

TO: Her Worship Mayor Nicole Read
and Members of Council
FROM: Chief Administrative Officer
SUBJECT: **Employment Land Use Suitability Assessment (West and East of the Kwantlen First Nation)**

MEETING DATE: October 17, 2016
FILE NO:
MEETING: C of W

EXECUTIVE SUMMARY:

The 2012-2042 Commercial and Industrial Strategy identified that, in an effort to foster ongoing growth amongst the City's approximately 7,700 industrial-based jobs, an additional 69-93 hectares (170-230 acres) of industrial lands by 2040 would need to be redesignated. In pursuit of this direction, Council has instructed staff to investigate a number of sites to determine if they could suitably support employment-generating land uses. Specific options that were identified for further assessment as future industrial land supply include: the Albion Flats, the lands at 232nd Street and 128th Avenue, the Cottonwood lands between the Haney Bypass and Lougheed Highway, and the lands adjacent to the Kwantlen First Nation, along the Lougheed Highway.

The intent of this report is to bring forward the results of a high-level land use assessment of the sites located to the west and east of the Kwantlen First Nation to determine their appropriateness for a redesignation to Industrial. Finding suitable and developable industrial land was noted by the Commercial and Industrial Strategy as an issue over the medium to long term. Despite the presence of currently designated, but underutilized industrial land in Maple Ridge, the Strategy recommends that planning for additional industrial supply should begin now in order to best satisfy future demand for industrial land in an increasingly competitive region.

Staff therefore examined the impacts and requirements from various environmental factors, most notably, topography and the presence of known watercourses. Through the analysis, it is estimated that the combined occurrence of these factors reduces the approximately 60 ha (148 acres) of gross area located to the west of the Kwantlen First Nation to over 16 ha (39 acres), leaving 27% available for development. Similarly to the east of the Kwantlen First Nation, 3 ha (7 acres) of land could be available for redevelopment out of the 13 ha (32 acres) of gross site area (21%). All together, the potential area that could be available to meet future industrial demand is about 19 ha (46 acres). From a policy and regulatory perspective, the assessment also identified that the existing Suburban Residential designation of the lands stems from the location of these areas outside of the Urban Area Boundary as well as the Region's Urban Containment Boundary and Fraser Sewerage Area.

Acknowledging the presence of the site constraints facing any form of development, and in light of the recommendation to investigate opportunities for future developable industrial lands, the high-level analysis undertaken by staff suggests that industrial activities to the west and east of the Kwantlen First Nation is appropriate. It is also noted that these lands are adjacent to existing commercial and industrial land uses and present proximity to the Lougheed Highway.

The report also recommends a consultation and communication process, which includes engagement with property owners and the Kwantlen First Nation.

The Commercial and Industrial Strategy indicates that the City will need upwards of 69-93 hectares (170-230 acres) of additional industrial lands by 2040. As part of this discussion, a number of areas that could potentially accommodate employment-based land uses were identified for discussion with Council and the community. Figure 2 on the adjacent page includes the potential employment sites first identified for Council in November 2012. The lands subject to this report are identified as #3.

a) Background Context:

On October 5, 2015, Council endorsed the Commercial and Industrial Strategy Implementation Plan Matrix. As part of the Immediate Term horizon (2015 to 2016), a review of potential employment lands locations outlined during the preparation of the Commercial and Industrial Strategy was identified, along with the following Council Resolutions:

That staff be directed to obtain a more detailed site analysis [of each identified location] to determine feasibility as employment generating lands. (Dec. 2, 2013); OR

For this work to be completed as part of development application information.

On April 18, 2016, Council received for information an update on the status of the potential future employment sites (see Figure 2). Through that discussion it was highlighted that:

- Site #1 was determined as unsuitable (through a development application);
- Sites #2 (128th & 232nd), #6 (Albion Flats), #7 (248th & DTR) and #8 (Albion Industrial Area) were identified as being advanced through concurrent processes;
- Sites #4 (Thornhill) and #5 (203rd & Abernethy) were identified as long term options to be explored through future growth decisions; and
- The remaining two properties (#3) located to the west and east of the Kwantlen First Nation on Lougheed Highway, east of 240th Street were seen as not part of other ongoing or concurrent efforts and therefore were in need for assessment by staff to resolve the feasibility of these sites for possible future employment uses.

Through the April workshop, Council requested staff report back on the suitability of the lands west and east of the Kwantlen First Nation and the lands located at 128th & 232nd, towards outlining possible implications stemming from any future land use redesignation.

On May 10th, 2016, Council directed staff to initiate bylaw preparation to redesignate the 11 properties located at 128th Street and 232nd to facilitate future employment opportunities. The amending bylaws for the 128th and 232nd lands will be the subject of a separate report.

On September 19, 2016, Council authorized staff to begin preparing an amending bylaw to redesignate the lands in the 256 Street vicinity to Industrial from Suburban Residential and Institutional in the Official Community Plan. These lands while not identified in the Commercial and Industrial Strategy, were seen as another means of expanding employment opportunities in vicinity of existing and well-utilized employment lands. The draft amending bylaw will be the subject of a future report to Council.

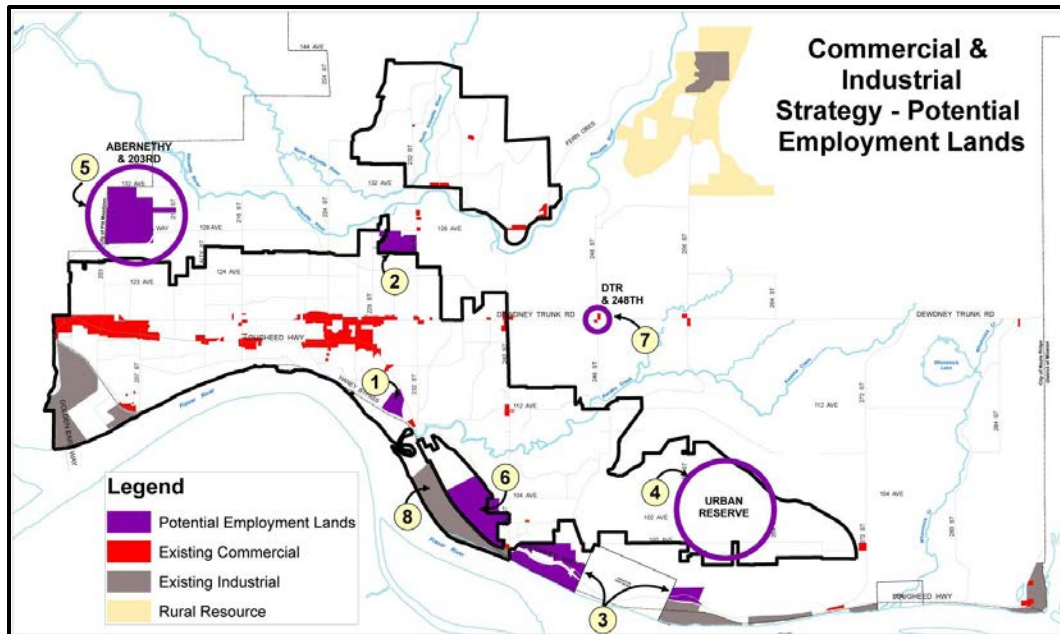


Figure 2: Potential Employment Lands City-Wide

b) Property Description

The two areas located to the west and east of the Kwantlen First Nation, when combined, represent over 73 ha (180 acres) of currently designated Suburban Residential land. Both sites are comprised of multiple individual properties and encompass rail and highway rights of way. The sites are both located outside of the Urban Area Boundary. Regionally, both sites are neither within the Metro Vancouver Urban Containment Boundary nor within the Fraser Sewerage Area.

c) Property Assessment

Any change of use for these lands will require consideration of a number of environmental factors. In light of these site conditions, the staff-led assessment noted anticipated impacts and requirements facing any future redevelopment:

- 1) **Topography** - Both the westerly and easterly lands are significantly impacted by slopes greater than 25% that span north to south. As shown in Figure 3 below, such slopes will certainly impact and reduce the areas available for development on each site.
- 2) **Watercourses** - The presence of known watercourses and their associated setbacks (ranging from 10m to 30 m) further challenge the ability to develop the lands on both sides of the Kwantlen First Nation. A Watercourse Protection DP is required for any development sites that are within 50 metres of a watercourse, pond, or wetland feature to ensure riparian areas and environmentally sensitive habitat remains protected and functional.
- 3) **Soils/Geology** - Given the topography and presence of watercourses, hydro-geotechnical issues likely exist, requiring further hydro-geotechnical studies to determine setbacks from top of slope and toe of slope. A Natural Features DP is required for development of sites on slopes over 15% to consider OCP Hillside Management Policies, including safety concerns, working with natural topography and native vegetation around crest of hills, and retention of slopes over 25%.

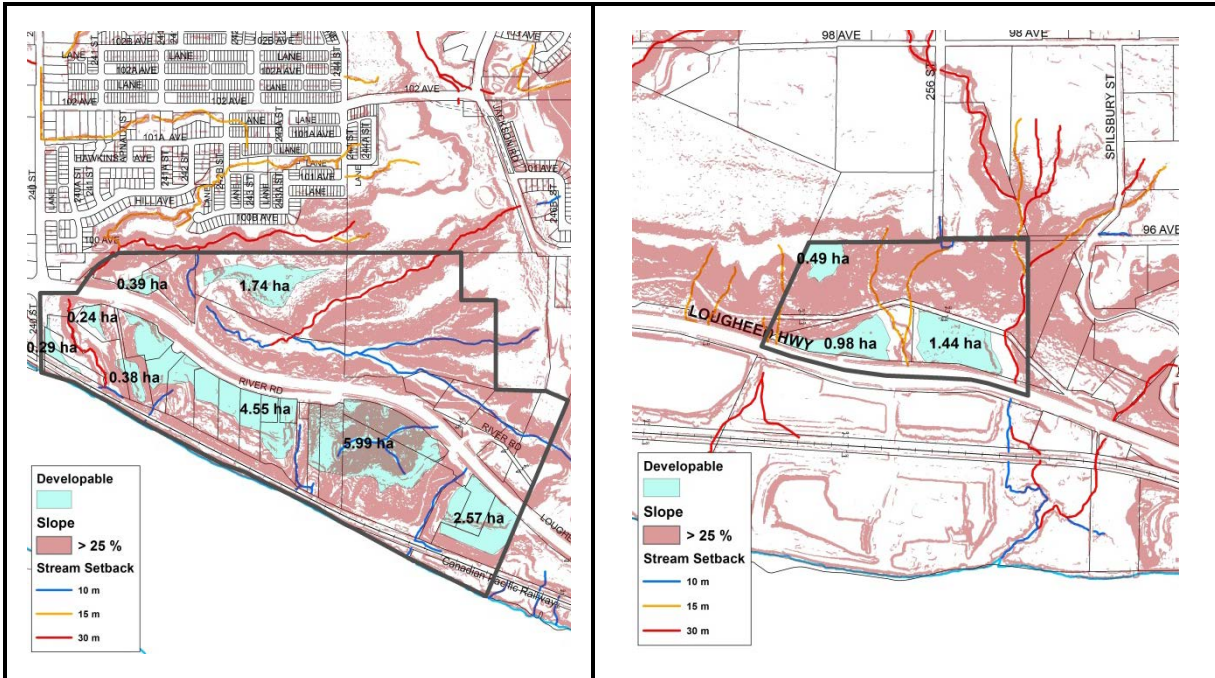


Figure 3: Potential Lands Available for Development West (Left) and East (Right) of Kwantlen First Nation (Allowing for Slope and Watercourses).

- 4) **Significant Trees/Forest area** – There are portions of the sites that would require clearing and tree removal. A Tree Cutting Permit is required under the Tree Protection and Management Bylaw. Further investigation through a Tree Management Plan is required to determine potential retention areas for significant tree clusters, especially on the periphery of the sites and around conservation boundaries. In addition, appropriate studies, mitigation, and coordination measures are required to manage tree retention and tree removal areas on site, including tree replacement requirements. Tree retention is important on these slopes for a number of reasons including rainwater storage, slope stability and erosion control, hydraulic uplift of water table, and for aesthetic reasons. These items will need to be addressed as part of any future management plans.
- 5) **Surface Water, Groundwater and Vulnerable Aquifer Management** - This area is dependent on well water as properties are not connected to the municipal water servicing infrastructure. This development area is also identified as being in proximity to the Grant Hill Aquifer which is a designated “vulnerable aquifer” according to Provincial information which requires consideration for adjacent properties that are dependent on groundwater for drinking water and irrigation purposes. A Groundwater Impact Assessment will be required for any development near the Grant Hill Aquifer boundaries identified by the Province to protect the surrounding properties that rely on groundwater sources.
- 6) **Stormwater Management** – Along the Fraser River and below the CPR tracks there are floodplain issues that would need to be further addressed at the time of development application. Above the rail tracks, the development would need to demonstrate compliance with the City’s stormwater management requirements with respect to 3 tier on-site source controls using Provincial and Metro Vancouver design standards. Emphasis within the 3 tier approach is on management of volumes, runoff rates, and water quality improvements which need to be coordinated with geotechnical recommendations, ESA protected areas, and tree retention areas.

- 7) **Access** – For the lands located on the west side of the Kwantlen First Nation, the properties located south of Lougheed Highway appear to be readily accessible, given that the proximity of River Road and the concentration of the slopes further south closer to the Fraser River. However, due to the topography, construction of access roads to those properties on the north side of Lougheed Highway on both sides of the Kwantlen First Nation will be more difficult. Any future developments will need to confirm if access to those portions of land available for development can be achieved within the design and construction standards set out in the Maple Ridge Subdivision and Development Servicing Bylaw as well as meet the requirements for emergency access identified by the Maple Ridge Fire Department.
- 8) **Municipal Services** –The water distribution system boundary is currently at 240th Street, but sanitary sewer connections are not present given the rural nature of these Suburban Residential properties. Expansion of the water distribution system to service future land uses located on the westerly-oriented lands may be accomplished through new development, at a cost to the developer. Extending water services to the lands located to the east of the Kwantlen First Nation lands will be more difficult. Further assessment of the water distribution system would be required at the time of any development to confirm additional offsite upgrade requirements. Provision of sanitary services to both sites is not possible without amendments by Metro Vancouver and the Greater Vancouver Sewerage and Drainage District to the Regional Containment Boundary and Fraser Sewerage Area boundary respectively. As a result, any new industrial development would need to rely on septic systems as is the case currently at the M-2 zoned Kanaka Business Park.
- 9) **Development Potential** - Combined, such environmental considerations will limit the development of these lands, regardless of future land use designation. Focusing only on the topography and the known watercourses, staff prepared a summary illustration of the areas available for development, west and east of the Kwantlen First Nation. As shown above in Figure 3, the resulting development footprints amongst the various properties are understandably reduced. For the lands west of the Kwantlen First Nation, 16 ha (39 acres) out of the gross 60 ha (148 acres) area remain available for development. To the east, close to 3 ha (7 acres) out of the original 13 ha (32 acre) of gross area could be redeveloped.

It is noted that for some of the lands west of the Kwantlen First Nation, specifically located south of the Lougheed Highway, past development applications have contemplated a relocation of the known watercourses and an associated enhancement of the local habitat in order to improve the developable portion of those properties. This approach has not been applied widely in the examination of these collective lands undertaken by staff as it requires a more detailed analysis than this high-level assessment permits; one best associated with an active application.

d) **Policy and Zoning Assessment**

Aside from environmental factors, the site will be further influenced by the City's policy and regulatory directions.

1) Official Community Plan

The OCP outlines a long-term vision for identifying additional employment generating lands, yet equally places an emphasis on ensuring the suitability of any lands contemplated for new opportunities.

As a result, the OCP provides a set of evaluation parameters for potential lands being considered for employment, be it industry or business park. These include:

OCP Policy 6-41 (Industrial)

- a) land that is relatively flat;
- b) land that is conducive to industrial development;
- c) land that is contiguous to a full range of municipal services;
- d) land that is strategically located near the Regional transportation network.

OCP Policy 6-53 (Business Park)

- a) land is contiguous to a full range of municipal services;
- b) land is strategically located on, or near a Major Road Corridor and the transportation network can support the development;
- c) the proposed development is compatible with surrounding development; and
- d) the development is consistent with the Economic Development Strategy.

While policy emphasises the presence of municipal services, it is noted that Schedule A of the Maple Ridge Subdivision and Development Servicing Bylaw exempts developments under the Industrial M-zones from the requirement to provide municipal services, excluding municipal water connections.

As for the existing Suburban Residential designation of the subject lands, the OCP permits single detached or duplex housing outside of the Urban Area Boundary that may have water, but cannot have a connection to municipal sanitary sewer services.

2) Zoning Bylaw

Currently, the minimum lot size permitted under the Suburban Residential designation is 0.4 ha (1 acre). However, on September 19, 2016, Council directed staff to prepare bylaw amendments for certain areas designated Suburban Residential (allowing established neighbourhood to complete) to increase the minimum parcel size to larger than 0.4 ha (1 acre).

The industrial M-zones provide direction on the minimum lot sizes required to undertake such uses. In light of the potential development areas that were revealed through the examination of slopes and watercourses, staff notes that the identified areas could be accommodated within the range of minimum lot size requirements set out in the industrial zones. However, lot consolidation of some of the properties would be required in order to generate sufficient land for industrial purposes.

Staff are also currently exploring the potential for a new mixed-employment zone that would be less intensive than existing out-right industrial zones. Such a zone may be appropriate for

portions of those properties located west of the Kwantlen First Nation, immediately south of the Albion Growth Area.

3) Commercial and Industrial Strategy

The Commercial and Industrial Strategy presented an industrial land demand forecast based on employment growth, which indicates that Maple Ridge will require between 170 and 230 acres (69 to 93 hectares) of additional industrial lands by 2040.

The Strategy recognized the inherent challenge of finding industrial land that is suitable (in terms of OCP directions) and viable (in terms of development) in the medium to long term in an already competitive region. It also identified that Maple Ridge currently has vacant and/or underutilized lands that may be suitable for industrial redevelopment in the short term. Various long-term directions were offered as ways to meet future demand, including maintain the status quo supply. However, in the interim it was emphasized that the City should begin planning for the anticipated long-term growth now so it can best accommodate demand for industrial lands whenever it occurs.

e) Existing Land and Improvement Values

The examination of the two areas identified that about 40% of the properties are currently vacant and unimproved, leaving most of the remaining properties as developed with one family residential dwellings. In particular, it was observed that a number of those properties located south of River Road to the west of the Kwantlen First Nation have significant improvement values, and therefore corresponding land values. As a result, the existing level of investment across these lands, as indicated by the improvement values, varies considerably. The average improvement value for both areas combined, for those parcels that have been improved, is approximately \$327,000. The average land value for all properties is about \$570,000. For those properties with higher than average levels of improvement value (i.e. \$430,000 to \$2,000,000) and land values (i.e. \$630,000 to \$5,300,000) it is likely that any future redevelopment will be in the long-term.

f) Compatibility with Surrounding Development

Current surrounding land uses for those lands located to the west of the Kwantlen First Nation include residential in the Albion Growth Area to the north, a historic commercial node located to the west at the corner of Lougheed Highway and 240th Street, and the Albion Industrial Lands located further west of 240th Street along the Lougheed Highway. The Albion Flats are in proximity as well, which as a result of the Commercial and Industrial Strategy and the resulting current planning process, have been discussed as potential lands for employment generating uses. For the lands located east of the Kwantlen First Nation, the properties about agricultural lands to the north while across the Lougheed Highway to the south are Industrial designated lands along the Fraser River.

The immediately adjacent Kwantlen First Nation lands have been the subject of previous redevelopment interests, raising the potential of a highway-oriented development in this area that could offer retail, convenience commercial, service station and neighbourhood business services. This points to possible opportunities to work jointly with the Kwantlen First Nation to enhance development opportunities within the overall area.

LAND USE REDESIGNATION IMPLICATIONS:

Based on the high-level land use assessment undertaken for this report, it appears that any development of these lands will face certain challenges and requirements regardless of designation. As noted above, the existing OCP Suburban Residential designation does not permit an extension of the Urban Area Boundary, and in combination with the recent Council direction to increase the allowable minimum lot size, it is likely the existing residential development pattern on these lands would not change significantly in the future. As well, it was identified that the known environmental considerations would limit the resulting areas (for both the west and east lands) that appear to be viable for development regardless of designation to approximately 21% to 27% of their current gross land area (although this percentage will vary according to each individual site). Additionally, any industrial or employment development would also be required to undergo municipal permitting processes which will require more detailed studies to ensure that future proposed land uses do not negatively impact existing soils, groundwater and aquifers and habitats. Such applicant-led analysis should investigate:

- Geotechnical setback areas;
- Servicing and infrastructure implementation (roads, septic, water, stormwater drainage);
- Potential Groundwater impacts within Provincial designated vulnerable aquifer areas;
- Agricultural impacts on surrounding ALR properties;
- Fraser River floodplain boundaries and local drainage concerns;
- Protection of significant trees and critical root zones in Protected Parks, ESA areas, and Geotech setback areas;
- Wildfire DP requirements; and
- First Nations Cultural/Archeological considerations.

Acknowledging these issues, and the likely limited opportunities to expand the current residential development pattern, the potential 19 ha (46 acres) of developable land identified through this analysis highlights an opportunity to achieve in part the City's identified need for up to 93 ha (230 acres) of employment-generating lands. Specifically, the potential for synergies with surrounding commercial and industrial land uses and the future land uses envisioned by the Kwantlen First Nation, along with the proximity of the lands to road and rail transportation and the Fraser River, suggest that the sites in question are suitable for employment-generating land use activities.

While conversations to-date with Council have focused on accommodating a variety of employment-generating opportunities, staff hold that traditional industrial uses, including business park uses, would be appropriate on these sites, should they be redesignated. In which case, and based upon anecdotal observations from within the Maple Meadows Business Park and operations in the 256th Street industrial area, such combined industrial development potential could equate to 10-12 industrial units per acre. Using this anecdotal rule of thumb further, it suggests that industrial development could result in the creation of hundreds of employment-generating units over the long-term future. There may also be opportunities where the westerly-oriented lands about the Albion neighbourhood to explore less intensive industrial uses, or other forms of employment in order to ensure a sensitive transition to the northerly-located residential properties.

CONSULTATION AND COMMUNICATION:

The Local Government Act (LGA) section 475 provides the framework to guide consultation for OCP amendments. Council must consider if consultation should be early and ongoing with one or more persons, organizations and authorities. Specifically with:

- i. the board of the regional district in which the area covered by the plan is located, in the case of a municipal official community plan;
- ii. the board of any regional district that is adjacent to the area covered by the plan;
- iii. the council of any municipality that is adjacent to the area covered by the plan;
- iv. first nations;
- v. boards of education, greater boards and improvement district boards;
- vi. the Provincial and federal governments and their agencies.

In light of the challenges inherent to these lands, but in recognition of the employment potential in this general area, further dialogue with the land owners and the local community is warranted. Of particular interest, engagement with the Kwantlen First Nation is recommended given their shared boundaries and past development interest in this general area. For the subject lands, the following consultation and communication process is proposed:

- a. Interdepartmental referrals will be sent to Engineering for comments on traffic and servicing, Finance Department for consistency with the Five Year Financial Plan, Economic Development for comment on the consistency of the proposed use in conjunction with the Economic Development Plan;
- b. Intergovernmental referral will be sent to Metro Vancouver for comment on the consistency with the Regional Growth Strategy;
- c. Engagement with land owners within and adjacent to the subject lands will be undertaken by way a stakeholder workshop; and
- d. Engagement with the Kwantlen First Nation.

This consultation will occur prior to presenting the draft bylaw to Council for first reading, should it direct staff to proceed with the redesignation recommendations presented in this report.

ALTERNATIVE:

Staff has prepared a light-level assessment that suggests that the subject lands located to the west and east of the Kwantlen First Nation are suitable in the long-term for industrial activities. However, an alternative direction would be for Council to direct staff not to redesignate these lands for industrial purposes at this time, and therefore not to prepare an OCP amendment bylaw.

CONCLUSIONS:

The preparation required to meet the anticipated future demand for industrial and employment-generating lands within the City entails that existing land use designation be reassessed. Towards that end, and in response to direction from Council, staff undertook a high-level land use assessment of the lands located to the west and east of the Kwantlen First Nation, along the Lougheed Highway. The assessment identified the limitation inherent in the existing Suburban

Residential land use designation, a number of site constraints regardless of future land use, anticipated development application requirements, along with the potential for approximately 19 ha (46 acres) of future development opportunities. Combining these perspectives suggests these lands are suitable for redesignation from Suburban Residential to Industrial to allow employment generating uses on the lands located to the west and east of the Kwantlen First Nation, along the Lougheed Highway.

“Original signed by Brent Elliott”

Prepared by: Brent Elliott, M.U.P., MCIP, RPP,
Manager of Community Planning

“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 E.C. Swabey”

Concurrence: E.C. Swabey
Chief Administrative Officer