff, and funders. Links to social media accounts, news stories of the food hub, and contact information should also be displayed.

2.8.3 Social Media

The MRFH should have several social media accounts, including Facebook, Twitter, and Instagram. MRFH staff will maintain these sites with regular updates regarding farm members, product availability, ordering deadlines, and special events. These accounts must be updated at least twice a week in order for followers to maintain interest. Other features, such as the website and email listserv can also link to the MRFH's social media accounts.

2.8.4 Public Relations, News Releases, and Print Media

In addition to a social media campaign, in-person public relationship building will be key. This may involve attending special events to represent the food hub (harvest fairs, farmers markets, community events). News releases (which can be written in the form of articles and stories) should be regularly submitted to local media. Once the food hub has a truck that it is using for deliveries the logo should be placed directly on the truck. This can be done at a low cost using magnetic signage.

3. Financial Considerations

The following financial projections are based on a number of considerations, assumptions, and recommendations. Achieving a positive cash flow is a critical goal that will be met, in part, with the hiring of an adept and capable food hub manager. The manager will help to drive sales and assist suppliers in setting pricing that meets the needs of both the farmers and the MRFH. The three key issues that the MRFH manager will need to address at the start of implementation are start-up funding, product pricing, and communicating the hub's advantages over other sales avenues. These are discussed here prior to the presentation of the financial projections in Section 4.

3.1 Start-up Funding

It is expected that the hub will require an infusion of funding of about \$50,000 during Year 1 and an additional \$15,000 in Year 2 in order to become fully operational and financially solvent by Year 3.

Public or private funding (or a combination of both) could be used to initiate the food hub and help move it forward, particularly as it graduates from Year 1 to Year 2. Without this additional funding the food hub could still operate, however the main risk is that it would not be able to pay the MRFH manager's full wages. This management role is critical in getting the initiative off the ground and getting sales to a level that allows the hub to reach a breakeven point.

The \$50,000 could come from a mix of in-kind support, loans, and grants, such as:

- **In-kind support** (\$5,000): this type of support could be provided by hosting a webpage, providing advertising, meeting room space, and other overhead and administrative needs. This support could be provided by the City of Maple Ridge and/or partners such as the HFMS or the CEED Centre.
- **Bank or Credit Union loan** (\$20,000 to \$30,000): this would be achievable for a portion of the required start-up cost, with an expected interest rate of approximately 10%. Major banks and credit unions such as BMO Financial, Vancity, CIBC, RBC, New Westminster Savings, and TD have small business start-up loans.
- **Investment Agriculture Foundation (IAF) grant** (\$5,000 to \$10,000): IAF is an industry-led, not-for-profit organization representing the agriculture, food processing, farm supply and post farm gate sectors across BC. IAF invests in projects that enhance the competitiveness, profitability and sustainability of BC agriculture and agri-food. The multi-million dollar *Buy Local Program* offers funding to enhance local marketing efforts to increase consumer demand and sales of BC agrifoods. Funding is 50% cost-shared.
- **Other Grants** (\$10,000 - \$20,000): grants can be attractive because there is no need to pay back the funding, however the reporting and other overhead can be somewhat onerous. Several grant opportunities may exist for the food hub, including BC Gaming Grant, Real Estate Foundation BC, or a grant from a credit union (e.g. Vancity, Westminster Savings).

3.2 Product Pricing

While the marketplace effectively establishes final pricing, the right brokerage fee (see definition in the call out box) set by the MRFH is key to ensure that producers feel adequately compensated, customers are willing to pay, and the food hub remains profitable (or break-even). The financial plan produced for the MRFH has been developed using a 25% brokerage fee²².

Farmers will set their own product pricing to include the 25% that will be allocated to the hub as a brokerage fee at the time of sale. The hub will therefore ultimately be a price “taker”, not a price maker. Transparency and direction from the MRFH manager, as well as communication with suppliers on an ongoing basis, will be offered to ensure that farmer members understand where and how the brokerage fees are being used. Tracking and evaluation of customer response to pricing will also be an important component of the manager’s job.

The price that the farmer decides to set will depend on a number of factors, and will likely vary week-to-week. Factors include:

- Whether the product is certified organic or not;
- The amount of choice of similar products being offered by the hub (supply);
- The quality of the product being offered (demand reflected through reputation); and
- The availability (products that are only in-season for a short period of time may fetch a better price).

Brokerage Fee:

The brokerage fee is sometimes referred to as a “margin” or a “markup” that is paid to the hub at the time of sale. The fee is used to help pay for the services offered by the hub. For example, if a bunch of spinach is being sold by the hub for \$4.00 and the brokerage fee is 25%, then \$3.00 is returned to the farmer and \$1.00 is returned to the hub. The total price (in this example, \$4.00) is set and controlled by the farmer.

The MRFH manager will need to track and assesses hub sales and monitor competitive pricing through other retail channels (e.g. verifying pricing at local retailers, at farm gates, at the farmers market) to ensure that the prices being offered by hub members is competitive.

The 25% brokerage fee will, in turn, provide several services for the farm members. These services will include:

- Access to a different demographic of customers (e.g. those that may not attend farmers markets or visit the farm gate).
- Order coordination, aggregation, and delivery.
- Promotion and public awareness of the farm and farm’s products.
- Time savings that can be redirected into additional production or other on-farm or off-farm activities.

3.3 Communicating the Hub’s Advantages

It is worth noting that the suppliers can choose to offer as much product to be sold through the hub as they wish. They may choose to continue to sell a portion of their products through farmers markets,

²² This fee was determined based on market research and discussions with existing food hub operators. A food hub on Vancouver Island with a brokerage fee of 20% indicated that if it could change one thing it would choose a higher brokerage fee in order to be able to be financially self-sustaining. It is currently considering raising its fee. On the other hand, producers indicated that brokerage fees in the range of 40-50% was too high to be an attractive avenue for sales.

CSAs, farm gate sales, and/or other avenues. Therefore, the MRFH manager must be able to adeptly convey the benefits of selling through the hub. The ability for the farm members to save time by accessing additional sales channel for some of their products is perhaps one of the biggest advantages that the hub can offer. Ideally, farm operators will join the hub and experience an increase in efficiency and a decrease in personal time/costs allowing them to increase capacity to a point where their true success and profitability potential aligns. Time previously devoted to making sales pitches, posting on social media, making deliveries, creating signs, and attending markets can now be re-directed to the farm work itself. The farmer can now re-invest those hours into the planning and labour needed for the farm to grow. This, in turn, will provide greater crop yield returns and result in more product being made available to sell through the MRFH in future years.

To be clear, the hub model may not work for all producers. For very small-scale farm operations there may be a capacity issue whereby economies of scale dictate that the costs of using a hub service outweighs the income the producer may obtain through independent marketing and sales, which is a fair consideration. The food hub manager's role will be, in part, to identify which farms would be a suitable fit as a supplier to the MRFH and to communicate to potential farmer members what the benefits and level of services are, in exchange for the brokerage fees.

4. Financial Projections

The MRFH's operational budget will be based mainly on brokerage fees from product sales revenue, with an additional infusion of \$50,000 of start-up capital in Year 1 and an additional \$15,000 in Year 2. The following discussion provides the rationale for the brokerage fee rate of 25% and the anticipated sales and associated brokerage fees over the pilot project's five year period.

4.1 Brokerage Fee Rationale

The brokerage fees represent 25% of total product sales. Throughout the projections for income, expense and cash flow, the following ratio is used:

100% of brokerage fees is equivalent 25% of product sales

This ratio between brokerage fees is maintained, for example 20% of brokerage fees are equivalent to 5% of product sales, and so on.

As discussed previously in Section 3.2, a brokerage fee rate level of 25% of total product sales has been selected based on market research and discussions with existing food hubs. The brokerage fee level of 25% is expected to both reflect the level of services offered by the hub while presenting an attractive potential sales route for the producer.

This brokerage fee level was further tested using Industry Canada's benchmarks²³ for small-scale fruit and vegetable growers (see Figure 1, next page). The data represented in Figure 1 incorporates a 25%

²³ Government of Canada. 2015. Industry Canada: Financial Performance Data by Industry. <https://www.ic.gc.ca/eic/site/pp-pp.nsf/eng/home>

brokerage fee expense into typical product sales and returns on sales for small fruit and vegetable farms at various total product sales. The benchmarking test indicates the following:

- If fixed on-farm costs are constant (e.g. no reinvestments into infrastructure need to be made) as product sales rise from \$10,000 to \$30,000, and a 25% brokerage fee is applied, it can be projected that the farm's direct return on sales will still rise from 5% to 23% for vegetable growers and from -11% to 25% for fruit growers.

Therefore, the MRFH becomes an "affordable" (i.e. the return on sales is positive) sales channel for a small-scale vegetable producer with a brokerage fee of 25% even if they are only generating \$10,000 worth of annual sales (at which point the rate of return on sales would still be 5%). The rate of return for a small scale fruit farm would be negative at \$10,000 worth of annual sales, therefore the MRFH only becomes a viable option for a fruit farm once that farm is generating approximately \$20,000 worth of annual sales.

For context, the Maple Ridge Food Hub *Situational Analysis* indicated that the average annual farm sales (gross farm receipts) per hectare in Maple Ridge were \$27,579 (or \$11,000 per acre) in 2015²⁴. The food hub will benefit these small and medium-scale farmers by reducing the time they need to spend on promotion, marketing, and sales. With that additional time it is hoped that farmers will be able to focus on production and see higher sales per acre in return.

Agri-business guidebooks published by the BC Ministry of Agriculture in 1995 suggested that a well-managed 1.25 ha (3 acres) of mixed vegetable production could generate over \$45,000 in direct market sales, or \$36,000 per hectare (gross revenue) in 1995 dollars (this is equivalent to \$68,500 and \$54,800, in 2018 dollars, respectively). One example of a small farm achieving these benchmarks is Three Oaks Farm, on Vancouver Island, which generated over \$60,000 of sales on 1.5 acres in 2012 (equivalent to \$65,000 in 2018 dollars) when the farm joined Saanich Organics, a small hub of growers who market and sell their products collectively. It is therefore expected that a well-managed small-scale (less than 5 acres) mixed vegetable farm could feasibly achieve \$30,000 of product sales.

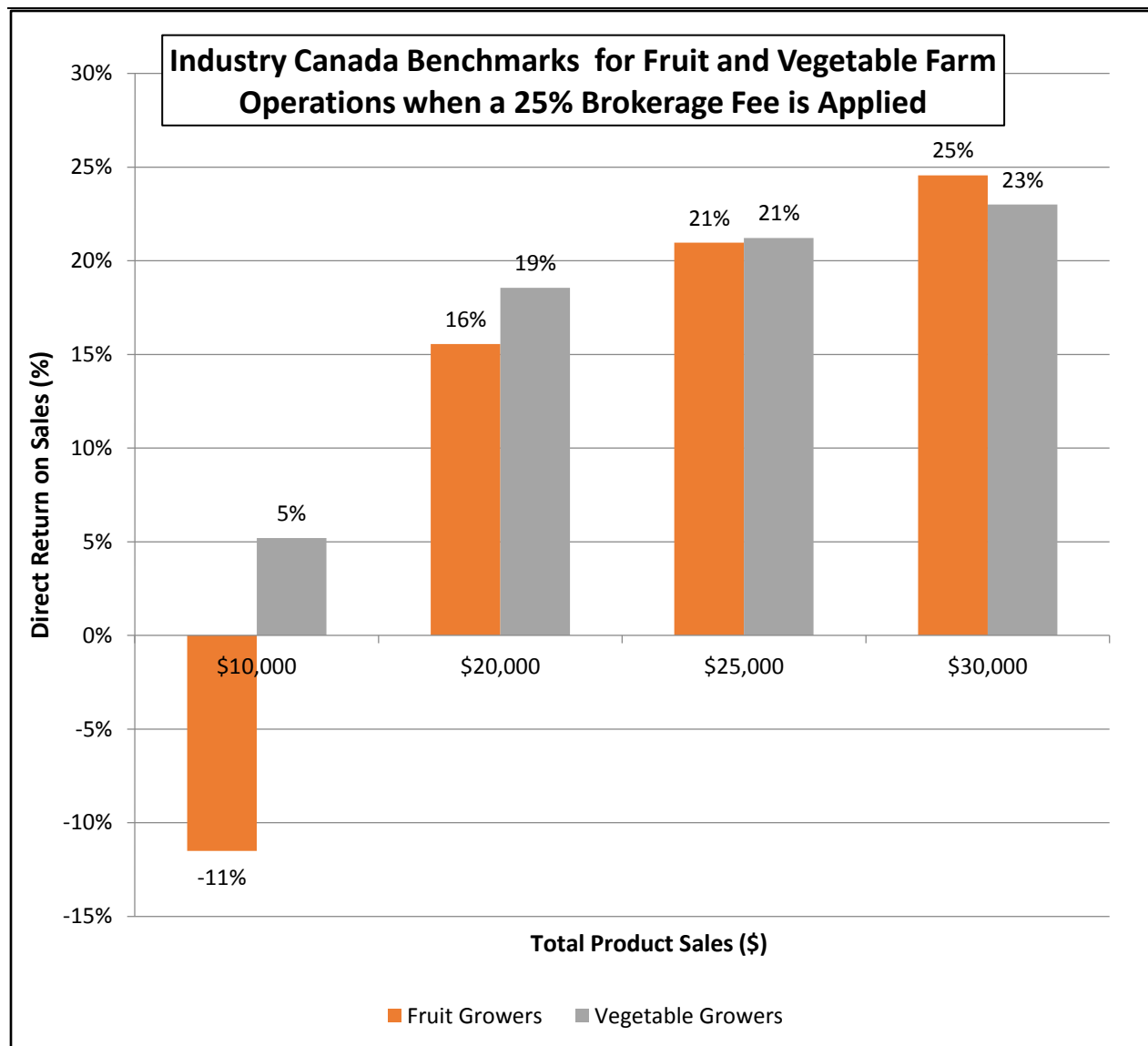
Notes:

BC Ministry of Agriculture, Fisheries, and Food. Direct Farm Market Guide, 1995.

Fisher, R., Stretch, H. and R. Tunnicliffe. 2012. All the Dirt: Reflections on Organic Farming. Touchwood Publications.

²⁴ Census of Agriculture, 2016. Land in crops excluding Christmas trees.

Figure 1. Industry Canada benchmarks for small-scale fruit and vegetable farm operations when a 25% brokerage fee is applied.



4.1.1 Anticipated Suppliers and Sales

It is expected that in the first year of operation, the MRFH supplier (farm) membership will be low, therefore a conservative estimate of 5 members has been used in the income and expense projection modeling for Year 1, and gradually increases to 35 members by Year 5 (Table 2). Using the benchmarking discussed in 4.1.1, (Figure 1, above), an expected initial product value per farm of \$15,000 is used, growing to an eventual value of \$30,000 by Year 5. In other words, by the end of the pilot project it is expected that the average food hub supplier will be able to sell \$30,000 worth of farm products annually through the MRFH. It is also expected that some farm members would still maintain a portion of sales avenues through the Haney Farmers Market, farm gate stands, and small retailers.

Table 2. Anticipated suppliers, sales, and brokerage fees for the Maple Ridge Food Hub during Years 1 - 5.

Line #	Parameter	Year 1	Year 2	Year 3	Year 4	Year 5
1	Number of farms	5	15	20	30	35
2	Product sales per farm	\$15,000	\$20,000	\$25,000	\$30,000	\$30,000
3	Total value of product (Line #1 x Line #2)	\$75,000	\$300,000	\$500,000	\$900,000	\$1,050,000
4	Brokerage fees (%)	25%	25%	25%	25%	25%
5	Brokerage fees (\$) (Line #3 x Line #4)	\$18,750	\$75,000	\$125,000	\$225,000	\$262,500

4.2 Income and Expense Projections

The following discussion presents the income and expense projection and the cash flow projection along with an explanation of assumptions used throughout all calculations.

4.2.1 Variable Expenses

Variable expenses are estimated to be 35% of brokerage fees (see Table 4, Lines #2-#5). Throughout the pilot project's five years, this 35% will consist of:

- The MRFH's rent, to provide compensation to a farmer in exchange for the use of their farm site (12% of brokerage fees);
- The costs associated with deliveries to retail customers and order drop-off locations (8% of brokerage fees). These two expenses therefore represent a combined 20% of the MRFH's brokerage fees.
- Merchant fees associated with processing credit card and debit card payments (10% of brokerage fees).
- An additional standard contingency rate of 5% of total brokerage fees is included as a financial safety net.

As previously discussed, a bricks & mortar building would not be considered for the MRFH during the five year pilot period. Rather, the MRFH would coordinate with a local farm to act as the drop-off/aggregation point for all produce in exchange for compensation. This compensation would vary based on total sales, and therefore on total brokerage fees collected.

4.2.2 Other Fixed Expenses

Fixed expenses (Table 4, Lines #7 – #18) are estimated to be approximately \$50,000 annually in the first three years²⁵. Wages are the main component of these fixed expenses and are projected as follows on Table 3 (following page).

²⁵ Note that corporate income taxes are not considered as the assumption is that the hub will initially be a non-profit organization.

Table 3. Breakdown of staffing wages over Years 1 - 5.

Year	Staffing	Wages & Benefits	Total Wages & Benefits
1	Manager: 0.75 FTE	Manager: \$32,500	\$32,500
2	Manager: 0.75 FTE	Manager: \$32,500	\$32,500
3	Manager: 0.75 FTE	Manager: \$37,500	\$37,500
4	Manager: 1.00 FTE Assistant: 0.75 FTE	Manager: \$37,500 Assistant: \$25,000	\$62,500
5	Manager: 1.00 FTE Assistant: 1.00 FTE Promoter: 0.50 FTE	Manager: \$45,000 Assistant: \$33,000 Promoter: \$22,000	\$100,000

As previously described, a MRFH manager will need to be hired right away to develop the supplier base, create the email listserv (and later, the online ordering platforms), and to start promotion of the hub. This wage represents a relatively high fixed expense at start-up and will generate a loss in the first two years of the pilot project (or until brokerage fees reach \$125,000).

While the positions are referred to as “staff”, the tasks may be able to be completed by consultants or contractors. This can be negotiated at the time of hiring, but should not affect the total amount budgeted for wages without making similar adjustments throughout the projected income and expenses. Within the total wages, the distribution amongst staff is somewhat flexible. For instance, if the manager is performing well then that position could be offered a raise and a 0.25 FTE or 0.50 FTE assistant could be hired with the remaining wages in Years 4 and 5. If the manager or assistant is capable and efficient at promotion, then the \$22,000 previously set aside for the promoter in Year 5 could be re-distributed to other staffing needs.

If the MRFH total product sales are underperforming (and therefore the brokerage fees are lower than targeted), then these staff wages and positions will need to be reviewed.

Other fixed expenses built into the income and expense projection assumptions include the following:

- Line #8: Depreciation of assets: Based at 20% declining balance.
- Line #9: Repairs and maintenance: \$500 per year. As there are no owned facilities, the budget allows for the repair and maintenance of some minor equipment only.
- Line #10: Utilities and telephone: \$50 per month (\$600 per year) for cellphone communication.
- Line #11: Rent: \$200 per month to compensate for office space for staff who will be working from home offices.
- Line #12: Bank charges: Assumes \$20 per month (\$240 per year).
- Line #13: Interest on loans: Based on an interest rate of 10% (see Loan Schedule, Table 6).
- Line #14: Professional and business fees: Memberships in associations, accounting fees, bookkeeping fees, legal fees, and permits for the MRFH and staff.
- Line #15: Advertising and Promotion: Minimal, as advertising will likely be done through social media, some print and listservs like MailChimp
- Line #16: Travel (Mileage): Occasional mileage paid to MRFH staff to attend events and meetings.

- Line #17: E-commerce website: This line item includes \$3,000 to build an online sales platform and \$2,000 for a website during Year 1 and ongoing software and website fees thereafter.
- Line #18: Insurance: Assumes \$4,000 per year to cover delivery truck insurance and some liability insurance

Table 4 provides a breakdown of all anticipated income and expenses for the MRFH pilot project's five year period. The model indicates that the hub would be able to turn a profit before the end of Year 3 assuming that the supplier numbers and gross sales match (or exceed) the projections.

Table 4. Anticipated Income and Expenses Years 1 - 5.

#	Statement of income and expense	Year 1	Year 2	Year 3	Year 4	Year 5
1	Income (brokerage fees)	\$18,750	\$75,000	\$125,000	\$225,000	\$262,500
	Variable Expenses					
2	MRFH location compensation at 12% of brokerage fees	\$2,250	\$9,000	\$15,000	\$27,000	\$31,500
3	Delivery at 8% of brokerage fees	\$1,500	\$6,000	\$10,000	\$18,000	\$21,000
4	Merchant fees (credit card and debit card processing fees) (10% of brokerage fees)	\$1,875	\$7,500	\$12,500	\$22,500	\$26,250
5	Contingency (5% of brokerage fees)	\$938	\$3,750	\$6,250	\$11,250	\$13,125
6	Total variable costs (35% of brokerage fees)	\$6,563	\$26,250	\$43,750	\$78,750	\$91,875
	Fixed Expenses					
7	Wages and benefits	\$32,500	\$32,500	\$37,500	\$62,500	\$100,000
8	Depreciation	\$500	\$1,900	\$1,520	\$1,216	\$4,973
9	Repairs and maintenance	\$500	\$500	\$500	\$500	\$500
10	Utilities and telephone/telecommunication	\$600	\$600	\$600	\$600	\$600
11	Rent	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
12	Bank charges	\$120	\$120	\$120	\$120	\$120
13	Interest on loans	\$3,000	\$4,009	\$852	\$0	\$0
14	Professional and business fees	\$500	\$750	\$1,000	\$1,000	\$3,500
15	Advertising and Promotion	\$680	\$250	\$250	\$250	\$250
16	Travel	\$1,200	\$600	\$600	\$600	\$600
17	E-commerce website	\$5,000	\$2,280	\$2,280	\$2,280	\$2,280
18	Insurance	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
19	Total fixed expenses	\$51,000	\$49,909	\$51,622	\$75,466	\$119,223
20	Net operating income	\$-38,813	\$-1,159	\$29,628	\$70,784	\$51,402
21	Other income (income from fundraising or interest-free grants)	\$20,000				
	Net income	\$-18,813	\$-1,159	\$29,628	\$70,784	\$51,402

4.3 Cash Flow Projection

As previously discussed, a deficit of approximately \$40,000 is projected over the first two years. Based on the model a \$20,000 operating grant together with a \$30,000 loan or line of credit would cover the deficit and also make debt repayment feasible. In Year 2, an additional \$15,000 would be required for equipment (Table 5). Lump sum repayments of loans could begin as early as the third year or when sales exceed the \$75,000 milestone (see Table 6).

The capital budget for cash flow projections includes funds for the following equipment:

- Line #4: \$2,500 in Year 1 and Year 2 for office equipment;
- Line# 5: \$5,000 in Year 2 for a walk-in refrigerator;
- Line #5: \$5,000 in Year 5 for additional warehouse equipment; and
- Line #7: \$15,000 in Year 5 for an additional delivery truck.

Table 5. Anticipated cash flow for the Maple Ridge Food Hub pilot project from Year 1 to Year 5.

Line #	Cash flow	Year 1	Year 2	Year 3	Year 4	Year 5
1	Net income	\$-18,813	\$-1,159	\$29,628	\$70,784	\$51,402
2	Add back depreciation	\$500	\$1,900	\$1,520	\$1,216	\$4,973
3	Loan principal repayments	\$-4,914	\$-6,566	\$-26,396	\$-7,125	\$0
4	Office Equipment	\$-2,500	\$-2,500	\$0	\$0	\$0
5	Warehouse Equipment	\$0	\$-5,000	\$0	\$0	\$-5,000
6	Leasehold improvements	\$0	\$0	\$0	\$0	\$0
7	Vehicles	\$0	\$0	\$0	\$0	\$-15,000
8	Subtotal (Lines 1 to 7)	\$-25,726	\$-13,325	\$4,752	\$64,875	\$36,375
9	Proceeds on loans	\$30,000	\$15,000	\$0	\$0	\$0
10	Net change in cash	\$4,274	\$1,675	\$4,752	\$64,875	\$36,375
11	Opening cash	\$0	\$4,274	\$5,949	\$10,701	\$75,577
12	Closing cash	\$4,274	\$5,949	\$10,701	\$75,577	\$111,952

Loans and debt repayments are based on an operating line of credit with an interest rate of 10.0%. The projections indicate that the balance could be paid out by Year 4 (Table 6).

Table 6. Operating loan and debt repayments for the Maple Ridge Food Hub pilot project from Year 1 to Year 5.

Operating Debt	Year 1	Year 2	Year 3	Year 4
Opening balance	\$0	\$25,086	\$33,520	\$7,125
Proceeds/Lump sum payments	\$30,000	\$15,000	\$-25,000	\$-7,125
Interest at 10.0%	\$3,000	\$4,009	\$852	\$0
Loan payments	\$-7,914	\$-10,575	\$-2,248	\$0
Closing balance	\$25,086	\$33,520	\$7,125	\$0

A summary of total liabilities and equity are provided in Table 7.

Table 7. Anticipated liabilities and equity for the Maple Ridge Food Hub pilot project from Year 1 to Year 5.

Liability and Equity	Year 1	Year 2	Year 3	Year 4	Year 5
Working capital	\$4,274	\$5,949	\$10,701	\$75,577	\$111,952
Net equipment and vehicles	\$2,000	\$7,600	\$6,080	\$4,864	\$19,891
Total Assets	\$6,274	\$13,549	\$16,781	\$80,441	\$131,843
Operating Loan	\$25,086	\$33,520	\$7,125	\$0	\$0
Retained Earnings (Loss)	\$-18,813	\$-19,971	\$9,657	\$80,441	\$131,843
Total Liabilities and Equity	\$6,274	\$13,549	\$16,781	\$80,441	\$131,843

5. Ratios

The MRFH is projected to be solvent before the end of Year 3. The projected debt to equity ratio at the end of Year 3 is 74% (Table 8).

Assumptions regarding ratios include:

- Line #1: Debt to equity: The lower the positive ratio, the more solvent the business. At the end of Year 3 the hub is solvent.
- Line #2: Interest coverage ratio: The ratio of net income before interest to interest expense. This ratio is an indication of debt risk. This ratio isn't relevant in the first two years because there is no interest coverage. The accumulated interest coverage at the end of Year 3 (Years 1 to 3 summed) is projected to be 28. That means earnings are 28 times higher than the projected interest expense over the first three years.
- Line #3: The debt ratio is calculated as total debt to total equity. This is also a solvency ratio indicating ability to repay long-term debt. This ratio also indicates the extent to which the business is financed. The lower the ratio the more solvent the business. The projected debt ratio shows a low debt ratio by the end of Year 3.
- Line #4: Revenue to equity is an indication of productivity and indicates how much revenue is earned for the amount invested. Equity is negative in the first two years so the ratio is not valid.
- Line #5: Net profit to equity is also an indication of productivity and is calculated as net income/equity. In the first two years the ratio is not relevant because equity is negative.

Table 8. Anticipated financial ratios for the Maple Ridge Food Hub pilot project from Year 1 to Year 5.

Line #	Financial ratios	Year 1	Year 2	Year 3	Year 4	Year 5
1	Debt to equity ratio	133%	168%	74%	0%	0%
2	Interest coverage ratio	-503%	72%	3148%	N/A	N/A
3	Debt ratio	400%	247%	42%	N/A	N/A
4	Revenue to equity ratio	-100%	-376%	1294%	280%	199%
5	Net profit to equity (%)	N/A	N/A	307%	88%	39%

6. Risk and Sensitivity Analysis

The following three scenarios were tested against the financial model in order to determine what impacts to the income & expense projections and cash flow projections may occur if:

- Scenario 1: Tests what occurs when the full \$50,000 of startup capital is not raised.
- Scenario 2: Tests what occurs when product sales (and therefore brokerage fees) do not meet targets.
- Scenario 3: Tests changes in projected variable and fixed expense levels in Year 1 and Year 3.

6.1 Risk Scenario 1: Lack of Start-up Capital

The investment in a competent MRFH manager at the outset is an important factor to the success of this financial model. This scenario assumes that the efforts to raise \$50,000 of startup capital is unsuccessful, and only \$5,000 is obtained, and therefore the funds for the manager's salary are not available. Without funding to hire a manager, the MRFH would have to rely on volunteers to promote the hub to suppliers (farmers) and customers and to develop the sales and ordering process. The volunteers would still need to generate the same amount in targeted brokerage fees in Year 1 to cover other expenses, and the hub would still require an injection of \$5,000 in cash (Table 9).

Table 9. Risk analysis scenario with \$50,000 vs. \$5,000 of startup capital in Year 1.

Projected Income and Expense Projections	Year 1 – \$20,000 in grants and \$30,000 in loans	Year 1 – \$5,000 in grants
Brokerage fees	\$18,750	\$18,750
Delivery, shipping and warehouse expenses	\$3,750	\$3,750
Wages & benefits, rent, phone	\$36,100	\$0
Other expenses	\$17,713	\$17,713
Total expenses	\$57,563	\$21,463
Income from fundraising	\$20,000	\$5,000
Net income	\$-18,813	\$2,288
Projected Cash Flow Projections	Year 1 – \$20,000 in grants and \$30,000 in loans	Year 1 – \$5,000 in grants
Net income	\$-18,813	\$2,288
Add back depreciation	\$500	\$500
Loan principal repayments	\$-4,914	\$0
Capital equipment, vehicles and leasehold improvements	\$-2,500	\$-2,500
Proceeds from loans	\$30,000	\$0
Net cash inflow	\$4,274	\$288
Opening cash	\$0	\$0
Closing cash	\$4,274	\$288

6.2 Risk Scenario 2: Product Sales Level Adjustments

The second scenario tests the impacts that adjustments made to the targeted product sales (and associated brokerage fees) have on the net income in Year 1 and Year 5. If product sales (and therefore brokerage fees) are 50% lower than targeted in Year 1, net income would be 16% lower than projected. In Year 5, a 50% variance in brokerage fees would impact the bottom line by 166% (Table 10). Once sales exceed projected fixed expenses, sales variances will magnify the changes reflected in the net income. This reinforces the notion that the efforts of the MRFH must be focused on driving sales (and therefore brokerage fees) over the pilot project period of five years.

Table 10. Change in brokerage fees and associated net income during Year 1 and Year 5.

Change in brokerage fees - Year 1					Change in brokerage fees - Year 5				
% Change in Fees	Brokerage Fees	Net Income \$	DSCR ²⁶ %	% Change Net Income	% Change in Fees	Brokerage Fees	Net Income \$	DSCR %	% Change Net Income
-50	9,375	-44,906	-6,094	16%	-50	131,250	-33,910	-85,313	-166%
-40	11,250	-43,688	-4,875	13%	-40	157,500	-16,848	-68,250	-133%
-30	13,125	-42,469	-3,656	9%	-30	183,750	215	-51,188	-100%
-20	15,000	-41,250	-2,438	6%	-20	210,000	17,277	-34,125	-66%
0	18,750	-38,813	0	0%	0	262,500	51,402	0	0%
20	22,500	-36,375	2,438	-6%	20	315,000	85,527	34,125	66%
30	24,375	-35,156	3,656	-9%	30	341,250	102,590	51,188	100%
40	26,250	-33,938	4,875	-13%	40	367,500	119,652	68,250	133%
50	28,125	-32,719	6,094	-16%	50	393,750	136,715	85,313	166%

6.3 Sensitivity Analysis for Variable and Fixed Expenses in Year 1 and Year 3

In Year 1, a change in variable expenses (which are directly related to brokerage fees) will be less impactful (or risky) than potential changes in fixed expenses, which do not correspond directly to the collected brokerage fees (Table 11 and Table 12).

Table 11. Sensitivity analysis for Year 1 – Variable Expenses.

Change in variable expenses				
% Change	Variable Expenses \$	Net Income \$	DSCR %	% Change Net Income
-20	5,250	-37,500	1,313	-3%
-15	5,578	-37,828	984	-3%
-10	5,906	-38,156	656	-2%
-5	6,234	-38,484	328	-1%
0	6,563	-38,813	0	0%
5	6,891	-39,141	-328	1%
10	7,219	-39,469	-656	2%
15	7,547	-39,797	-984	3%
20	7,875	-40,125	-1,313	3%

²⁶ DSCR is the Debt Service Coverage Ratio, which refers to the amount of cash flow available to pay debt obligations.

Table 12. Sensitivity Analysis for Year 1 – Fixed Expenses

Change in Fixed Expenses				
% Change	Fixed Expenses \$	Net Income \$	DSCR %	% Change Net Income
-50	25,500	-13,313	25,500	-66%
-40	30,600	-18,413	20,400	-53%
-30	35,700	-23,513	15,300	-39%
-20	40,800	-28,613	10,200	-26%
0	51,000	-38,813	0	0%
20	61,200	-49,013	-10,200	26%
30	66,300	-54,113	-15,300	39%
40	71,400	-59,213	-20,400	53%
50	76,500	-64,313	-25,500	66%

By Year 3, errors in projecting variable expenses are more critical. A 20% variance in fixed expenses will impact net income by 35% and a variance of 20% in variable expenses will impact net income by 84% (Table 12).

Table 13. Sensitivity analysis for Year 3.

Change in variable expenses						
% Change	Revenue \$	Variable Expenses \$	Fixed \$	Net Income \$	DSCR %	% Change Net Income
-20	125,000	18,750	51,622	54,628	25,000	84%
-15	125,000	25,000	51,622	48,378	18,750	63%
-10	125,000	31,250	51,622	42,128	12,500	42%
-5	125,000	37,500	51,622	35,878	6,250	21%
0	125,000	43,750	51,622	29,628	0	0%
5	125,000	50,000	51,622	23,378	-6,250	-21%
10	125,000	56,250	51,622	17,128	-12,500	-42%
15	125,000	62,500	51,622	10,878	-18,750	-63%
20	125,000	68,750	51,622	4,628	-25,000	-84%

Change in fixed expenses						
% Change	Revenue \$	Variable Expenses \$	Fixed \$	Net Income \$	DSCR %	% Change Net Income
-20	125,000	43,750	41,298	39,952	10,324	35%
-15	125,000	43,750	43,879	37,371	7,743	26%
-10	125,000	43,750	46,460	34,790	5,162	17%
-5	125,000	43,750	49,041	32,209	2,581	9%
0	125,000	43,750	51,622	29,628	0	0%
5	125,000	43,750	54,203	27,047	-2,581	-9%
10	125,000	43,750	56,784	24,466	-5,162	-17%
15	125,000	43,750	59,365	21,885	-7,743	-26%
20	125,000	43,750	61,946	19,304	-10,324	-35%

7. Balance Sheet Summary

The balance sheet presented in Table 14 summarizes many of the key points of the financial projections.

Table 14. Summary balance sheet for the MRFH Year 1 through Year 5.

Balance sheet	Year 1	Year 2	Year 3	Year 4	Year 5
Assets					
Working capital	\$4,274	\$5,949	\$10,701	\$75,577	\$111,952
Office Equipment	\$2,500	\$5,000	\$5,000	\$5,000	\$5,000
Warehouse Equipment	\$0	\$5,000	\$5,000	\$5,000	\$10,000
Leasehold Improvements	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$15,000
Accumulated depreciation	\$-500	\$-2,400	\$-3,920	\$-5,136	\$-10,109
Total fixed assets	\$2,000	\$7,600	\$6,080	\$4,864	\$19,891
Total assets	\$6,274	\$13,549	\$16,781	\$80,441	\$131,843
Operating loan	\$25,086	\$33,520	\$7,125	\$0	\$0
Total Equity					
Retained earnings (accumulated deficit) - opening	\$0	\$-18,813	\$-19,971	\$9,657	\$80,441
Current year earnings (loss)	\$-18,813	\$-1,159	\$29,628	\$70,784	\$51,402
Cumulative earnings (loss)	\$-18,813	\$-19,971	\$9,657	\$80,441	\$131,843
Total liabilities and equity	\$6,274	\$13,549	\$16,781	\$80,441	\$131,843

8. Breakeven Analysis

The breakeven point in the MRFH pilot project will occur when net income is positive (Table 15, Line #7). Based on the income & expense projections, this can occur by Year 3 (or more specifically before the end of Year 3), when brokerage fees reach approximately \$80,000. Since 35% of the brokerage fees will be dedicated to variable expenses, the remaining 65% will be available to pay for fixed expenses (Table 15, Lines #3 and #4). With fixed expenses projected to be about \$50,000 per annum, calculations indicate that the MRFH should break even once brokerage fees reach \$80,000 (this is equivalent to product sales of roughly \$320,000) (Table 15, Line #8).

Table 15. Breakeven analysis for Year 1 through Year 5.

Line #	Breakeven Analysis	Year 1	Year 2	Year 3	Year 4	Year 5
1	Brokerage fees	\$18,750	\$75,000	\$125,000	\$225,000	\$262,500
2	Variable expenses	\$6,563	\$26,250	\$43,750	\$78,750	\$91,875
3	Contribution margin	\$12,188	\$48,750	\$81,250	\$146,250	\$170,625
4	Contribution margin %	65%	65%	65%	65%	65%
5	Fixed expenses	\$51,000	\$49,909	\$51,622	\$75,466	\$119,223
6	Fixed expenses (Line #5) as a % of brokerage fees (Line #1)	272%	67%	41%	34%	45%
7	Net operating income	\$-38,813	\$-1,159	\$29,628	\$70,784	\$51,402
8	Breakeven brokerage fees	\$78,462	\$76,782	\$79,418	\$116,101	\$183,420

9. Conclusions

The MRFH has the potential to be a centralized service for small and medium-scale producers to be able to aggregate and coordinate the sale of their products in order to better meet local market demands.

This MRFH Implementation Plan provides a set of recommendations for operational and financial management. The financial projections are based on a robust and conservative analysis.

Key recommendations include:

- Establish the hub as a non-profit co-operative and move towards a for-profit co-operative governance model at the end of the five year pilot project.
- Raise \$50,000 of startup capital in Year 1 and aim for an additional infusion of \$15,000 in Year 2 through a combination of grants and loans.
- Hire a dynamic and competent food hub manager immediately, and hire other staff at later dates if profitability allows.
- Target a minimum of 5 suppliers (farmer members) during Year 1, and grow to at least 35 suppliers by Year 5.
- Target approximately 60 weekly customers by the end of Year 1, and aim to grow to over 800 by Year 5.
- Offer a product mix that includes a variety of vegetables and berries, and expands the fresh sheet list as cold storage and supply allows.
- Set up an online ordering platform and allow suppliers to set their own prices, which will be monitored by the hub manager.
- Ensure that the hub manager communicates back to the suppliers regarding appropriate price points and general customer feedback.
- Communicate the value of the hub services to potential suppliers, highlighting the savings of time and money over the long term.

By following these recommendations, the financial projections indicate that the hub can become solvent by Year 3 of the pilot project. A bricks & mortar location could be considered after the five year pilot project has been successfully completed, but is not financially feasible during this initial timeframe.

Appendix I

Over two dozen stakeholders and experts helped to inform this report. The following is a list of the farms, businesses, organizations, and agencies that were consulted with in the preparation of this document. The communications included a combination of group meetings, phone calls, one-on-one conversations, and emails. The stakeholders are presented in alphabetical order.

- Amazia Farms
- BC Vegetable Marketing Commission
- Big Feast/Big Smoke
- Blue Moon Organics
- BMO Financial Group
- CEED Centre
- Cow-Op: Cowichan Valley Co-operative Marketplace
- Discovery Organics
- Duende Farm
- Fable Kitchen Restaurant
- Formosa Blueberries
- Fresh Ideas and Solutions
- Golden Ears Cheesecrafters
- Haney Farmers Market Society
- Hopcott Premium Meats
- KitchenPick Culinary Herbs
- Merville Co-operative Organics
- Ministry of Agriculture (Sector Development Branch)
- Ministry of Agriculture (Strengthening Farming Branch)
- Red Barn Farm
- RoosRoots Farm
- Saanich Organics
- Sechelt Farm Collective
- Sustainable Produce Urban Delivery (SPUD)
- Tofino Ucluelet Culinary Guild
- Triple Creek Farm
- Vancity Community Investment
- Vancouver Foundation
- Wandering Row Farms

Appendix II

Email listserv pros	Email listserv cons
<ul style="list-style-type: none">• More direct communication with farmers and customers, may help develop trust• Farmers and Coordinator could negotiate to set price for products• Coordinator can develop their own technique of ordering and inventory processes for the Hub	<ul style="list-style-type: none">• Coordinator may need to spend large amounts of time organizing emails and managing orders (especially when Hub is just beginning)• May not be as organized and may lead to more mistakes than other methods
Online Ordering Pros	Online Ordering Cons
<ul style="list-style-type: none">• Easy for hub coordinator or farmers to manage• Easy for customers to choose desired products each week• Potential for easy method of inventory• Some have mobile apps, flexible payment options, delivery truck route mapping• After learning curve of software, it has the potential to save producers and buyers time• Marketing tools may be included in software	<ul style="list-style-type: none">• Cost of monthly subscription• Initially may have to spend lots of time learning how software works, if Hub Coordinator employee changes frequently, the time spent on learning software increases• Farmers may also need to learn how it works and need to update quantity and type of produce available each week• Commercial buyers may need to spend time learning how to use online ordering website• May not provide everything the Food Hub needs or wants in the way the website is organized
In-person Ordering Pros	In-person Ordering Cons
<ul style="list-style-type: none">• More direct communication with, may develop trust	<ul style="list-style-type: none">• Time consuming for Coordinator and potentially the commercial retailers• Expenses of driving to meetings

City of Maple Ridge

TO: Her Worship Mayor Nicole Read
and Members of Council
FROM: Chief Administrative Officer
SUBJECT: BC Hydro Alouette Water Licence

MEETING DATE: June 5, 2018
FILE NO:
MEETING: Workshop

EXECUTIVE SUMMARY:

BC Hydro is in the process of renewing one of its Alouette Water Licences. The Alouette Lake Reservoir and Dam are within the unceded territories of the Katzie and Kwantlen First Nations. Recently, BC Hydro engaged the City of Maple Ridge and other stakeholders in the Alouette Water Licence Renewal process as part of the Water Use Plan Order Review.

Katzie First Nation, Kwantlen First Nation, Alouette River Management Society (ARMS), and the City of Maple Ridge intend to establish a Memorandum of Understanding (MOU) to:

- Collaborate to prepare a strong and aligned request to BC Hydro regarding fish passage, compensation and restoration related to the Alouette Watershed.
- Establish a Steering Committee to oversee the work of a Project Coordinator who will research this issue and prepare agreed upon recommendations that will be presented to BC Hydro on behalf of each organization and Nation.

Support from a Project Coordinator with knowledge in the subject matter area will be required to coordinate and prepare this work.

RECOMMENDATION(S):

That a Memorandum of Understanding among Katzie First Nation, Kwantlen First Nation, Alouette River Management Society (ARMS) and the City of Maple Ridge be prepared for the coordination of an aligned request to BC Hydro regarding fish passage, compensation and restoration related to the Alouette Watershed; and

That a process to engage an independent Project Coordinator be pursued; and

That the Memorandum of Understanding and the costs of the project coordinator be brought back to Council for consideration.

DISCUSSION:

a) Background Context:

The Alouette Lake Reservoir and Dam are within the unceded territories of the Katzie and Kwantlen First Nations. Recently, BC Hydro engaged the City of Maple Ridge and other stakeholders in the Alouette Water Licence Renewal process as part of the Water Use Plan Order Review.

Through this process, Katzie and Kwantlen First Nations, ARMS and the City will be advocating for a strong commitment from BC Hydro and the Province around reservoir habitat restoration and species compensation.

In the coming weeks, City staff will be working closely with the Katzie and Kwantlen First Nations and ARMS, to articulate shared expectations. While it is acknowledged that the Alouette Lake Reservoir and Dam have created permanent change, to date, the above stakeholders agree that the area has not received adequate funding to restore the ecological, economic and cultural value that has been lost.

The City recently met with representatives from Katzie First Nation, Kwantlen First Nation and ARMS. At that meeting it was agreed that the project be overseen by a Steering Committee made up of representatives from Katzie First Nation, Kwantlen First Nation, Alouette River Management Society and the City of Maple.

It was also agreed that support from a Project Coordinator with knowledge in the subject matter area will be required to coordinate and prepare this work.

The scope of work for the Steering Committee would be established through a MOU.

b) Business Plan/Financial Implications:

It is anticipated that the cost of the Project Coordinator will be in the order of \$5,000 to \$10,000.

c) Next Steps:

1. Develop draft Terms of Reference (TOR) and process for Alouette Watershed Steering Committee's review.
2. Develop a draft MOU.
3. Steering Committee to meet to confirm MOU, TOR and process.
4. Draft a report for Council's consideration to request funding for a Project Coordinator.
5. Hire Project Coordinator to oversee the work.

It is intended that the response to BC Hydro's renewal application will be submitted to the Province by September of this year.

CONCLUSIONS:

In partnership with Katzie and Kwantlen First Nations and ARMS the City of Maple Ridge will develop formal recommendations for specific financial and restorative commitments from the Province and BC Hydro as part of BC Hydro's Water Licence Renewal Process.

"Original signed by Frank Quinn"

Prepared by: Frank Quinn, MBA, P. Eng.
General Manager Public Works & Development Services

"Original signed by Kelly Swift"

Approved By: Kelly Swift, MBA, BGS
General Manager Parks, Recreation & Culture

"Original signed by Paul Gill"

Concurrence: Paul Gill, CPA, CGA
Chief Administrative Officer

to

May 17, 2018

BC Municipalities

VIA Email

Dear Mayor and Council:

Re: Provincial Employer Health Tax

At its May 14, 2018 Regular Council meeting, the Council for the City of Langley considered a report from the City's Director of Corporate Services regarding the Province's announcement that it will be implementing, commencing January 1, 2019, an employer health tax to replace the Medical Services Plan premiums that individuals currently pay. The report is enclosed for reference.

Council subsequently passed the following resolution:

WHEREAS the Province of BC has introduced an Employer Health Tax (EHT) in the form of a new 1.95% payroll tax starting January 1, 2019 in order to replace the Medical Service Plan (MSP) premiums which will not be fully phased out until January 1, 2020;

WHEREAS in 2019, the City of Langley will be required to pay approximately \$236,000 for the EHT in addition to the \$55,000 for the MSP which will require a 1.0% property tax increase to fund the additional costs;


WHEREAS the EHT will transfer the tax burden from individuals to businesses causing unintended consequences on the local taxpayers as the primary source of revenue for local governments is through property taxation;

THEREFORE BE IT RESOLVED THAT the Province of BC exempt local governments, regional districts and school boards from the imposition of the EHT to lessen the financial burden on local taxpayers, especially those that are on fixed incomes.

Council further resolved:

THAT correspondence be sent to all BC municipalities urging each municipality to write to the provincial government requesting the elimination or reduction of the newly implemented Employer Health Tax.

Yours truly,
CITY OF LANGLEY

A handwritten signature in dark ink, appearing to read 'Kelly Kenney', with a stylized, cursive script.

Kelly Kenney
Corporate Officer

Enclosure





REPORT TO COUNCIL

To: **Mayor Schaffer and Councillors**

Subject **Provincial Employer Health Tax**

Report #: 18-29

File #: 1610.00

From: Darrin Leite, CPA, CA

Doc #: 156637

Date: May 7, 2018

RECOMMENDATION:

THAT Council endorse the following motion to be sent to the Provincial government to amend the implementation of the Employer Health Tax:

WHEREAS the Province of BC has introduced an Employer Health Tax (EHT) in the form of a new 1.95% payroll tax starting January 1, 2019 in order to replace the Medical Service Plan (MSP) premiums which will not be fully phased out until January 1, 2020;

WHEREAS in 2019, the City of Langley will be required to pay approximately \$236,000 for the EHT in addition to the \$55,000 for the MSP which will require a 1.0% property tax increase to fund the additional costs;

WHEREAS the EHT will transfer the tax burden from individuals to businesses causing unintended consequences on the local taxpayers as the primary source of revenue for local governments is through property taxation;

THEREFORE BE IT RESOLVED THAT the Province of BC exempt local governments, regional districts and school boards from the imposition of the EHT to lessen the financial burden on local taxpayers, especially those that are on fixed incomes.

PURPOSE:

The City of Langley is expressing concern on behalf of the local property taxpayers about the implementation of a new payroll tax being introduced by the Province of British Columbia.

POLICY:

None.

COMMENTS/ANALYSIS:

The Provincial government announced that they will be implementing, starting January 1, 2019, an employer health tax to replace the Medical Services Plan premiums that individual's currently pay. The UBCM surveyed local governments in British Columbia to determine what the impact of the new 1.95% payroll tax would have. The City of Langley is significantly impacted.

In 2017, the City paid \$110,000 for MSP premiums and the payment reduced in half to \$55,000 in 2018. However, in 2019, the EHT will cost the City approximately \$236,000 in addition to the \$55,000 MSP premiums that will not be fully eliminated until January 1, 2020. The City will have to pass on this new financial burden to the taxpayers in the City resulting in a 1% property tax increase in order to fund the additional cost.

The City of Langley believes it is unfair to be required to pay both the EHT and MSP premiums in 2019, the transition year, until the MSP premiums are fully eliminated in 2020. In addition, it is a concern when an increase in property taxes is being required to fund provincial healthcare services.

BUDGET IMPLICATIONS:

The City's expenses will increase to \$291,000 in 2019 from the \$55,000 spent in 2018 on MSP premiums. This \$236,000 will require a 1% property tax increase to balance the budget.

ALTERNATIVES:

Forgo the opportunity to write a letter to the Province to express the concern over the implementation of the new EHT.

Respectfully Submitted,



Darrin Leite, CPA, CA
Director of Corporate Services

Attachment(s): UBCM Employer Health Tax Impact on Local Government Survey
Results and Analysis

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I support the recommendation.



Francis Cheung, P. Eng.
Chief Administrative Officer

Employer Health Tax Impact on Local Governments

Survey Results and Analysis

Union of BC Municipalities

May 2018

Introduction

The Province of British Columbia's 2018/19 – 2020/21 Budget and Fiscal Plan includes a commitment to eliminate Medical Services Plan (MSP) premiums and fund this change through the implementation of an employer health tax (EHT). Since local governments are subject to this proposed tax, the Union of BC Municipalities (UBCM), with support from the British Columbia Government Finance Officers Association, surveyed local government financial officers in April of 2018 to better understand the impact of the EHT on local government finance. The data from the survey provided the basis for this report.

Local Government Finance

Local governments have a limited revenue base that relies heavily on property taxation¹. While the property tax provides revenue stability and predictability, it does not fairly distribute costs across income levels, placing an undue share on lower and middle income British Columbians. Local governments are also subject to significant external cost drivers due to decisions made by other orders of government. In recognition of both current and projected stresses, BC local governments have called for a joint review of the local government finance system.² One of the objectives of such a review is to prevent the property tax becoming unaffordable for a greater number of British Columbians.

UBCM Employer Health Tax Survey

77 respondents participated in the UBCM survey, representing just over 40% of local governments in British Columbia. Respondents varied in population from 107 (Village of Zeballos) to 631,406 (City of Vancouver). The survey solicited information on local government costs for employee MSP premiums and estimated EHT costs for the period 2017-2020. This data is provided in the Appendix to this report.

Employer Health Tax and Local Government

In 2017, all but one of the 77 survey respondents paid some portion of employee MSP premiums. For unionized employees, employer-paid MSP contributions are a negotiated benefit and vary from contract to contract. Local governments may

¹ Union of BC Municipalities, *Strong Fiscal Futures: A Blueprint for Strengthening BC Local Governments' Finance System* (2013), 18.

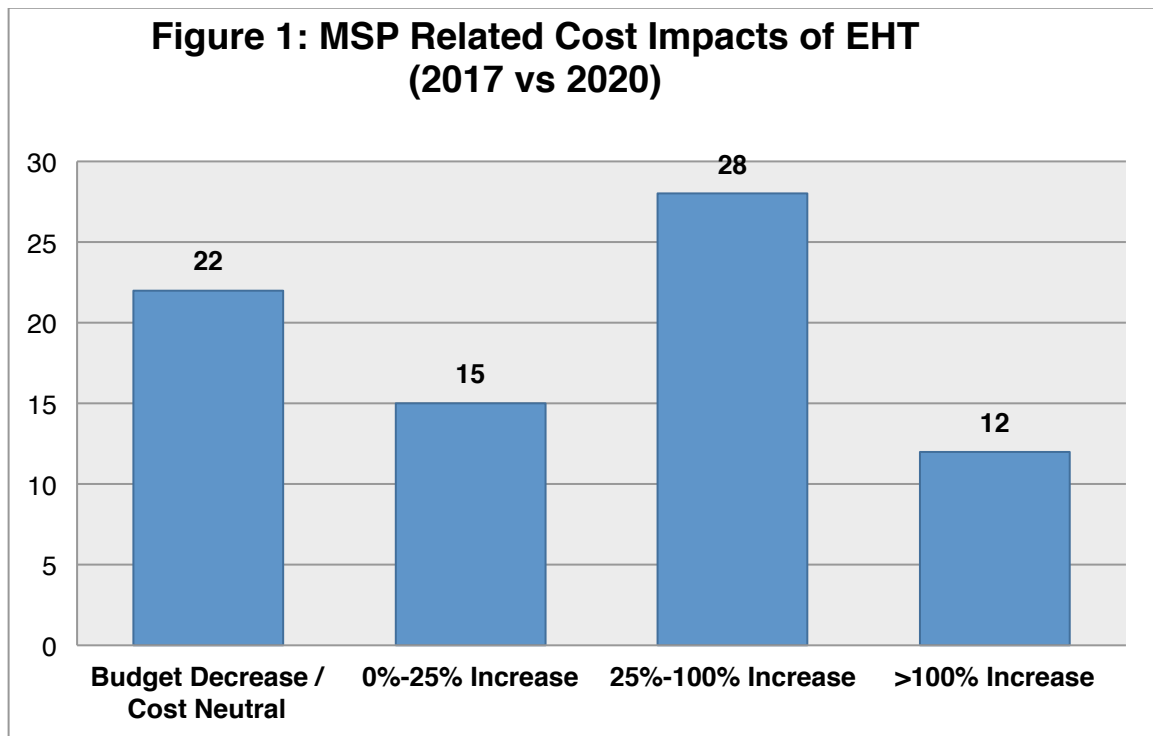
² Union of BC Municipalities, *Local Government Finance Policy Paper* (2013).

also pay a portion of MSP premiums for exempt staff, although this too is a matter of local determination.

The employer health tax will be imposed upon businesses and organizations in accordance with the size of their payroll. Businesses and organizations with payrolls less than \$500,000 will be exempt from the EHT. The tax rate will start at 0.98 percent for annual payrolls in excess of \$500,000 and will gradually increase to 1.95 percent for payrolls greater than \$1,500,000 per year.

Due to differences such as population served, the degree of contracting out, and levels of service, local government payrolls vary in size from hundreds of thousands to hundreds of millions. As a result, the impact of EHT implementation on local governments varies considerably (Figure 1).

Taking into account the elimination of MSP premiums effective January 1, 2020, 29% of respondents indicated cost reductions or cost neutrality as a result of EHT implementation relative to 2017 MSP premium costs. Correspondingly, 71% respondents indicated increased costs in relation to EHT implementation in comparison to 2017, with 36% of respondents indicating increases of 25-100% and 15% indicating increases greater than 100%.

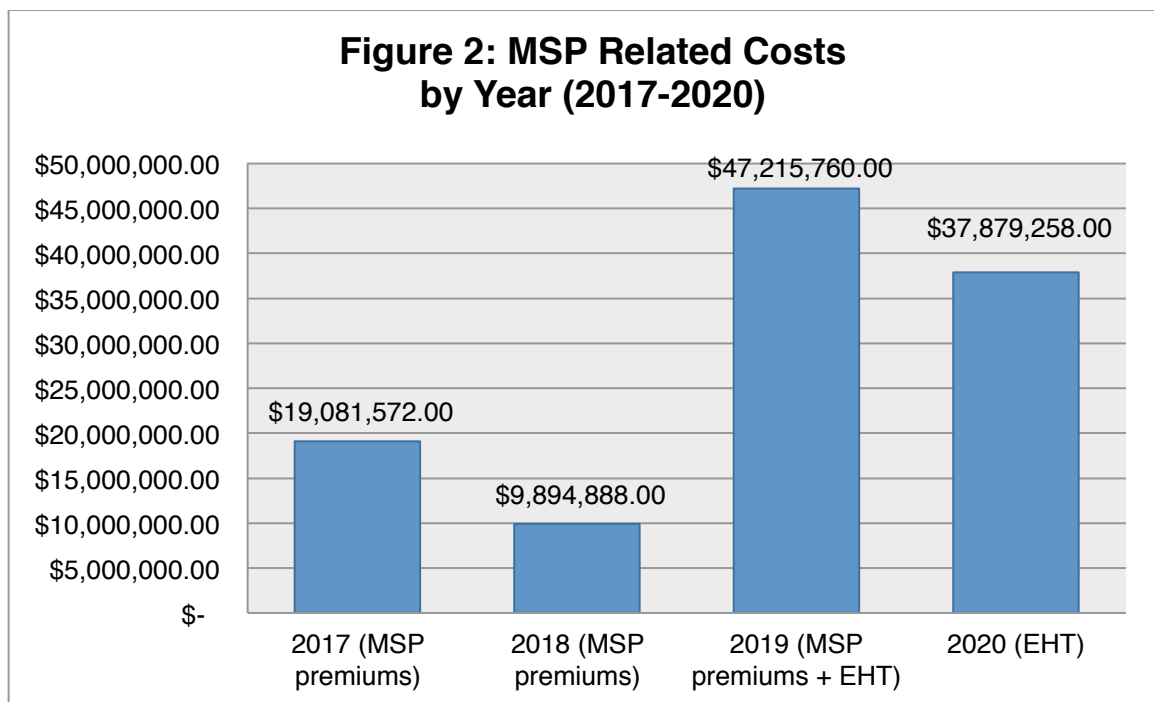


Source: UBCM survey (77 of 189 local governments)

Another way of analyzing the survey data is to consider the impact on local government as a sector. As a group, the 77 communities that contributed to the survey will see its MSP related costs double between 2017 and 2020 as a result of the EHT (Figure 2).

The survey responses also demonstrate that the provincial government decision to reduce MSP premiums by 50% effective 2018 provided significant cost savings for local governments that paid some portion of employee MSP premiums. This relief was effectively eliminated by the introduction of EHT. The transition year of 2019, in which MSP premiums are retained while the EHT is phased in, will also create an extraordinary single year increase in which MSP related costs will more than quadruple for the respondents.

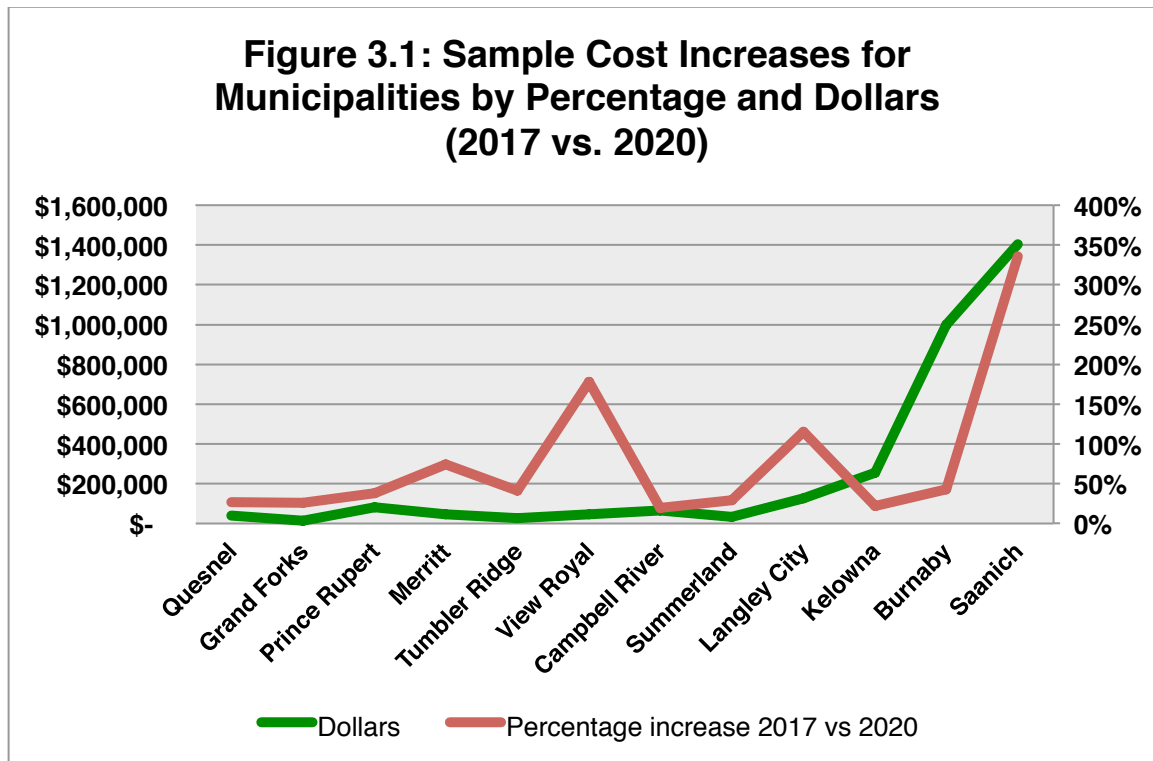
Given that UBCM's survey data reflects information for 40% of BC local governments, the actual increase in for the entire local government sector in 2019 and beyond resulting from EHT implementation are greater than indicated by our survey.



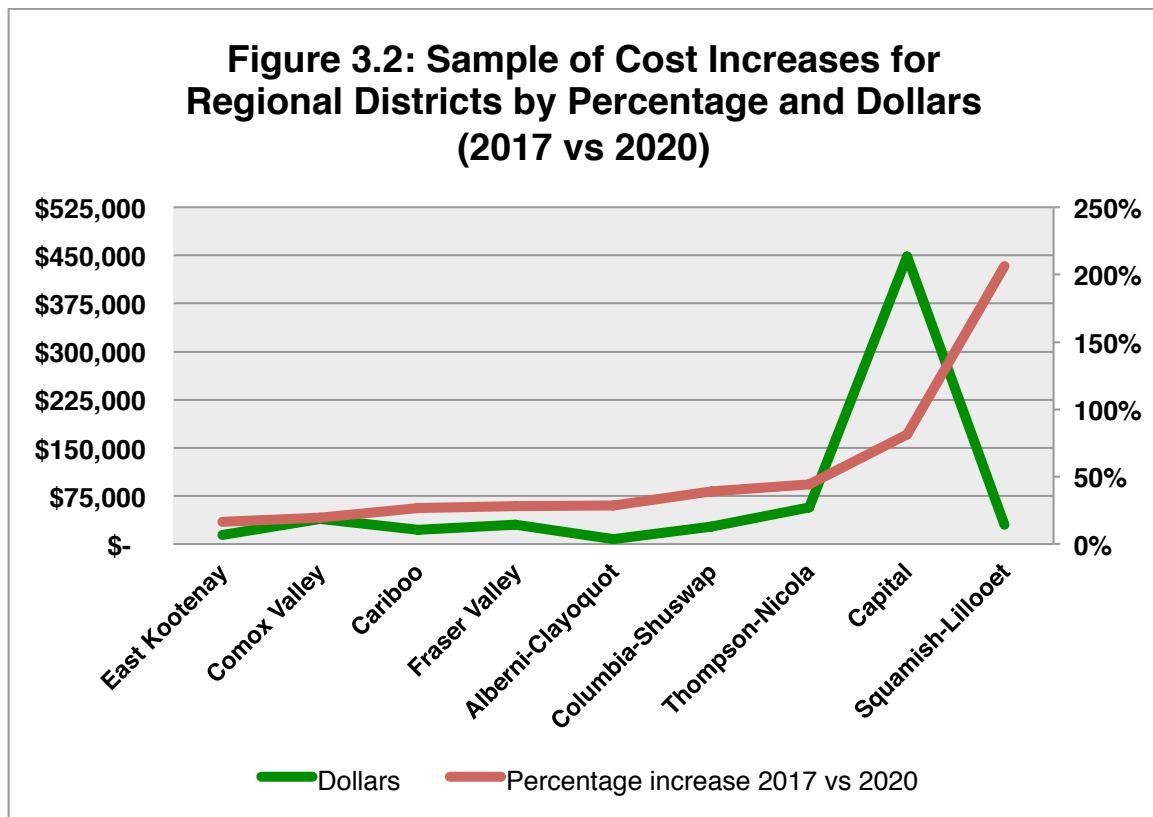
Source: UBCM survey (77 of 189 local governments)

While 21 respondents will see a net cost savings by 2020 through the implementation of EHT, the savings will be modest for most of this group. Conversely, for communities facing cost increases due to EHT implementation, the increases are dramatic. Increased employee MSP related costs for

communities like Vancouver, Saanich, Victoria, and Burnaby will run into the millions. Excluding these four communities, the majority of local governments with populations greater than 50,000 will also see significant impacts, with an average MSP related cost increase of \$631,500, or a budget increase of 92% from 2017 to 2020. Figure 3.1 demonstrates the range of cost increases due to the EHT for a sample of municipalities based on a comparison of 2017 and 2020 MSP related costs.

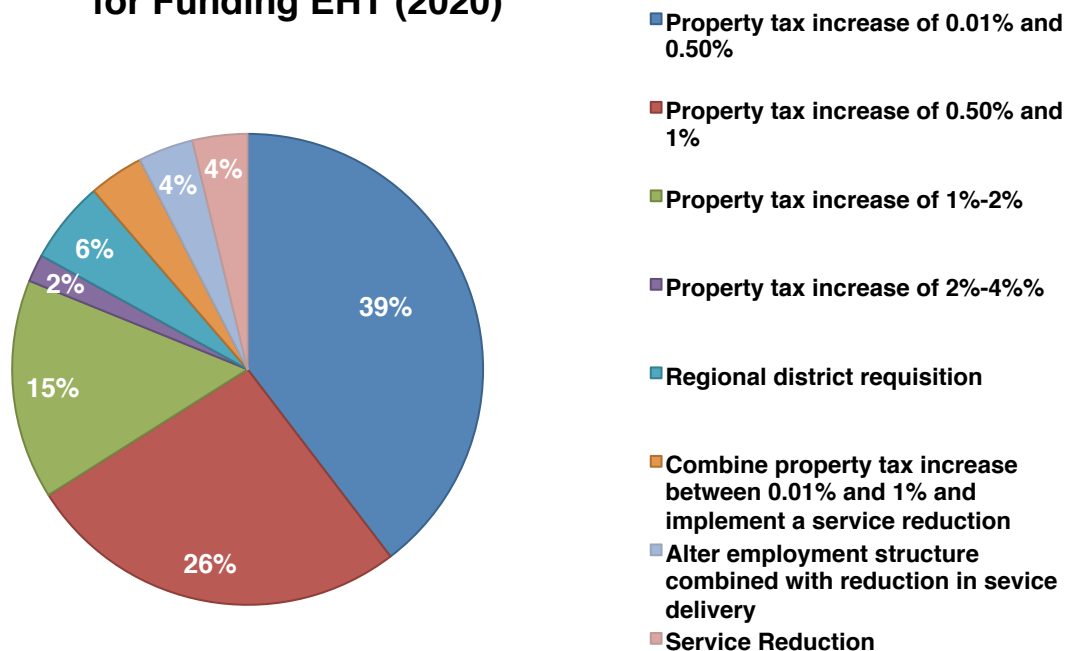


Local government costs will be further increased when the effect of regional districts is factored in (Figure 3.2). Regional districts cannot collect taxes directly from residents, and instead rely on a requisition that is submitted to the Ministry of Municipal Affairs and Housing and direct billing of municipalities. Regional districts that see a net increase in costs as a result of EHT implementation may choose to fund this increase through its requisition, thus further increasing the impact of the EHT on taxpayers in municipalities and electoral areas within the regional district.



Local governments that have a MSP related cost increase due to the EHT will need to consider how best to fund the change. As indicated in Figure 4, these Councils and Boards will face a choice of reducing services, increasing property taxation, or a mixture of both. The majority of respondents have indicated that these options involve some form of property tax increase, with 15% indicating that such increases are likely in the range of 1-2%.

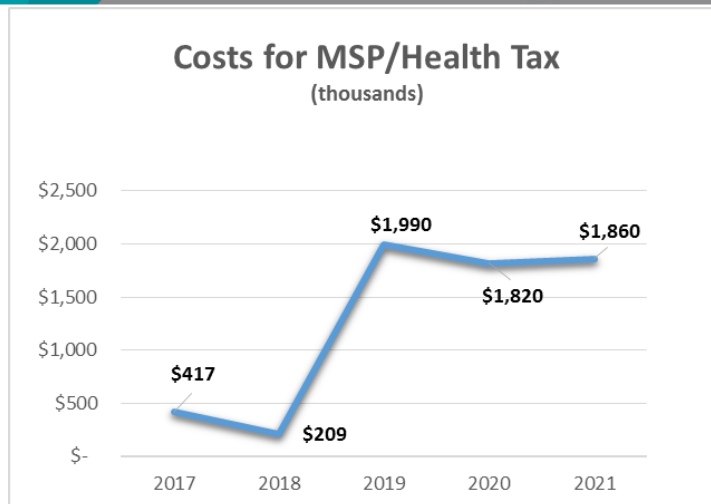
Figure 4: Local Government Options for Funding EHT (2020)



Case Study: District of Saanich

The proposed employer health tax will have significant budget implications for the District of Saanich. The estimated cost for Saanich in 2019 during the transitional year of EHT implementation is \$1.78 million for the new tax plus \$209,000 for employee MSP premiums. These costs will be distributed between the general fund (property taxation) and the sewer and water utilities (user fees). The general fund portion equates to a 1.3% property tax increase. In subsequent years, the tax will rise in step with collective agreement settlements that are currently 2% to 2.5%. Saanich Council will be faced with a choice of increasing taxes, reducing services, or a combination of the two. Budget reductions implemented after the 2008 economic downturn have left few options remaining.

If the assumption is that the increase should be managed through operating budget reductions, the impact translates into a reduction of at least 15 positions and therefore impactful reductions in service levels. Alternately, capital funding could be reduced moving backwards on a decade of Council commitment to achieve sustainable funding levels for infrastructure replacement.



“Saanich cannot manage a 1.3% property tax increase from this additional expense through simple ‘belt tightening’. We would have to amputate a limb.”
Paul Thorkelsson, CAO

The impact on Saanich property owners could be compounded with increased levies for the Capital Regional District and Hospital District, BC Assessment, and BC Transit who would also be subject to the employer health tax and facing the same challenges to fund it.

The impact on Saanich’s medium to large business property owners is twofold as they face paying the EHT directly on top of any property taxation increases that may be implemented. An option is to put the burden solely on residential properties, but this is likely to meet strong resistance as 92% of Saanich’s assessment base is residential and due to low non-market revenue in recent years, annual tax increases are trending over 3%.

Employer-paid MSP premiums are a negotiated benefit. Implementation of this tax applied will remove the ability for Saanich to negotiate this benefit as part of collective bargaining. Where property tax currently funds only a small portion of the premiums for some staff, a shift to the health tax confers a considerable benefit without any bargaining and passes the cost on to Saanich property owners.

Conclusion

The introduction of the employer health tax will lead to increased Medical Services Plan related costs for a considerable portion of the local government sector. While a small portion of local governments will see reduced MSP related costs once the EHT is implemented, the savings for most of these communities are negligible. Conversely, the cost impacts for some larger communities are considerable. Based on the survey information provided to UBCM, Medical Services Plan related costs for respondents would double between 2017 and 2020. On a one-time basis, due to implementation of the EHT while MSP

premiums are still in place, MSP related costs for respondents would quadruple between 2018 and 2019.

Given that the communities most impacted tend to be larger population centres, it is safe to conclude that the implementation of the EHT will lead to property tax increases for the majority of British Columbia's population. This will have a particular impact on the private sector, since businesses that are already paying the EHT directly will likely face increased property taxes as well.

Due to the extent of these impacts, many local governments are questioning a tax policy that results in the funding of a provincial service (healthcare) through property taxation.

Appendix A – Survey Results: Medical Services Plan (MSP) Related Costs by Year

Local Government	2017 (MSP Premiums)	2018 (MSP Premiums)	2019 (MSP Premiums + Employer Health Tax)	2020 (Employer Health Tax)
Alberni-Clayoquot RD	\$26,625.00	\$19,000.00	\$52,600.00	\$34,300.00
Anmore	\$16,050.00	\$8,100.00	\$17,500.00	\$9,400.00
Ashcroft	\$19,912.00	\$10,000.00	\$20,000.00	\$10,000.00
Belcarra	\$10,502.00	\$5,252.00	\$11,421.00	\$6,169.00
Burnaby	\$2,302,000.00	\$1,086,000.00	\$4,400,000.00	\$3,300,000.00
Campbell River	\$336,211.00	\$340,000.00	\$562,300.00	\$400,800.00
Capital RD	\$552,000.00	\$271,000.00	\$1,271,000.00	\$1,000,000.00
Cariboo RD	\$83,000.00	\$41,500.00	\$141,500.00	\$105,000.00
Chase	\$14,550.00	\$8,550.00	\$24,462.00	\$15,912.00
Columbia-Shuswap RD	\$69,746.00	\$35,000.00	\$130,000.00	\$96,900.00
Colwood	\$78,225.00	\$39,113.00	\$170,000.00	\$130,000.00
Comox Valley RD	\$202,282.00	\$220,000.00	\$337,900.00	\$241,500.00
Courtenay	\$188,000.00	\$92,250.00	\$317,250.00	\$225,000.00
Creston	\$45,000.00	\$22,500.00	\$75,500.00	\$54,000.00
Dawson Creek	\$195,825.00	\$100,850.00	\$352,315.00	\$259,009.00
Duncan	\$45,600.00	\$22,500.00	\$75,577.00	\$54,000.00
East Kootenay RD	\$84,038.00	\$42,018.00	\$139,919.00	\$97,901.00
Elkford	\$40,472.00	\$20,250.00	\$79,868.00	\$60,810.00
Enderby	\$15,075.00	\$7,500.00	\$22,575.00	\$15,075.00
Fort St. John	\$265,266.00	\$127,800.00	\$524,366.00	\$406,480.00
Fraser Valley	\$106,500.00	\$53,000.00	\$189,500.00	\$136,500.00
Gold River	\$24,500.00	\$14,000.00	\$45,200.00	\$31,200.00
Grand Forks	\$52,000.00	\$26,000.00	\$64,000.00	\$65,500.00
Harrison Hot Springs	\$20,775.00	\$12,060.00	\$25,000.00	\$12,500.00
Invermere	\$34,875.00	\$17,100.00	\$53,560.00	\$36,460.00
Kaslo	\$12,150.00	\$6,300.00	\$12,500.00	\$6,301.00
Kelowna	\$1,151,000.00	\$575,520.00	\$1,955,520.00	\$1,407,600.00
Kent	\$33,750.00	\$16,875.00	\$88,407.00	\$71,532.00
Keremeos	\$14,400.00	\$7,200.00	\$18,600.00	\$11,600.00
Ladysmith	\$85,397.00	\$42,683.00	\$150,331.00	\$107,648.00
Lake Country	\$97,875.00	\$55,350.00	\$163,400.00	\$107,648.00
Langley District	\$630,500.00	\$386,000.00	\$1,666,000.00	\$1,300,000.00
Langley City	\$110,000.00	\$55,000.00	\$291,000.00	\$236,000.00
Lantzville	\$21,150.00	\$11,250.00	\$31,996.00	\$21,161.00
Logan Lake	\$24,300.00	\$12,150.00	\$42,650.00	\$31,000.00
Lytton	\$8,100.00	\$4,050.00	\$9,048.00	\$4,998.00

Maple Ridge	\$350,000.00	\$175,000.00	\$875,000.00	\$700,000.00
McBride	\$6,390.00	\$6,300.00	\$6,300.00	-
Merritt	\$62,452.00	\$31,225.00	\$138,027.00	\$108,938.00
Metchosin	\$13,320.00	\$6,660.00	\$21,012.00	\$14,636.00
Mission	\$268,000.00	\$134,000.00	\$499,650.00	\$365,650.00
Nakusp	\$25,200.00	\$12,600.00	\$27,600.00	\$15,225.00
New Denver	\$3,600.00	\$1,800.00	\$7,427.00	\$5,739.00
New Hazelton	\$9,000.00	\$4,500.00	\$10,311.00	\$6,012.00
New Westminster	\$706,200.00	\$363,150.00	\$1,817,450.00	\$1,483,400.00
North Cowichan	\$222,500.00	\$112,500.00	\$405,000.00	\$298,350.00
Oak Bay	\$167,099.00	\$83,550.00	\$451,004.00	\$367,454.00
Okanagan-Similkameen RD	\$125,000.00	\$65,000.00	\$180,000.00	\$120,000.00
Oliver	\$42,000.00	\$22,000.00	\$61,000.00	\$41,000.00
Peace River RD	\$52,885.00	\$30,000.00	\$74,709.00	\$48,165.00
Penticton	\$380,704.00	\$190,352.00	\$594,853.00	\$404,501.00
Port Alice	\$13,538.00	\$6,770.00	\$13,026.00	\$6,381.00
Port Coquitlam	\$340,000.00	\$170,000.00	\$785,000.00	\$630,000.00
Port McNeill	\$9,900.00	\$4,950.00	\$15,453.00	\$10,503.00
Port Moody	\$254,480.00	\$130,000.00	\$715,000.00	\$600,000.00
Prince George	\$667,358.00	\$333,679.00	\$1,678,291.00	\$1,371,504.00
Prince Rupert	\$213,000.00	\$107,000.00	\$394,000.00	\$293,000.00
Quesnel	\$152,000.00	\$76,000.00	\$268,660.00	\$192,660.00
Radium Hot Springs	\$12,600.00	\$6,300.00	\$13,300.00	\$7,000.00
Saanich	\$417,420.00	\$208,710.00	\$1,989,410.00	\$1,820,000.00
Sidney	\$90,990.00	\$47,970.00	\$142,970.00	\$97,000.00
Sooke	\$54,975.00	\$36,000.00	\$114,000.00	\$78,000.00
Squamish	\$237,033.00	\$121,000.00	\$440,828.00	\$326,548.00
Squamish-Lillooet RD	\$14,659.00	\$7,500.00	\$51,293.00	\$44,888.00
Summerland	\$111,450.00	\$55,700.00	\$197,200.00	\$144,300.00
Sunshine Coast RD	\$334,000.00	\$160,096.00	\$415,856.00	\$255,760.00
Thompson-Nicola RD	\$129,150.00	\$65,000.00	\$251,405.00	\$186,405.00
Trail	\$87,600.00	\$43,800.00	\$76,200.00	\$32,450.00
Tumbler Ridge	\$63,923.00	\$44,775.00	\$133,509.00	\$90,198.00
Ucluelet	\$38,301.00	\$21,600.00	\$57,395.00	\$36,511.00
Vancouver	\$5,000,000.00	\$2,500,000.00	\$17,500,000.00	\$15,000,000.00
Vernon	\$436,635.00	\$220,000.00	\$668,500.00	\$448,500.00
Victoria	\$800,000.00	\$400,000.00	\$2,300,000.00	\$1,900,000.00
View Royal	\$25,200.00	\$13,000.00	\$81,000.00	\$70,000.00
Warfield	\$6,900.00	\$3,450.00	\$8,950.00	\$5,500.00
Williams Lake	\$113,059.00	\$56,530.00	\$199,706.00	\$143,176.00
Zeballos	\$5,400.00	\$2,700.00	\$2,700.00	-