

**METRO VANCOUVER REGIONAL DISTRICT
REGIONAL PLANNING COMMITTEE**

MEETING

Friday, March 8, 2024

1:00 pm

28th Floor Committee room, 4515 Central Boulevard, Burnaby, British Columbia

Webstream available at <https://www.metrovancover.org>

A G E N D A¹

A. ADOPTION OF THE AGENDA

1. March 8, 2024 Meeting Agenda

That the Regional Planning Committee adopt the agenda for its meeting scheduled for March 8, 2024 as circulated.

B. ADOPTION OF THE MINUTES

1. February 9, 2024 Meeting Minutes

That the Regional Planning Committee adopt the minutes of its meeting held February 9, 2024 as circulated.

pg. 4

C. DELEGATIONS

D. INVITED PRESENTATIONS

1. Don Iverson, Co-Chair, Task Force for Housing & Climate

Subject: Task Force for Housing & Climate – Final Report

E. REPORTS FROM COMMITTEE OR CHIEF ADMINISTRATIVE OFFICER

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

- 1. Regional Multi-Hazard Mapping Project** *pg. 10*
That the MVRD Board receive for information the report dated February 12, 2024, titled “Regional Multi-Hazard Mapping Project”.
- 2. Metro 2050 Implementation Guideline – Sewerage Area Amendment Applications** *pg. 21*
That the MVRD Board endorse the Metro 2050 Implementation Guideline – Sewerage Area Amendment Applications as presented in the report dated January 15, 2024, titled “Metro 2050 Implementation Guideline – Sewerage Area Amendment Applications”.
- 3. Request for Sanitary Service Connection at 4276 – 248 Street, Township of Langley** *pg. 35*
That the MVRD Board:
 - a) resolve that sewer service for the property at 4276 – 248 Street, Township of Langley is generally consistent with the provisions of Metro 2050; and
 - b) forward the requested Fraser Sewerage Area amendment application for the property at 4276 – 248 Street in the Township of Langley to the GVS&DD Board for consideration.
- 4. Acceptance of the Fraser Valley Regional District Regional Growth Strategy - Bylaw No. 1706, 2023** *pg. 50*
That the MVRD Board:
 - a) accept the Fraser Valley Regional District Fraser Valley Future 2050 Regional Growth Strategy (Bylaw No. 1706, 2023) pursuant to section 436 of the Local Government Act; and
 - b) send a letter forwarding the Board resolution to the Fraser Valley Regional District Board.
- 5. Inclusionary Housing Policy Review – Final Report and Regional Model Policy Framework** *pg. 60*
That the MVRD Board:
 - a) receive for information the report dated February 20, 2024, titled “Inclusionary Housing Policy Review – Final Report and Regional Model Policy Framework”; and
 - b) send correspondence to member jurisdictions, requesting that the regional model policy framework be considered when adopting or updating inclusionary housing policies.
- 6. Population Projections Update** *pg. 164*
Verbal Update
Designated Speaker: Sinisa Vukicevic, Program Manager, Planning Analytics, Regional Planning and Housing Services

- 7. Regional Food System Strategy Update – Scope of Work and Engagement (Phase 2)** *pg. 171*
That the Regional Planning Committee receive for information the report dated February 8, 2024, titled “Regional Food System Strategy Update – Scope of Work and Engagement (Phase 2)”.
- 8. Manager’s Report** *pg. 190*
That the Regional Planning Committee receive for information the report dated February 21, 2024, titled “Manager’s Report”.

F. INFORMATION ITEMS

G. OTHER BUSINESS

H. RESOLUTION TO CLOSE MEETING

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

I. ADJOURNMENT

That the Regional Planning Committee adjourn its meeting of March 8, 2024.

Membership:

Woodward, Eric (C) – Langley Township	Hodge, Craig – Coquitlam	Lambur, Peter – West Vancouver
Kruger, Dylan (VC) – Delta	Hurley, Mike – Burnaby	Locke, Brenda - Surrey
Bligh, Rebecca – Vancouver	Johnstone, Patrick – New Westminster	McEwen, John – Anmore
Carreras, Korleen – Maple Ridge	Knight, Megan – White Rock	West, Brad – Port Coquitlam
Girard, Angela – North Vancouver City	Lahti, Meghan – Port Moody	

**METRO VANCOUVER REGIONAL DISTRICT
REGIONAL PLANNING COMMITTEE**

Minutes of the Regular Meeting of the Metro Vancouver Regional District (MVRD) Regional Planning Committee held at 1:00 pm on Friday, February 9, 2024 in the 28th Floor Committee Room, 4515 Central Boulevard, Burnaby, British Columbia.

MEMBERS PRESENT:

Chair, Mayor Eric Woodward, Langley Township
 Vice Chair, Councillor Dylan Kruger, Delta
 Councillor Rebecca Bligh, Vancouver*
 Councillor Korleen Carreras, Maple Ridge*
 Councillor Angela Girard, North Vancouver City*
 Councillor Craig Hodge, Coquitlam
 Mayor Mike Hurley, Burnaby
 Mayor Patrick Johnstone, New Westminster
 Mayor Megan Knight, White Rock*
 Councillor Peter Lambur, West Vancouver
 Mayor Brenda Locke, Surrey*
 Mayor John McEwen, Anmore
 Mayor Brad West, Port Coquitlam*

MEMBERS ABSENT:

Mayor Meghan Lahti, Port Moody

OTHERS PRESENT:

Mayor George Harvie, Delta
 Christphen Cheng, Principal, Bunt and Associates
 Carl Funk, Director, Industrial Planning & Development, Beedie/Government Relation Committee,
 National Association of Industrial and Office Parks (NAIOP)

STAFF PRESENT:

Jonathan Coté, Deputy General Manager, Regional Planning and Housing
 Rapinder Khaira, Legislative Services Coordinator, Board and Information Services
 Laurie Bates-Frymel, Senior Planner, Regional Planning and Housing Services
 Mark Seinen, Senior Planner, Regional Planning and Housing

*denotes electronic meeting participation as authorized by the *Procedure Bylaw*

A. ADOPTION OF THE AGENDA

1. February 9, 2024 Meeting Agenda

It was MOVED and SECONDED

That the Regional Planning Committee:

- a) amend the agenda for its meeting scheduled for February 9, 2024 by removing Item E.3; and
- b) adopt the agenda as amended.

CARRIED

B. ADOPTION OF THE MINUTES

1. January 12, 2024 Meeting Minutes

It was MOVED and SECONDED

That the Regional Planning Committee adopt the minutes of its meeting held January 12, 2024 as circulated.

CARRIED

C. DELEGATIONS

No items presented.

D. INVITED PRESENTATIONS

- 1. Carl Funk, Director, Industrial Planning & Development, Beedie / Government Relation Committee, NAIOP and Christephen Cheng, Principal, Bunt & Associates**
Carl Funk, Director, Industrial Planning & Development, Beedie/Government Relation Committee, National Association of Industrial and Office Parks (NAIOP) and Christephen Cheng, Principal, Bunt and Associates, provided a presentation titled “Metro Vancouver / Fraser Valley Industrial Parking Study, by NAIOP / Bunt”, sharing results of the Fraser Valley Industrial Parking study by NAIOP and Bunt, highlighting the possibility of expanding industrial buildings on underutilized parking areas to increase industrial activity in the region.

In response to questions, Carl Funk and Christephen Cheng noted the following:

- a review is warranted on challenges finding sufficient parking at industrial sites and for accommodating delivery trucks,
- multitenant smaller buildings have higher parking density,
- other municipalities have stripped off minimum parking requirements, capped or mandated a maximum number of parking spots with success,
- using parking spaces for industrial use is more feasible in transit-oriented areas, and
- municipalities should show flexibility in allowing shared parking on industrial spaces.

E. REPORTS FROM COMMITTEE OR CHIEF ADMINISTRATIVE OFFICER

1. Metro 2050 Type 3 Proposed Amendment to Reflect Accepted Regional Context Statements and Correct Minor Errors

Report dated January 23, 2024, from Victor Cheung, Regional Planner, Regional Planning and Housing Services, providing the Regional Planning Committee with the opportunity to consider a proposed *Metro 2050* Type 3 amendment.

It was MOVED and SECONDED

That the MVRD Board:

- a) initiate the Metro 2050 amendment process for the Metro 2050 Type 3 Amendment to reflect accepted regional context statements and correct minor errors;
- b) give first, second, and third readings to “Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1380, 2024”; and
- c) direct staff to notify affected local governments as per section 6.4.2 of Metro 2050.

CARRIED

2. Metro 2050 Proposed Amendments to Reflect the Electoral Area A Official Community Plan

Report dated January 20, 2024, from Tom Pearce, Regional Planner, Regional Planning and Housing Services, providing the Regional Planning Committee with an opportunity to consider amendments to align regional land use designations with those in the 2018 Electoral Area A Official Community Plan (OCP).

It was MOVED and SECONDED

That the MVRD Board:

- a) initiate the Metro 2050 Type 2 and Type 3 amendment processes to reflect the Electoral Area A Official Community Plan;
- b) give first, second, third readings to “Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1378, 2024”;
- c) give first, second, third readings to “Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1379, 2024”; and
- d) direct staff to notify affected local governments as per section 6.4.2 of Metro 2050.

CARRIED

4. Updating Metro 2050 Centres and Corridors Targets – Scope of Work

Report dated January 22, 2024, from Mark Seinen, Senior Planner, Regional Planning and Housing, providing the Regional Planning Committee with the objectives, scope, and timeline of the Centres and Corridors Target update for information.

Mark Seinen, Senior Planner, Regional Planning and Housing, provided a presentation titled “Updating Metro 2050 Centres and Corridors Targets”, which outlined the goals of the Metro 2050 Centres and Corridors Targets project.

In response to questions, Mark Seinen noted the project:

- will attempt to align the Metro 2050 targets and language with the targets and language of the new provincial housing legislation;
- will provide a response to municipal requests for specific targets to help understand if they are meeting growth goals;
- seek to better understand the job growth within the region; and
- that TransLink is able to provide input through working groups.

It was MOVED and SECONDED

That the Regional Planning Committee receive for information the report dated January 22, 2024, titled “Updating Metro 2050 Centres and Corridors Targets – Scope of Work”.

CARRIED

5. **Regional Industrial Lands Strategy Bring-to-Market Project – Scope of Work**
Report dated January 22, 2024, from Eric Aderneck, Senior Planner, Regional Planning and Housing Services, providing the Regional Planning Committee a scope of work for the Bring-to-Market project that would entail identifying a site or area that has underutilized industrial lands with a potential to be redeveloped and densified/intensified through a focused and coordinated effort.

It was MOVED and SECONDED

That the Regional Planning Committee receive for information the report dated January 22, 2024, titled “Regional Industrial Lands Strategy Bring-to-Market Project - Scope of Work”.

CARRIED

6. **Invasive Species Best Management Practices – Japanese Beetle Guidebook**
Report dated January 20, 2024, from Laurie Bates-Frymel, Senior Planner, Regional Planning and Housing Services, providing the Regional Planning Committee with the new Japanese Beetle guidebook and accompanying fact sheet for information.

Laurie Bates-Frymel, Senior Planner, Regional Planning and Housing Services, provided a presentation titled “Best Management Practices for Invasive Species”, with an overview of environmental and economic impacts of the Japanese Beetle and the response to date to regulate the spread of the Japanese Beetle.

It was MOVED and SECONDED

That the Regional Planning Committee receive for information the report dated January 20, 2024, titled “Invasive Species Best Management Practices – Japanese Beetle Guidebook”.

CARRIED

7. Manager’s Report

Report dated January 16, 2024, from Jonathan Coté, Deputy General Manager, Regional Planning and Housing Development, Regional Planning and Housing Services, providing the Regional Planning Committee with an update on the Regional Planning Committee 2024 Work Plan, the Simon Fraser University School of Public Policy’s BC Priorities Student Project, and a study and article relating to costs of providing infrastructure and services to different residential densities.

Jonathan Coté, Deputy General Manager, Regional Planning and Housing Development, Regional Planning and Housing Services, provided a presentation titled “Provincial Housing Legislation: Update”, with an overview of feedback received from elected officials at the February 3, 2024 Council of Councils meeting, noting the following:

- the sentiment is mixed between elected officials being concerned about the new provincial housing legislation and elected officials being supportive of it,
- from a regional perspective, the top two concerns are population growth and how redistribution of growth will impact regional infrastructure,
- Metro Vancouver’s role should be to assist member municipalities in dealing with the legislation from a technical and data oriented perspective, and
- Municipalities would like to see more provincial advocacy efforts.

Members commented on the challenges of implementing the provincial housing legislation, particularly the impact on the Agricultural Land Reserve.

It was MOVED and SECONDED

That the Regional Planning Committee receive for information the report dated January 16, 2024, titled “Manager’s Report”.

CARRIED

F. INFORMATION ITEMS

No items presented.

G. OTHER BUSINESS

No items presented.

H. RESOLUTION TO CLOSE MEETING

No items presented.

I. **ADJOURNMENT**

It was MOVED and SECONDED

That the Regional Planning Committee adjourn its meeting of February 9, 2024.

CARRIED

(Time: 2:11 pm)

Rapinder Khaira,
Legislative Services Coordinator

Eric Woodward,
Chair

65746855 FINAL

To: Regional Planning Committee

From: Edward Nichol, Senior Planner, Regional Planning and Housing Services

Date: February 12, 2024 Meeting Date: March 8, 2024

Subject: **Regional Multi-Hazard Mapping Project**

RECOMMENDATION

That the MVRD Board receive for information the report dated February 12, 2024, titled “Regional Multi-Hazard Mapping Project”.

EXECUTIVE SUMMARY

This report highlights the results of the Regional Multi-Hazard Mapping project, which includes the completion of regional single-hazard maps, data quality rating maps, and multi-hazard maps for coastal flooding, riverine flooding, earthquake, and wildfire. Understanding the region’s at risk and hazard-exposed areas is critical to making informed land use decisions. The results will allow Metro Vancouver and member jurisdictions to consider and integrate regional-scale hazard information for several hazard types into planning analysis, projects, and models for the first time.

The results found that in a high-probability scenario, approximately 63% of Metro Vancouver’s land base would be susceptible to one to three hazard types of the four hazards assessed in this study. The mapping will be shared internally and externally with key partners, and will be made publicly available upon request. Metro Vancouver will update the hazard maps in the future as new data becomes available. The Regional Planning workplan for 2024 includes a project that will explore options to supplement these hazard maps with information related to risk and vulnerability to determine how local and regional resilience efforts can be best supported and coordinated to minimize the risks to people and property.

PURPOSE

To provide the Regional Planning Committee and MVRD Board with an update on the completed Regional Multi-Hazard Mapping project.

BACKGROUND

The Metro Vancouver region is situated on the Fraser River delta with many forested areas and steep slopes, and is located in one of the most seismically active zones in Canada. As a result, the region is susceptible to a variety of natural hazards, including (but not limited to) earthquakes, wildfires, and floods. The impacts of climate change are already affecting the region and are projected to become more frequent and severe over time, affecting the region’s communities, infrastructure, and natural environment. Climate change can also amplify the impacts of natural hazards; for example, sea level rise can increase the severity of coastal floods, and warmer temperatures combined with longer drought periods can increase the threat of wildfires.

The Regional Multi-Hazard Mapping project created regional-scale, single-hazard maps, data quality rating maps, and multi-hazard maps for coastal flooding, riverine flooding, earthquake, and wildfire for the first time. The maps will be a valuable resource that support informed land use decisions going forward.

REGIONAL PLANNING CONTEXT

Policy action 3.4.2(a) of *Metro 2050* directs Metro Vancouver to take a more proactive role in working with other partners to collaboratively develop and share information and data related to hazards, risks, and vulnerabilities in the Metro Vancouver region, including preparing a regional multi-hazard map (Reference 1). Additional policy actions in Strategy 3.4 of *Metro 2050* encourage member jurisdictions to improve resilience to climate change and natural hazards. Understanding the region’s hazardous areas is a critical first step towards making informed land use decisions. The results of this project will allow Metro Vancouver and member jurisdiction staff to integrate regional-scale hazard information for multiple hazard types into planning analysis, projects, and models for the first time. As a regional district, Metro Vancouver is ideally suited to coordinate natural hazard information, integrate the information into regional planning and local policy planning processes as appropriate, and share current, consistent, and relevant data to member jurisdictions and other key agencies and partners.

REGIONAL MULTI-HAZARD MAPPING OVERVIEW

Metro Vancouver Natural Hazard Data Inventory

The Regional Multi-Hazard Mapping project is the second part of a phased project. The first phase of work developed a Natural Hazard Data Inventory. Ebbwater Consulting was retained to complete a high-level desktop analysis of available natural hazard and climate change impact data across the region (Reference 2). Information pertaining to 130 hazard datasets, ranging from the local to global scale, was reviewed and included in the inventory. At its March 10, 2023 meeting, the Regional Planning Committee received the report “Natural Hazard Data Inventory for the Region” for information (Reference 3). That report noted that “Building on the results of the inventory, Metro Vancouver will develop regional multi-hazard mapping in 2023”; Ebbwater Consulting was retained to complete this most recent (second) phase of the project.

Project Rationale and Objective

Building on the results of the Metro Vancouver Natural Hazard Data Inventory, this project was developed to:

- Implement policy action 3.4.2(a) of *Metro 2050*;
- Collate existing datasets into a single set of cohesive regional-scale hazard maps;
- Identify data gaps;
- Improve regional understanding of hazardous areas;
- Inform regional planning analysis, projects, and models (as appropriate); and
- Serve as a foundational dataset to inform future resilience work.

Project Approach

The Regional Multi-Hazard Mapping project involved three key steps:

- 1) Identify relevant datasets for the four hazards (based on the information gathered in the Natural Hazard Data Inventory) and collect spatial data;

- 2) Document, standardize and evaluate the quality of existing spatial data; and
- 3) Produce three sets of maps (single-hazard maps, data quality rating maps, multi-hazard maps) for the four chosen hazards.

Hazard Types

The four natural hazards selected for this project were: coastal flood, riverine flood, earthquake, and wildfire. These were chosen from the list of high priority regional hazards identified in the Natural Hazard Data Inventory (Reference 4), and were selected based on the quality of data available, the regional extent of the data, and the potential impacts of the hazards themselves. The hazards are defined below based on BC's Hazard, Risk, and Vulnerability Analysis Hazard Reference Guide (Reference 5):

- *Hazard*: A source of potential harm, or a situation with a potential for causing harm, in terms of human injury, damage to health, property, the environment, and other things of value, or some combination of these.
- *Riverine Flood*: Flooding is the overflow of natural and / or human-made drainage channels, or shorelines by inland or tidal waters water leading to partial or complete inundation from the overflow and / or the accumulation or runoff of surface waters from any source.
- *Coastal Flood*: Flooding from the ocean is influenced by tides and storm surge which raises sea level due to barometric pressure effects and wind. Sea level rise from climate change is projected to have a significant negative impact on coastal flooding.
- *Earthquake*: An earthquake is defined as the shaking of the ground due to movement along a fault rupture.
- *Wildfire*: An unplanned fire, natural or human-caused, occurring on forest or range lands, burning forest vegetation, grass, brush, scrub, peat lands, or a prescribed fire set under regulation which spreads beyond the area authorized for burning.

Mapping Data and Methods

Riverine Flood

The riverine flood hazard mapping primarily focuses on freshet flood scenarios. The data for this hazard was obtained from the Fraser Basin Council Lower Mainland Hydraulic Modelling and Mapping project, and supplemented with local riverine flood hazard extent data (such as floodplain maps and creek hazard Development Permit Area maps), or generated river buffers where data gaps exist. The riverine flood dataset includes both a high and low probability scenario. The high probability scenario is generally associated with a higher Annual Exceedance Probability (AEP) (i.e., the probability of an event occurring in a given year). The lower probability scenario is generally associated with a lower AEP and with future climate change conditions. Dike rating information was added to supplement this layer, since dike conditions and breach scenarios were not considered for most scenarios in the original Fraser Basin Council data.

Coastal Flood

The coastal flood hazard mapping includes coastal flood scenarios which was also prepared using data from the Fraser Basin Council Lower Mainland Hydraulic Modelling and Mapping project, supplemented with local coastal floodplain maps. The coastal flood dataset includes both a high and low probability scenario. The high and low probability scenarios are generally associated with AEPs, and with future climate change conditions (e.g., future sea level rise conditions). Dike rating

information was added to supplement this layer, since the original Fraser Basin Council datasets assumes that dikes are absent.

Earthquake

Spatial earthquake data, focused on ground shaking potential, was gathered from Natural Resources Canada. The earthquake dataset includes both a high and low probability scenario. The high and low probability scenarios are shown on two separate maps. Note that these maps show ground shaking based on epicentre location and earthquake magnitude, but other factors such as sedimentation and basin effects were not incorporated into the data; these factors may either amplify or de-amplify ground shaking. Note that earthquakes can also result in secondary hazards, such as the liquefaction of soils and landslides, which were also not included in this dataset.

Wildfire

Wildfire hazard mapping comprised the Provincial Strategic Threat Analysis dataset, as well as supplemental data from existing Metro Vancouver wildfire risk data and local wildfire Development Permit Areas. The wildfire dataset includes both a high and low probability scenario. Areas with high and extreme fire threat and probability were included in the high probability scenario, and areas with moderate fire threat and probability were included in the low probability scenario.

Multi-Hazard Mapping

The multi-hazard mapping that was completed comprises two separate maps. The first map displays the number of hazards that overlap in a given area under the high probability scenarios for all four of the hazards evaluated. The second map displays the number of hazards that overlap in a given area under the low probability scenarios for all four of the hazards evaluated. In a high-probability scenario, approximately 63 percent of Metro Vancouver's land base would be susceptible to 1-3 hazard types of the four hazards assessed in this study. In a low-probability scenario, approximately 95 percent of Metro Vancouver's land base would be susceptible to 1-3 hazard types of the four hazards assessed in this study. Note that the multi-hazard maps do not consider multi-hazard interrelationships (e.g., triggers or amplifiers), but show instead how many individual hazards may occur in a given location.

Data Quality Mapping

Data quality rating maps were also produced for each of the hazards to show data quality distribution within a hazard extent under each scenario.

Project Limitations

The Regional Multi-Hazard Mapping project represents a regional-scale, high-level map for four selected key hazards in Metro Vancouver. While the mapping displays hazard extent, it does not include an analysis of exposure, vulnerability, or risk. This project is not exhaustive, systematic or comprehensive enough to inform engineering design or regulatory controls. Some other limitations include:

- The project was developed based only on existing and available spatial data;
- Some datasets used are older than others; older and lower-quality datasets should be updated or replaced as new information becomes available;

- To fill the data gaps and to fully cover the regional extent, some hazard layers were supplemented with lower quality data, such as river buffer zones or wildfire Development Permit Areas;
- Given that multiple datasets were merged to create the hazard maps, there are some data inconsistencies (e.g., different recurrence intervals within each probability scenario for each hazard, and across hazard types);
- Dikes were not adequately considered in the riverine and coastal flood datasets, due to limitations in the original data sources;
- The actual hazard extent for riverine flood and coastal flood will vary depending on dike conditions; and
- The earthquake data only displays ground shaking, and does not consider additional effects that could occur (e.g., sedimentation or basin effects and secondary hazards such as soil liquefaction and landslides).

NEXT STEPS

As next steps, Metro Vancouver staff will update the hazard maps as new data becomes available, and consider how to best integrate the hazard mapping into regional planning analysis, projects and models going forward, such as the Regional Land Use Model and the *Metro 2050* Centres and Corridors Target Update project. While the project results have some limitations for use at the local level as noted above, the hazard maps can be used to: supplement existing local hazard data; to identify and prioritize areas for further detailed local hazard analysis; to identify locations that may be susceptible to multiple hazards; and to highlight opportunities for collaboration between member jurisdictions and in areas where hazards extend across jurisdictional boundaries. The hazard maps may also have broad implications for local land use, emergency management, and climate change adaptation planning.

Key stakeholders from Metro Vancouver departments and external agencies will be notified of the project deliverables, which can be shared as appropriate upon request, accompanied by a list of assumptions, caveats, and other critical information for the user. The deliverables include:

- A final report detailing the project methodology;
- A map package for all single hazard, multi-hazard, and data quality maps in PDF format; and
- A map package for all single hazard, multi-hazard, and data quality maps in GIS format.

The Regional Planning workplan for 2024 includes a project that will explore options to supplement these hazard maps with information related to risk and vulnerability to determine how local and regional resilience efforts can be best supported and coordinated to minimize the risks to people and property.

ALTERNATIVES

This is an information report. No alternatives are presented.

FINANCIAL IMPLICATIONS

This project was approved as part of the 2023 MVRD Board-approved budget for Regional Planning. The total cost was \$52,000.

CONCLUSION

The Regional Multi-Hazard Mapping project includes regional single-hazard maps, data quality rating maps, and multi-hazard maps for four key hazards for the Metro Vancouver region: coastal flooding, riverine flooding, earthquake, and wildfire. The mapping builds off the results of the Natural Hazard Data Inventory, and the project implements policy action 3.4.2 (a) of *Metro 2050*, to develop and share data including preparing regional-scale hazard maps, and to improve understanding of hazardous areas across the region. Understanding the region's at risk and hazard-exposed areas is critical to making informed land use decisions. The results will allow Metro Vancouver and member jurisdiction staff to consider and integrate regional-scale hazard information for several hazard types into planning analysis, projects, and models for the first time.

The mapping will be shared internally and externally with key partners, and will be made available upon request. As next steps, Metro Vancouver will update the hazard maps as new data becomes available, and integrate the hazard mapping results into regional planning analysis, projects, and models. In 2024, the Regional Planning workplan includes exploring options for supplementing the hazard maps with risk and vulnerability information and determining how local and regional resilience efforts can be best supported and coordinated to minimize the risks to people and property.

ATTACHMENT

1. Presentation re: Regional Multi-Hazard Mapping Project

REFERENCES

1. [Strategy 3.4 of Metro 2050](#)
2. [Metro Vancouver Natural Hazard Data Inventory](#)
3. [Natural Hazard Data Inventory, Regional Planning Committee staff report dated February 27, 2023](#)
4. [Metro Vancouver Natural Hazard Data Inventory for the Region – Final Report](#)
5. [Emergency Management BC Hazard, Risk, and Vulnerability Assessment Hazard Reference Guide](#)

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Regional Multi-Hazard Mapping Project

Edward Nichol

Senior Planner, Regional Planning and Housing Services

Silja Hund, PhD

Hydrologist and Risk Analyst, Ebbwater Consulting

Yinlue Wang

Hydrotechnical Specialist, Ebbwater Consulting

Regional Planning Committee | March 8, 2024
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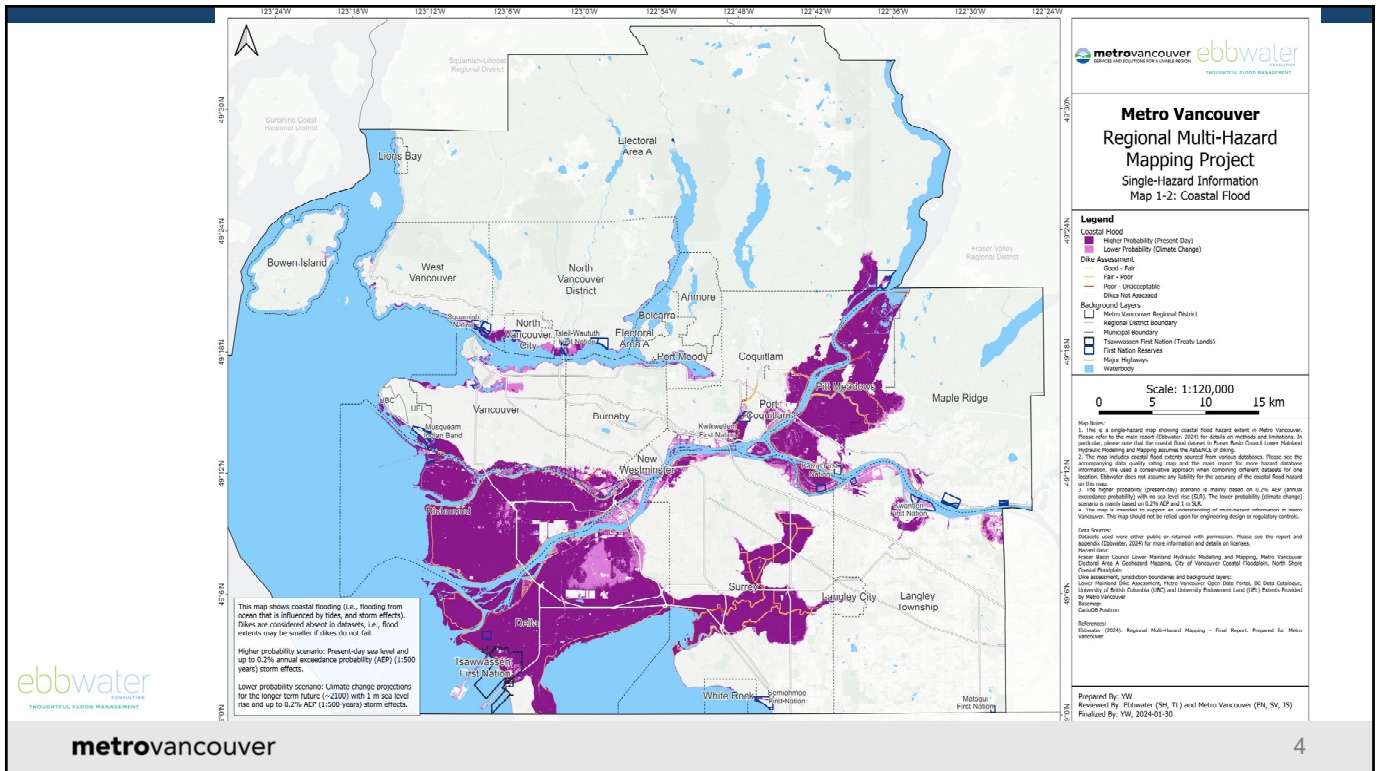
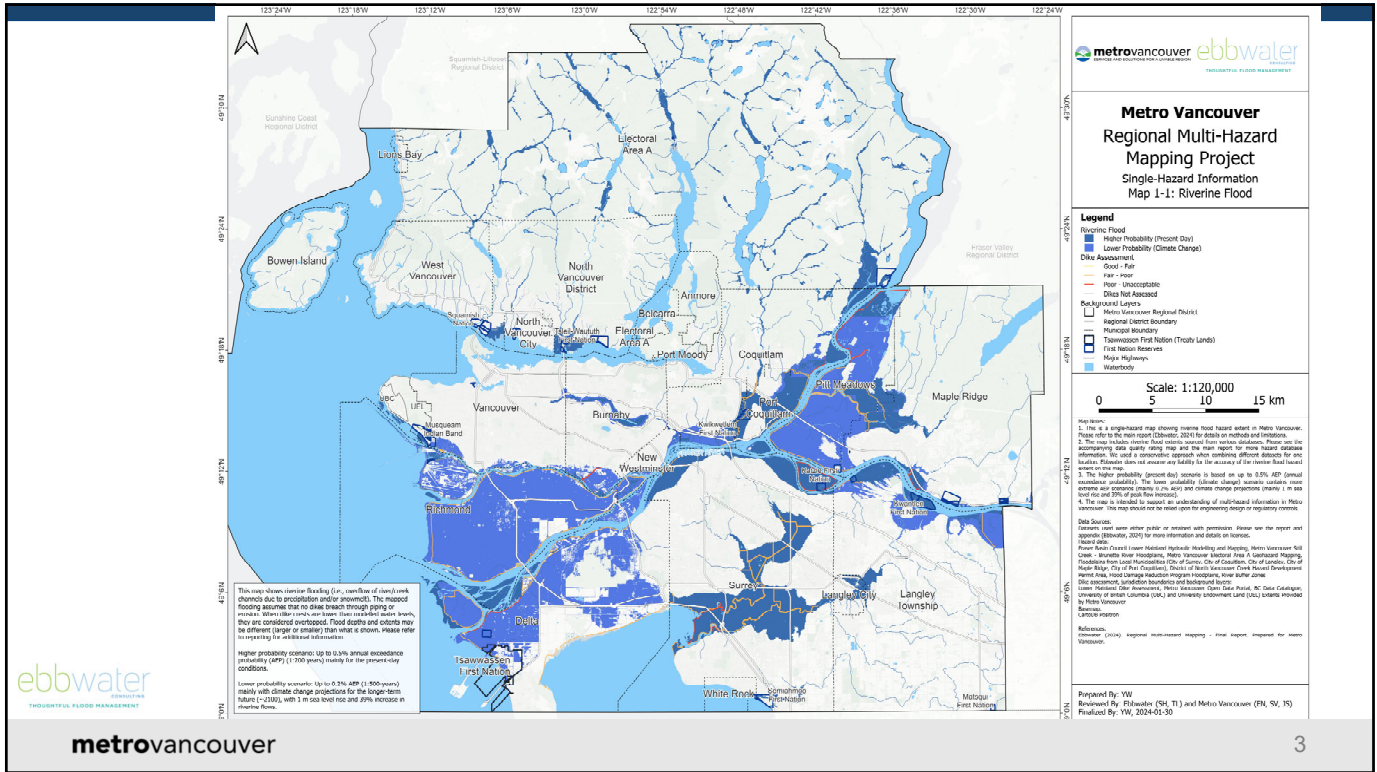
REGIONAL MULTI-HAZARD MAPPING PROJECT OBJECTIVES

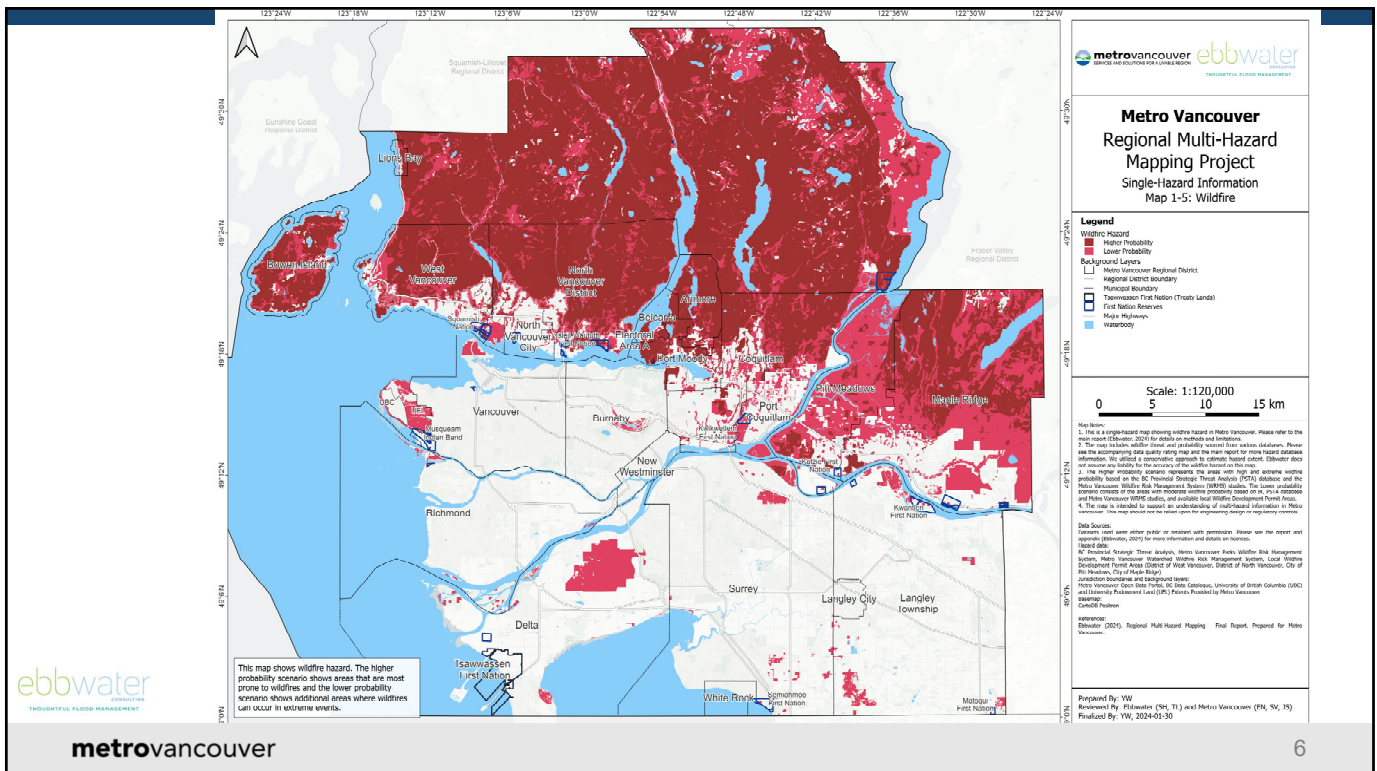
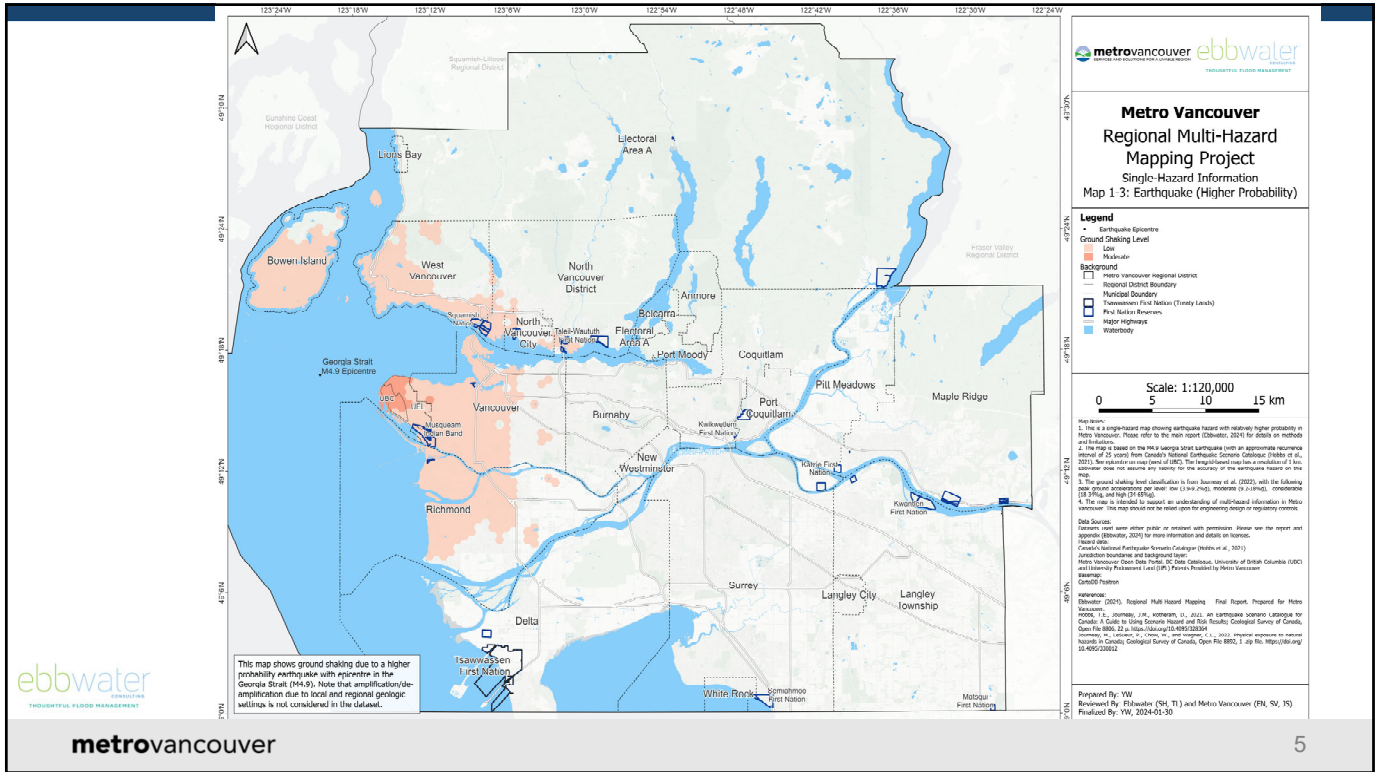
- Collate existing data into cohesive regional-scale hazard maps
- Improve understanding of hazardous areas
- Inform regional planning analysis, projects, models, future work and climate action
- 3 deliverables: PDF maps, GIS maps, report

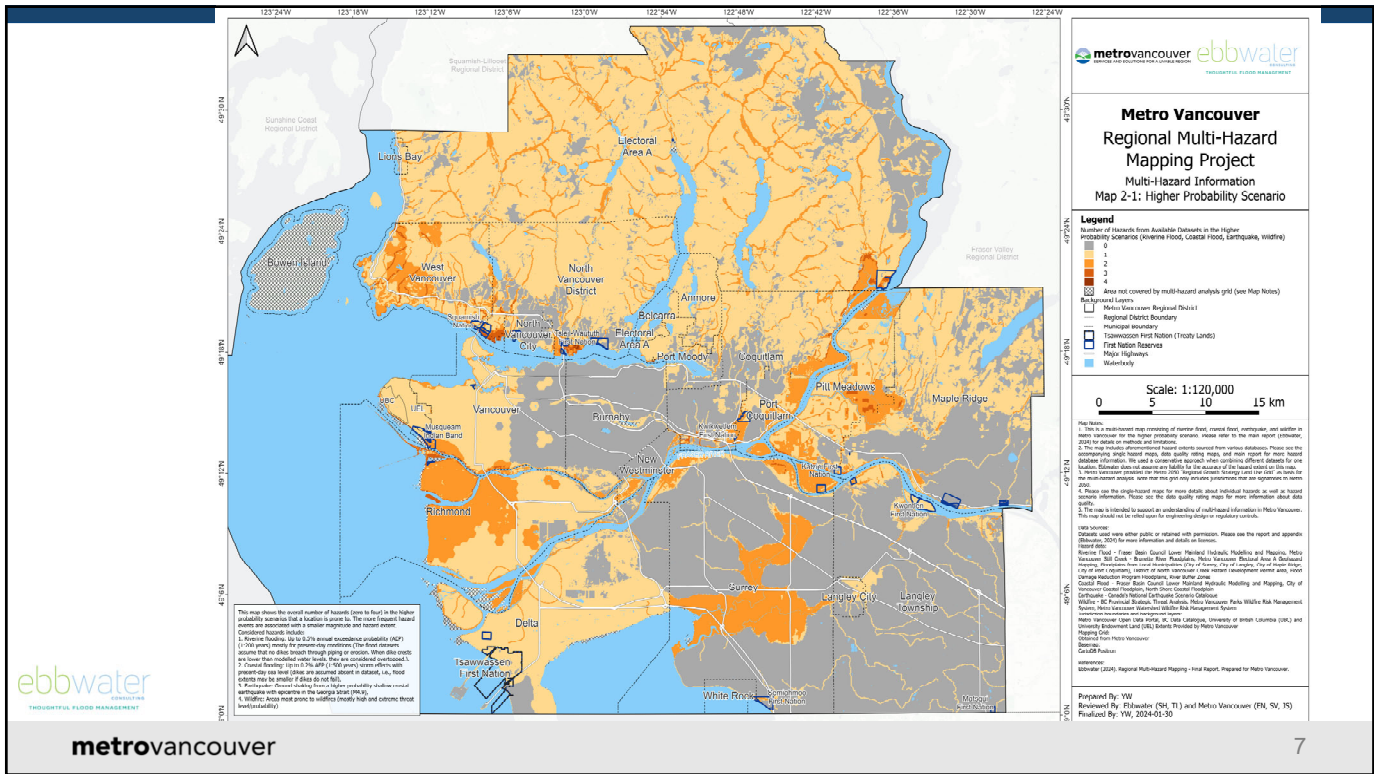


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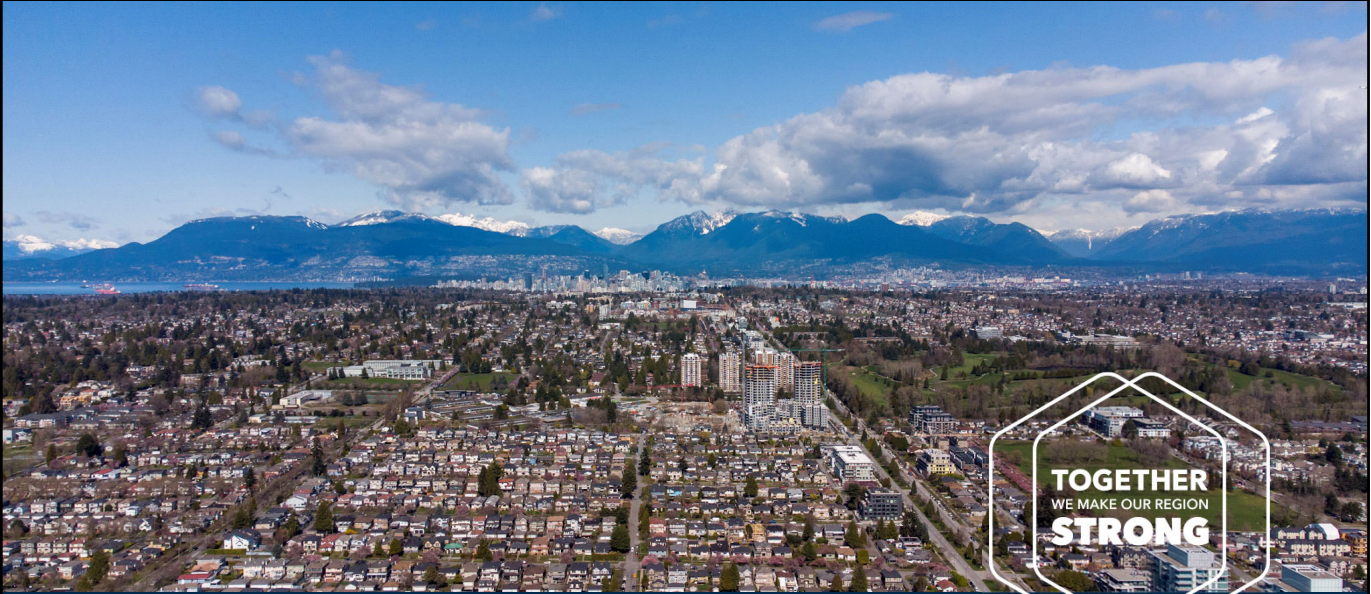
NEXT STEPS

Regional Opportunities

- Update maps as needed and as data becomes available
- Incorporate work into planning analysis, projects, and models
- Share with key partners
- Explore options to assess risk / vulnerability

Local Opportunities

- Supplement existing data, identify areas for more detailed analysis
- Identify collaboration opportunities



Thank you

metrovancouver

To: Regional Planning Committee

From: Victor Cheung, Regional Planner, Regional Planning and Housing Services

Date: January 15, 2024 Meeting Date: February 9, 2024

Subject: **Metro 2050 Implementation Guideline – Sewerage Area Amendment Applications**

RECOMMENDATION

That the MVRD Board endorse the Metro 2050 Implementation Guideline – Sewerage Area Amendment Applications as presented in the report dated January 15, 2024, titled “Metro 2050 Implementation Guideline – Sewerage Area Amendment Applications”.

EXECUTIVE SUMMARY

Metro Vancouver is developing and updating a suite of implementation guidelines in an effort to support the interpretation and implementation of Metro 2050. Staff have recently completed the update to the Sewerage Area Amendment Applications Implementation Guideline. *Metro 2050* requires member jurisdictions to apply for sewerage area extensions and contains policies that place conditions on supporting such extensions. The intention of limiting the extension of sewerage services from a regional growth management perspective is to support: urban containment; the protection of agricultural, rural, and conservation and recreation lands; and the efficient provision of regional infrastructure services, which are all key tenets of *Metro 2050*.

The main changes in the updated *Metro 2050* Implementation Guideline – Sewerage Area Amendment Applications include:

- Describing common sewerage area amendment scenarios and corresponding board procedures;
- Updating the sewerage area amendment application process diagram; and
- Formatting for better readability.

The updated Implementation Guideline is intended to be a resource that member jurisdictions can refer to when considering applying for amendments to regional sewerage areas.

PURPOSE

To provide the Regional Planning Committee and the MVRD Board with the opportunity to consider and endorse the *Metro 2050* Implementation Guideline – Sewerage Area Amendment Applications.

BACKGROUND

Implementation Guidelines were first introduced as companion documents to support the previous regional growth strategy, *Metro 2040*, adopted in 2011. This included *Metro 2040* Implementation Guideline #7: Extension of Regional Sewerage Services (Reference 1), which has been updated following the adoption of *Metro 2050* and is being presented as a part of this report for endorsement.

METRO 2050 POLICY ON SEWERAGE EXTENSIONS

One of the key tools in *Metro 2050* supporting urban containment are policies limiting the extension of regional sewerage services to lands with a regional Rural, Agricultural or Conservation and Recreation land use designation. This is a unique and powerful tool to limit urban scales of development requiring sewer services outside the Urban Containment Boundary. *Metro 2050* contains policy 1.1.1. that Metro Vancouver will:

Direct the Greater Vancouver Sewerage and Drainage District (GVS&DD) to not allow connections to regional sewerage services to lands with a Rural, Agricultural, or Conservation and Recreation regional land use designation. Notwithstanding this general rule, in the exceptional circumstances specified below, the Metro Vancouver Regional District (MVRD) Board will advise the GVS&DD Board that it may consider such a connection for existing development or for new development where, in the MVRD Board’s opinion, that new development is consistent with the underlying regional land use designation, and where the MVRD Board determines either:

- a) that the connection to regional sewerage services is the only reasonable means of preventing or alleviating a public health or environmental contamination risk; or*
- b) that the connection to regional sewerage services would have no significant impact on the goals of containing urban development within the Urban Containment Boundary, and protecting lands with a Rural, Agricultural, or Conservation and Recreation regional land use designation.*

The policy is repeated in the strategies dealing with Rural (1.3), Agricultural (2.3) and Conservation and Recreation (3.1) land use strategies.

In addition, in the Implementation section of *Metro 2050*, the following policy lays out the requirement for MVRD Board consideration of any proposed amendment to a regional sewerage area in advance of GVS&DD Board consideration. The intent is to assess consistency with the goals, strategies and actions of the regional federation’s regional growth strategy first. Policy 6.8.1 states that:

All bylaws adopted, and all works and services undertaken, by Metro Vancouver Regional District, the Greater Vancouver Water District, or the Greater Vancouver Sewerage and Drainage District must be consistent with the regional growth strategy. The Greater Vancouver Sewerage and Drainage District and the Greater Vancouver Water District will not directly or indirectly supply, agree to supply, or authorize connections that enable the supply of services to a site that is developed or proposed to be developed after the date of adoption of the regional growth strategy where the nature of that development is, in the sole judgment of the Metro Vancouver Regional District Board, inconsistent with the provisions of the regional growth strategy.

For further clarity, sites within the Urban Containment Boundary that are designated General Urban, Industrial, or Employment, would be eligible for sewerage services, subject to normal Greater Vancouver Sewerage and Drainage District technical considerations, provided that the proposed development

complies with the applicable policies under those designations and any such Urban Centre and Frequent Transit Development Area overlays that might apply

SUMMARY OF UPDATES TO THE IMPLEMENTATION GUIDELINE

The *Metro 2050* Implementation Guideline – Sewerage Area Amendment Applications (Attachment 1) outlines the amendment application procedures, including the relationship between the Metro Vancouver Regional District (MVRD) Board and the Greater Vancouver Sewerage and Drainage District (GVS&DD) Board, and *Metro 2050* analysis considerations. The Implementation Guideline will be updated periodically to ensure the most current information is available to member jurisdictions.

The main changes between the updated *Metro 2050* Implementation Guideline and its *Metro 2040* predecessor include:

- Describing common sewerage area amendment scenarios and corresponding board procedures;
- Updating the sewerage area amendment application process diagram; and
- Formatting for better readability.

The updated Implementation Guideline is intended to be a resource that member jurisdictions can refer to when considering sewerage amendments.

The Implementation Guideline includes the following key sections:

- Relationship with *Metro 2050*: This section outlines *Metro 2050's* role in ensuring that the provision of regional sewerage services is aligned with principles of urban containment;
- Application Process: This section includes a brief description of the application intake process and a link to the Liquid Waste Municipal Portal; and
- Common Sewerage Area Amendment Scenarios: This section describes the scenarios under which a sewerage area amendment may be considered and which Board would be involved in the process. This section also lays out the *Metro 2050* policy analysis that would apply for assessing whether an application meets the intent of the goals, strategies, and land use designations of the regional growth strategy.

REGIONAL PLANNING ADVISORY COMMITTEE COMMENT

An information report for the *Metro 2050* Implementation Guideline – Sewerage Area Amendment Applications was brought forward to the September 15, 2023 RPAC meeting to seek RPAC members' feedback. No comments or concerns were identified by RPAC members for this implementation guideline.

ALTERNATIVES

1. That the MVRD Board endorse the *Metro 2050* Implementation Guideline – Sewerage Area Amendment Applications as presented in the report dated January 15, 2024, titled "*Metro 2050* Implementation Guideline – Sewerage Area Amendment Applications".

2. That the Regional Planning Committee receive for information the report dated January 15 2024, titled “Metro 2050 Implementation Guideline – Sewerage Area Amendment Applications” and provide alternative direction to staff.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report as all work to develop implementation guidelines is within the Regional Planning work program and was considered as part of the 2023 and 2024 Board-approved budgets.

CONCLUSION

The *Metro 2050* Implementation Guideline – Sewerage Area Amendment Applications was updated to support the interpretation and implementation of *Metro 2050* goals, strategies and actions. Staff recommend Alternative 1, that the MVRD Board endorse the updated *Metro 2050* Implementation Guideline – Sewerage Area Amendment Applications.

ATTACHMENT

1. *Metro 2050* Implementation Guideline – Sewerage Area Amendment Applications

REFERENCES

1. [Metro 2040 Implementation Guideline #7: Extension of Regional Sewerage Services](#)

61460994

Metro 2050

IMPLEMENTATION GUIDELINE Extension of Regional Sewerage Services

August 2023

Preamble

The successful implementation of [Metro 2050](#), the Regional Growth Strategy, depends on ongoing cooperation and collaboration between Metro Vancouver and member jurisdictions. *Metro 2050* represents consensus among member jurisdictions to work collaboratively on meeting five long-term regional planning goals:

1. Create a compact urban area
2. Support a sustainable economy
3. Protect the environment, address climate change, and respond to natural hazards
4. Provide diverse and affordable housing choices
5. Support sustainable transportation choices

This *Metro 2050* Implementation Guideline provides guidance to member jurisdictions on sewerage area amendment applications as they relate to Metro 2050. Specifically, this Implementation Guideline outlines the process for evaluating and approving sewerage area amendment applications.

The Implementation Guideline will be updated periodically to ensure the most current information is available to member jurisdictions. This guideline should be read in conjunction with *Metro 2050* and the [Local Government Act](#), and does not replace or supersede the requirements set out in those documents.

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1.0 RELATIONSHIP WITH METRO 2050

Metro 2050 Rationale

A primary goal of *Metro 2050* is urban containment, utilizing the Urban Containment Boundary (UCB) to limit the spread of urban development into the Rural, Agricultural and Conservation and Recreation areas. The UCB establishes a long-term footprint for future urban development, provides predictability for major investments in utility, road and transit infrastructure, and protects the character and viability of Rural, Agricultural, and Conservation and Recreation areas. *Metro 2050* anticipates the area within the UCB has capacity to accommodate projected urban growth through the 2050 timeframe, with the majority of future growth concentrated within Urban Centres and along transit corridors within the UCB.

Urban growth typically depends on access to regional sewerage services. To reinforce the urban containment strategy, *Metro 2050* includes policies to coordinate regional growth and utility planning, and to limit the extension of regional sewerage services into Rural, Agricultural, or Conservation and Recreation areas.

Metro 2050 Section 6.8.1, which reflects *Local Government Act* Section 865, prevents the Greater Vancouver Regional District, the Greater Vancouver Water District and the Greater Vancouver Sewerage and Drainage District from providing works and services that are inconsistent with *Metro 2050*.

All bylaws adopted and all works and services undertaken by Metro Vancouver Regional District, the Greater Vancouver Water District, or the Greater Vancouver Sewerage and Drainage District must be consistent with the regional growth strategy. The Greater Vancouver Sewerage and Drainage District and the Greater Vancouver Water District will not directly or indirectly supply, agree to supply, or authorize connections that enable the supply of services to a site that is developed or proposed to be developed after the date of adoption of the regional growth strategy where the nature of that development is, in the sole judgment of the Metro Vancouver Regional District Board, inconsistent with the provisions of the regional growth strategy.

Metro 2050 Section 1.1.1 ‘Contain Urban Development within the Urban Containment Boundary’, more specifically establishes Metro Vancouver’s role as follows:

Direct the Greater Vancouver Sewerage and Drainage District (GVS&DD) to not allow connections to regional sewerage services to lands with a Rural, Agricultural, or Conservation and Recreation regional land use designation. Notwithstanding this general rule, in the exceptional circumstances specified below, the Metro Vancouver Regional District (MVRD) Board will advise the GVS&DD Board that it may consider such a connection for existing development or for new development where, in the MVRD Board’s opinion, that new development is consistent with the underlying regional land use designation, and where the MVRD Board determines either:

- a) that the connection to regional sewerage services is the only reasonable means of preventing or alleviating a public health or environmental contamination risk; or
- b) that the connection to regional sewerage services would have no significant impact on the goals of containing urban development within the Urban Containment

Boundary, and protecting lands with a Rural, Agricultural, or Conservation and Recreation regional land use designation.

This policy provision is repeated in *Metro 2050* Section 1.4 for Rural areas, Section 2.3 for Agricultural areas and Section 3.1 for Conservation and Recreation areas.

Roles of Metro Vancouver Boards

The Greater Vancouver Sewerage and Drainage District (GVS&DD) provides member jurisdictions with regional sewerage collection and treatment services. The Metro Vancouver Regional District (MVRD) is responsible for the implementation and administration of *Metro 2050*. The GVS&DD's Board of Directors is distinct from, but has many directors in common with, the MVRD Board of Directors.

Connections to regional sewerage services are only provided within the GVS&DD's legally defined Sewerage areas. The GVS&DD is not permitted to provide services if the MVRD Board determines such services are inconsistent with *Metro 2050* provisions. *Metro 2050* Section 6.8.1 establishes that the MVRD Board must determine whether a proposed sewerage extension or connection is consistent with *Metro 2050* prior to the GVS&DD Board's final decision on an application.

2.0 APPLICATION PROCESS

Regional sewerage area amendment applications must be initiated and accompanied by a council resolution of the respective member jurisdiction, and should include details of the existing site, proposed development, and reason(s) for the sewerage area amendment. Following the resolution, member jurisdiction staff can submit the amendment application via the [Liquid Waste Municipal Portal](#).

Upon receipt of an application, Metro Vancouver Liquid Waste Services staff will conduct an initial technical review of the application to assess whether the lands are located within a sewerage area, the applicable sewer system capacity, service levels, and financial implications for the GVS&DD system, and if the application is compliant with applicable acts and bylaws. If there are no GVS&DD system or regulatory implications, the application is then processed accordingly. If implications are identified, Liquid Waste Services staff will provide comments to the member jurisdiction on how to revise the application.

All MVRD Board resolutions pertaining to an application to extend GVS&DD sewerage services will be sent to the GVS&DD Board for final decision. In the cases where the MVRD Board has resolved that an application is not acceptable under *Metro 2050*, the GVS&DD Board is bound by that resolution and must not approve the extension of regional services. In the cases where the MVRD Board has resolved that an application is acceptable under *Metro 2050*, the GVS&DD Board has sole discretion either to approve or deny the application.

3.0 COMMON SEWERAGE AREA AMENDMENT SCENARIOS

There are several common scenarios in which a sewerage area amendment may be considered. The assessment and approval procedure varies depending on the scenario. There may be additional scenarios beyond those described in this Implementation Guideline and will be addressed on a case-by-case basis. It is recommended that Liquid Waste Services and Regional Planning staff be contacted prior

to submitting any application that does not fall into the described scenarios to discuss the review process.

SEWERAGE AREA AMENDMENTS WITHIN THE AGRICULTURAL LAND RESERVE

If the proposed connection involves land located within the Agricultural Land Reserve, Metro Vancouver will consult the Agricultural Land Commission (ALC) to determine whether the extension of sewerage infrastructure and the service connection are acceptable to the Commission. Should the ALC determine that the extension of sewerage infrastructure and services are inconsistent with ALC policies and legislation, Regional Planning staff will generally not recommend support for the amendment. Should the ALC determine the sewerage extension is consistent with ALC policies, the general process for considering sewerage area amendments outside the urban containment boundary and a sewerage area would apply (see Section 3.4 of this Implementation Guideline).

SEWERAGE AREA AMENDMENTS WITHIN THE URBAN CONTAINMENT BOUNDARY

There may be lands within the UCB with a General Urban, Industrial, or Employment regional land use designation that are not included within a GVS&DD sewerage area. As these land use designations are intended for forms of development that require access to urban services, [Section 6.8](#) of *Metro 2050* states that these lands would be eligible for sewerage services provided that the proposed development complies with the applicable policies for the underlying regional land use designation, and is determined to be generally consistent with *Metro 2050*. Sewerage area amendments within the UCB are subject to GVS&DD Board approval only, however Regional Planning staff may be consulted to assess consistency with *Metro 2050*.

SEWER SERVICE EXTENSION WITHIN A SEWERAGE AREA BUT OUTSIDE THE URBAN CONTAINMENT BOUNDARY

For lands located within an existing sewerage area, but located outside the UCB, the MVRD Board must determine whether the amendment is consistent with the underlying land use designation in *Metro 2050*. The assessment process will generally follow the procedure outlined in Section 3.4 of this Implementation Guideline.

SEWERAGE AREA AMENDMENTS FOLLOWING A REGIONAL GROWTH STRATEGY AMENDMENT

A member jurisdiction may initiate a sewerage area amendment application for a property following the MVRD Board's adoption of a regional growth strategy amendment for that property.

3.1 Regional Growth Strategy Amendment with Urban Containment Boundary adjustment

Should a property be considered to be within the UCB following the approval of a regional growth strategy amendment, the subsequent sewerage area amendment application should proceed directly to the GVS&DD Board for consideration. In general, the MVRD Board would be made aware of the need for a sewerage area amendment as a part of associated the regional growth strategy amendment approvals process. An adopted regional growth strategy amendment would constitute the MVRD Board's support for the related sewerage area amendment, and recognize the amended regional land use designation as being generally consistent with *Metro 2050*. As such, these sewerage area amendment applications do not need to be reconsidered by the MVRD Board.

3.2 Regional Growth Strategy Amendment outside of Urban Containment Boundary

Sewerage area amendment applications for properties that are outside the UCB must be presented to the MVRD Board for consideration. Properties located outside the UCB are generally not contemplated for urban forms of development that require connection to the regional sewerage network. Regional

growth strategy amendments without an accompanying UCB boundary adjustment would follow the assessment process outlined in Section 3.4 of this Implementation Guideline.

SEWERAGE AREA AMENDMENTS OUTSIDE THE URBAN CONTAINMENT BOUNDARY AND A SEWERAGE AREA (on Agricultural, Rural or Conservation and Recreation designated land)

Generally, extending sewerage services onto lands with an Agricultural, Rural, or Conservation and Recreation regional land use designation are not contemplated by *Metro 2050*. However, in certain circumstances, sewerage services may be extended provided the amendment application meets the provisions of at least one of two exception clauses outlined in [Section 1.1.1](#) of *Metro 2050* (and reiterated in Sections 1.4.1 Rural Lands, 2.3.1 Agricultural Lands, and 3.1.1 Conservation and Recreation Lands).

Section 1.1.1. *Direct the GVS&DD to not allow connections to regional sewerage services to lands with a Rural, Agricultural, or Conservation and Recreation regional land use designation. Notwithstanding this general rule, in the exceptional circumstances specified below, the Metro Vancouver Regional District (MVRD) Board will advise the GVS&DD Board that it may consider such a connection for existing development or for new development where, in the MVRD Board’s opinion, that new development is consistent with the underlying regional land use designation, and where the MVRD Board determines either:*

- a) *that the connection to regional sewerage services is the only reasonable means of preventing or alleviating a public health or environmental contamination risk; or*
- b) *that the connection to regional sewerage services would have no significant impact on the goals of containing urban development within the Urban Containment Boundary, and protecting lands with a Rural, Agricultural, or Conservation and Recreation regional land use designation.*

[Section 6.8](#) of *Metro 2050* establishes that any requests from member jurisdictions to amend a GVS&DD sewerage area or to provide sewer services onto lands with an Agricultural, Rural, or Conservation and Recreation regional land use designation must be presented to the MVRD Board for consideration prior to consideration by the GVS&DD Board. Should the application be determined to be consistent with *Metro 2050*, the MVRD Board would forward its resolution to the GVS&DD Board for further technical consideration of the application. The GVS&DD Board is not permitted to provide sewer services to a property if the MVRD Board determines that such services are inconsistent with the provisions of *Metro 2050*.

The general process for sewerage area amendments that must be considered by the MVRD Board is outlined in Figure 1. Once the sewerage area amendment application is referred to Regional Planning by Liquid Waste Services staff, Regional Planning staff assess the application to determine whether the amendment application meets the exception clauses included in *Metro 2050*.

3.3 Exception to address a public health or environmental contamination risk

In accordance with Sections 1.1.1(a), 1.4.1(a), 2.3.1(a), and 3.1.1(a) of *Metro 2050*, exceptions will be considered to ensure there is appropriate sewage treatment available to avoid the risk of public health or environmental contamination. Public health and environmental contamination risk shall be defined by provincial legislation including, but not limited to, the [Public Health Act](#), [Sewerage System Regulation](#), [Environmental Management Act](#), and [Municipal Wastewater Regulations](#). Exceptions are applicable for existing development, or new development that, in the MVRD Board’s opinion, is consistent with the

provisions of *Metro 2050*, where an on-site sewage treatment system constructed and maintained in accordance with applicable provincial regulations would not be reasonable and/or feasible.

Subject to the provisions of applicable provincial regulations, the applicant would qualify for consideration of a *Metro 2050* exception by providing an Environmental Impact Report, prepared and certified by a qualified professional, establishing that an on-site sewage treatment system constructed and maintained in accordance with applicable regulations would not be feasible. The Environmental Impact Report must include the following information:

- a. the existing use of the site, the structure(s) proposed for connection, and any anticipated changes to the use or structure(s) on the site.
- b. the rationale for connecting to the GVS&DD sewage treatment system versus an on-site sewage treatment system.
- c. the circumstances inhibiting the feasible installation, maintenance, or repair of an on-site septic system in accordance with the *Public Health Act*, the *Sewerage System Regulation* or *Environmental Management Act*, and the *Municipal Wastewater Regulation*. Such circumstances typically relate to site constraints such as soils, natural features, site configuration, flow capacity that would inhibit an on-site system, or prohibitive construction or maintenance costs.
- d. the nature of the public health or environmental risk on or adjacent to the site.
- e. the location of the existing regional or local sewer pipes proposed for connection and the proposed routing of the new sewer pipes required for connection to the subject site. Consideration will include the potential for extended sewerage infrastructure to prompt additional demands for connection to regional sewerage services from other sites. Note: proximity to an existing sewer main does not alone establish rationale for a sewerage connection.
- f. the site plan showing the proposed GVS&DD sewerage boundary footprint containing only the structure(s) to be connected within the subject site.
- g. the servicing plan showing that the works are designed to accommodate a flow capacity no greater than the capacity necessary to service the specified structure(s) and activity located within the proposed GVS&DD Sewerage Area footprint.
- h. the member jurisdiction and the landowner acknowledge that Metro Vancouver's consideration for exemption is specific to the information contained in the application, and that any works to extend the capacity for collection of liquid waste generated outside of the GVS&DD Sewerage Area footprint, within or outside of the subject site, will require a new sewerage area amendment application to the GVS&DD.

If the MVRD Board and GVS&DD Board concur that it is not reasonable to construct and maintain an on-site system to alleviate public health and/or environmental contamination risk, and determine that the service extension is consistent with the provisions of *Metro 2050*, the Boards may resolve to accept a limited extension of regional sewerage services into lands with an Agricultural, Rural, or Conservation and Recreation regional land use designation.

3.4 Exception with no significant impact on Metro 2050 provisions

No significant impact applies to regional sewerage service extensions or connections that do not conflict with the intent or implementation of the provisions and intent of the goals, strategies, and land use designations of *Metro 2050*. The primary *Metro 2050* strategies that will establish the assessment criteria for determining level of impact may include, but are not limited to:

- Strategy 1.1 Contain urban development within the Urban Containment Boundary
- Strategy 1.4 Protect Rural lands from urban development
- Strategy 2.3 Protect the supply of agricultural land and strengthen agricultural viability
- Strategy 3.1 Protect and enhance Conservation and Recreation lands
- Strategy 6.8 Coordination with Metro Vancouver/Greater Vancouver Boards
- Strategy 6.9 Sewerage Area Extensions (When Applicable)
- Any goals and strategies pertaining to the underlying regional land use designation and those of adjacent areas that may be affected by the amendment application

For lands identified on Map 12 of *Metro 2050* as either Rural within the Sewerage Area or Sewerage Extension Area with an underlying Rural land use designation, and that are not in the Agricultural Land Reserve, 'low density forms of residential' are interpreted as permitting minimum lot sizes equivalent to half acre lots. This context should inform GVS&DD consideration of applications for regional sewerage services.

To be considered "not significant," the amendment application must demonstrate:

- a) the nature of the development, existing or proposed, does not conflict with, or negatively impact, the Urban Containment Boundary provisions or related regional land use designations, goals, and provisions of *Metro 2050*;
- b) the extension of GVS&DD sewerage services is provided to a single, non-strata site with service access to be contained within a specified GVS&DD sewerage boundary footprint, comprising and limited to the structures proposed for sewerage connection within that site;
- c) the service connection is designed to accommodate a sewage flow capacity no greater than the capacity necessary to service the existing or proposed structure(s) and activity located within the specified GVS&DD Sewerage Area footprint on the date of approval; and
- d) the distance and routing of extended sewerage infrastructure to the subject site is proximate and located such that there is limited potential for prompting additional regional sewerage connection requests in the surrounding area.

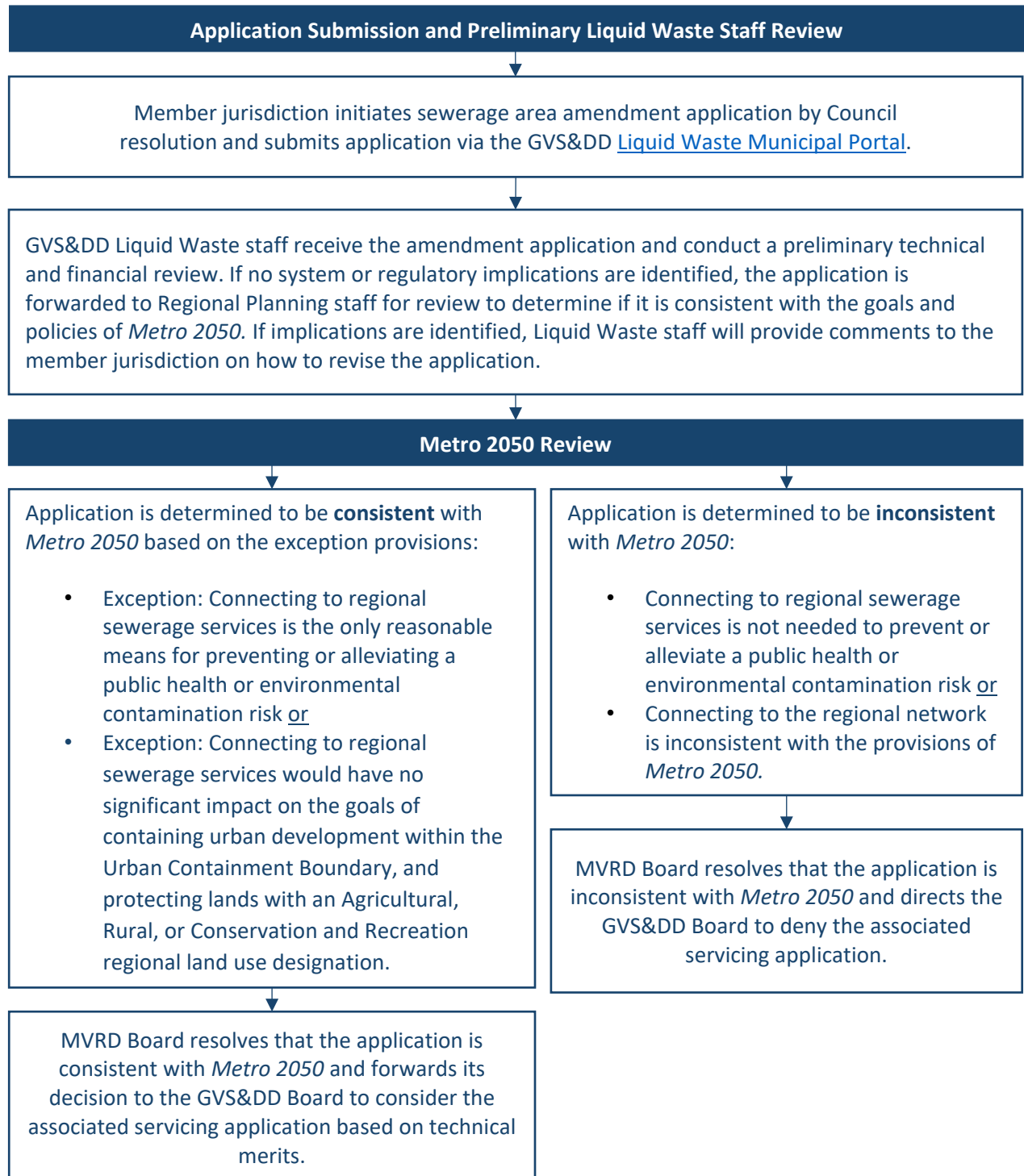
If the MVRD Board determines that a proposed service extension has no significant impact on the provisions and intent of *Metro 2050*, it may resolve to support a limited extension of regional sewerage services.

POTENTIAL CONDITIONS TO SUPPORT METRO 2050 COMPATIBILITY

The MVRD Board may determine that an amendment application proceed with conditions. Conditions will be determined on a case-by-case basis and may include, but are not limited to, situations where the extension of regional sewerage services is limited by a restrictive covenant registered on the property's

title specifying that sewerage services are provided only within a specific boundary (e.g. building footprint) and only for specified land use/structures. In such cases, the member jurisdiction would be required to reapply to the MVRD and GVS&DD Boards for a sewerage area amendment for any proposed changes to the specified boundary, land use(s), or structure(s) specified by the restrictive covenant.

Figure 1: Sewerage Area Amendment Application Process



To: Regional Planning Committee

From: Victor Cheung, Regional Planner, Regional Planning and Housing Services

Date: February 12, 2024 Meeting Date: March 8, 2024

Subject: **Request for Sanitary Service Connection at 4276 – 248 Street, Township of Langley**

RECOMMENDATION

That the MVRD Board:

- a) resolve that regional sewer service for the property at 4276 – 248 Street, Township of Langley is generally consistent with the provisions of Metro 2050; and
 - b) forward the requested Fraser Sewerage Area amendment application for the property at 4276 – 248 Street in the Township of Langley to the GVS&DD Board for consideration.
-

EXECUTIVE SUMMARY

The Township of Langley submitted an application to the Greater Vancouver Sewerage and Drainage District to amend the Fraser Sewerage Area boundary to include the building footprints on 4276 – 248 Street. In line with the requirements set out in *Metro 2050*, the request is being presented to the MVRD Board to consider consistency with *Metro 2050* prior to consideration by the Greater Vancouver Sewerage and Drainage District Board. The application is seen to be generally consistent with *Metro 2050* given that:

- A registered onsite waste water practitioner report indicates that the installation of a new septic system on the subject property would not be possible as it would not meet provincial setback regulations from drinking water sources due to the location of the adjacent property's new construction and well position. Therefore, connection to regional sewerage services would alleviate potential drinking water contamination, a public health risk.
- The Township of Langley staff report notes that failure of the onsite septic field due to the poor soil conditions could result in backup or surface spillage of untreated sewage, a health and environmental concern.
- The application is related to the proposed construction of an accessory building on an existing residential parcel that would add to the footprints of the existing principal and new accessory buildings. The subject property is in the Agricultural Land Reserve and no further development is proposed.

PURPOSE

This report seeks Regional Planning Committee and MVRD Board concurrence that regional sewerage service for 4276 – 248 Street is generally consistent with *Metro 2050*.

BACKGROUND

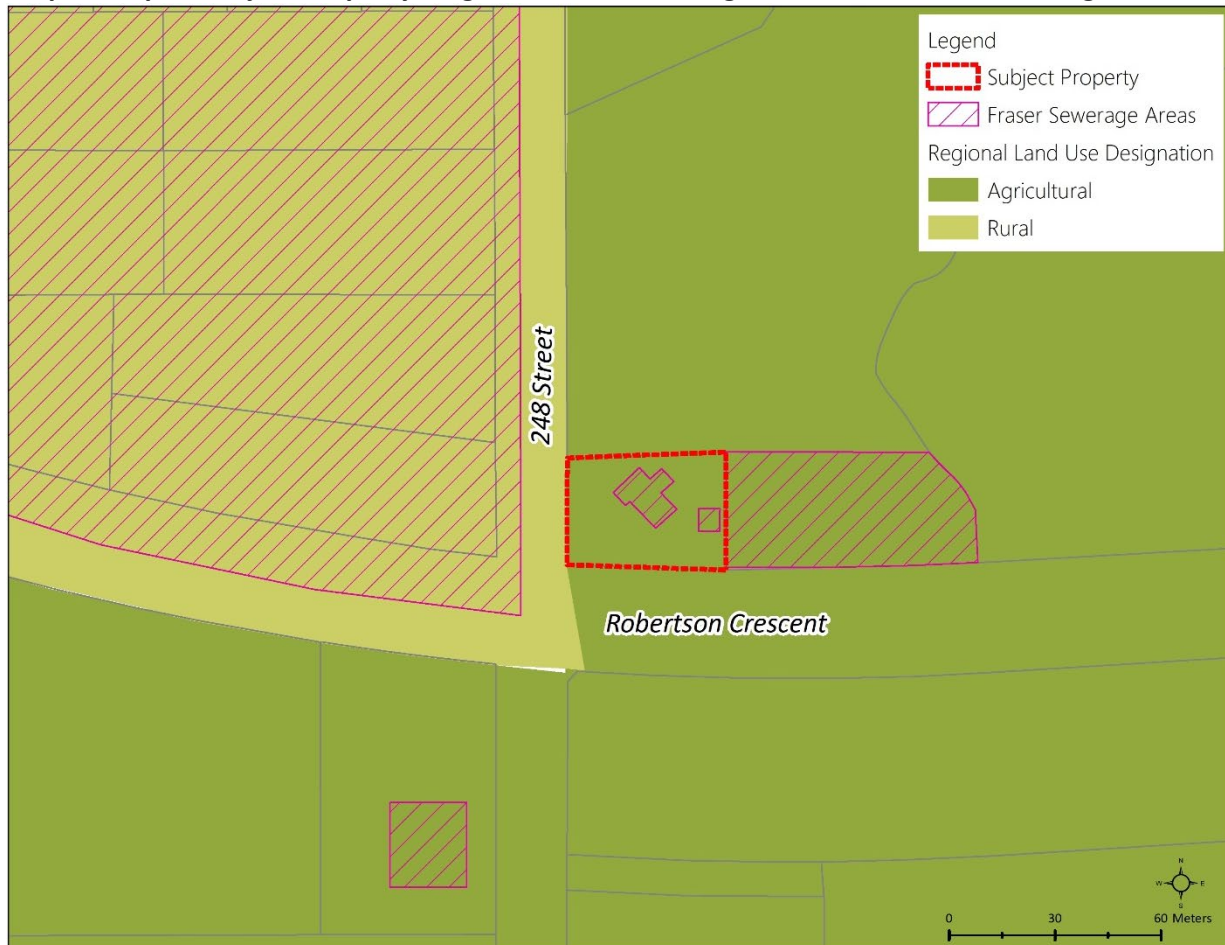
In December 2023, the Township of Langley submitted an application to the Greater Vancouver Sewerage and Drainage District (GVS&DD) to amend the Fraser Sewerage Area to include the building footprints on 4276 – 248 Street (Attachment 1).

Consistent with the requirements in the *Local Government Act* and *Metro 2050*, the request is being presented to the MVRD Board for consideration of consistency with *Metro 2050* prior to it being considered by the GVS&DD Board.

SITE DESCRIPTION

The property is on land with an Agricultural regional land use designation in *Metro 2050*, and outside of the Urban Containment Boundary (Map 1). Map 1 shows what the footprints of the principal and accessory buildings would look like if they were added to the Fraser Sewerage Area.

Map 1: Map of Subject Property, Regional Land Use Designations, and Fraser Sewerage Area



METRO 2050 AND SEWERAGE AREA EXTENSION REQUESTS

Section 6.8 of *Metro 2050* includes provisions for coordination amongst the Metro Vancouver Boards to ensure alignment between the policies of *Metro 2050*, as governed by the MVRD Board, and the works and services governed by the GVS&DD and GVWD Boards. The intention of limiting the extension of sewerage services from a regional growth management perspective is to support: urban containment; the protection of agricultural, rural, and conservation and recreation lands; and the efficient provision of regional infrastructure services, which are all key tenets of *Metro 2050*. In accordance with section 445 of the *Local Government Act*, *Metro 2050* requires that all services

undertaken by the GVS&DD be consistent with *Metro 2050*. Specifically, Section 6.8.1 of *Metro 2050* states that:

The Greater Vancouver Sewerage and Drainage District and the Greater Vancouver Water District will not directly or indirectly supply, agree to supply, or authorize connections that enable the supply of services to a site that is developed or proposed to be developed after the date of adoption of the regional growth strategy where the nature of that development is, in the sole judgment of the Metro Vancouver Regional District Board, inconsistent with the provisions of the regional growth strategy.

While *Metro 2050* establishes the extent of urban development within the region, the provision of regional sewerage services is administered by the GVS&DD. Any requests from member jurisdictions to amend the GVS&DD sewerage area or to provide sewer services onto lands designated Agricultural, Rural, or Conservation and Recreation in *Metro 2050* must be presented to the MVRD Board for consideration prior to being considered by the GVS&DD Board.

Section 2.3.1 of *Metro 2050* states that the GVS&DD Board will not allow connections to regional sewerage services from lands with an Agricultural regional land use designation except where the MVRD Board determines that the new development is consistent with the provisions of that designation and where it has been determined:

- a) *that the connection to regional sewerage services is the only reasonable means of preventing or alleviating a public health or environmental contamination risk; or*
- b) *that the connection to regional sewerage services would have no significant impact on the regional growth strategy goal to protect the supply of agricultural land and strengthening agricultural viability.*

The GVS&DD regional sewerage area boundaries were drawn prior to the adoption of *Metro 2050*. As a result, there are some locations where the Fraser Sewerage Area and regional land use designations do not align. For properties designated Agricultural, Rural, or Conservation and Recreation located outside of the Fraser Sewerage Area, as is the case with this application, the MVRD Board must determine whether regional servicing is appropriate and consistent with the intent of the respective land use designations of *Metro 2050*, after which the final decision to amend the GVS&DD sewerage area boundary rests with the GVS&DD Board.

For properties within the Fraser Sewerage Area that are designated Agricultural, Rural or Conservation and Recreation, MVRD Board approval is required as well as technical analysis from GVS&DD. In both cases, where the MVRD Board determines the sewerage area boundary amendment is not consistent with *Metro 2050*, the GVS&DD is obligated to deny the application.

REGIONAL PLANNING ANALYSIS

4276 – 248 Street currently has a single residential building on it, and the Township of Langley has received a building permit for the construction of a new accessory building. These uses are allowed under the Township’s Rural Zone RU-3 zoning and Agriculture OCP designation. The lands are within the Agricultural Land Reserve and subject to Agricultural Land Commission regulations. Specifically,

Section 23 of the *Agricultural Land Commission Act* stipulates that restrictions on the use of agricultural lands do not apply to land that was previously subdivided and is less than 2 acres in area.

The rationale for the requested amendment of services provided by Township of Langley staff relies on a registered onsite waste water practitioner report that indicates the onsite Type 1 wastewater treatment system is in need of replacement due to field performance. Due to the location of the adjacent property's new construction and well position at 24845 Robertson Crescent, the installation of a new septic system would not be possible as the setback would not meet Provincial regulations. The report indicates that the water quality of the new well located at 24845 Robertson Crescent may be compromised due to the inadequate setback needed to reduce pathogens such as fecal coliform bacteria.

The application is seen to be generally consistent with *Metro 2050* given that:

- A registered onsite waste water practitioner report indicates that the installation of a new septic system on the subject property would not be possible as it would not meet provincial setback regulations from drinking water sources due to the location of the adjacent property's new construction and well position. Therefore, connection to regional sewerage services would alleviate potential drinking water contamination, a public health risk.
- The Township of Langley staff report notes that failure of the onsite septic field due to the poor soil conditions could result in backup or surface spillage of untreated sewage, a health and environmental concern.
- The application is related to the proposed construction of an accessory building on an existing residential parcel that would add to the footprints of the existing principal and new accessory buildings. The subject property is in the Agricultural Land Reserve and no further development is proposed.

In preparing the above rationale, staff considered the criteria identified in Implementation Guideline #7: Extension of Regional Sewerage Services, which outlines the application process and review criteria for member jurisdictions requesting a connection to regional sewerage services. The implementation guideline also indicates a requirement that applications for connection to regional sewerage services must be initiated by a resolution of the respective municipal council. The Township of Langley passed a resolution which was forwarded by letter to Metro Vancouver Liquid Waste Services Staff (Attachment 1).

Should connection to regional sewerage service to this property's building footprints be supported by the MVRD Board, staff do not anticipate a significant impact to the *Metro 2050* objectives for urban containment or related regional land use designations, goals and strategies. Approval is not anticipated to lead to a proliferation of future applications for extension of regional sewerage service outside the Urban Containment Boundary.

ALTERNATIVES

1. That the MVRD Board:
 - a) resolve that sewer service for the property at 4276 – 248 Street, Township of Langley is generally consistent with the provisions of Metro 2050; and

- b) forward the requested Fraser Sewerage Area amendment application for the property at 4276 – 248 Street in the Township of Langley to the GVS&DD Board for consideration.
2. That the MVRD Board resolve that the amendment application for the property at 4276 – 248 Street, Township of Langley is not consistent with the provisions of Metro 2050 and direct staff to notify both the Township of Langley and the GVS&DD Board.

FINANCIAL IMPLICATIONS

There are no financial implications to this report from a Regional Planning perspective. Any financial implications will be considered within the GVS&DD application review process.

CONCLUSION

The GVS&DD has received an application from the Township of Langley to amend the Fraser Sewerage Area to include the building footprints on 4276 – 248 Street. The application is seen to be generally consistent with *Metro 2050* because documentation has been provided to show that connection to regional sewer services would alleviate public health and environmental contamination risk due to the proximity of an adjacent well and because the connection is for two building footprints on one lot that is in the Agricultural Land Reserve with no further development is proposed.

Staff recommend Alternative 1, that the MVRD Board determine that the provision of regional sewerage services to the property is consistent with *Metro 2050* and forward the application for a sewerage area expansion amendment to the GVS&DD Board for consideration.

ATTACHMENTS

1. “Proposed Fraser Sewerage Area Expansion (4276 - 248 Street),” Report to Mayor and Council – Township of Langley dated July 25, 2011
2. “Registered Onsite Waste Water Practitioner Report for 4276 – 248 Street” dated December 6, 2023

REFERENCES

1. [Implementation Guideline #7: Extension of Regional Sewerage Services](#)

65706417

Township of
Langley



Est. 1873

REPORT TO MAYOR AND COUNCIL

PRESENTED:	JULY 25, 2011 - REGULAR AFTERNOON MEETING	REPORT:	11-109
FROM:	ENGINEERING DIVISION	FILE:	0400-65-003
SUBJECT:	PROPOSED FRASER SEWERAGE AREA EXPANSION (4276 - 248 STREET)		

RECOMMENDATIONS:

That Council receive the “Proposed Fraser Sewerage Area Expansion (4276 - 248 Street)” report for information; and further

That Council request the Greater Vancouver Sewerage and Drainage District Board to expand the existing Fraser Sewerage Area boundary to include property at 4276 - 248 Street (Parcel 1 Ex Plan 16337).

EXECUTIVE SUMMARY:

Municipal sewage from the Township is conveyed to wastewater treatment plants operated by Metro Vancouver. The area serviced by these treatment plants is defined by the Fraser Sewerage Area (FSA) plan. Changes to the FSA plan must be done in accordance with the Greater Vancouver Sewerage and Drainage District Act and require a formal request from a member municipality, usually in the form of a Council resolution.

The requested expansion property will not require an extension of services, as the new Aldergrove Connector Sanitary Sewer has been constructed along the lot frontage. Current health regulations do not allow for a new septic system due to proximity to the lot’s domestic water supply through an existing well. Public health is considered by Metro Vancouver when evaluating requests for extensions to sewerage areas.

PURPOSE:

To obtain Council authorization to request the Greater Vancouver Sewerage and Drainage District Board to expand the existing Fraser Sewerage Area boundary to include property at 4276 – 248 Street (Parcel 1 Ex Plan 16337).

BACKGROUND/HISTORY:

Municipal sewage from the Township is conveyed to wastewater treatment plants operated by Metro Vancouver. The area serviced by these treatment plants is defined by the Fraser Sewerage Area (FSA) plan. Changes to the FSA plan must be done in accordance with the Greater Vancouver Sewerage and Drainage District Act and require a formal request from a member municipality, usually in the form of a Council resolution. The current FSA in this area includes land west of 248 Street and north of Robertson Crescent (Attachment A). Two neighbouring properties have recently been added to the FSA: 24845 Robertson Crescent and 4227 248 Street based on similar health related considerations.

DISCUSSION/ANALYSIS:

The subject property is currently going through renovations. A new onsite sewage treatment system cannot be installed, due to poor soil conditions, and as it would not be able to meet current provincial regulations regarding separation between septic fields and drinking water wells. The most economical solution would be a sanitary connection from this property to the existing trunk sewer along Robertson Crescent.

Intergovernmental Implications:

An application will be submitted to the Greater Vancouver Sewerage and Drainage District to extend the FSA boundary for the specified area shown in Attachment A. The application will include Council's resolution along with technical support for the extension, included as Attachment B.

Environmental Implications:

Failure of the onsite septic field due to the poor soil conditions could result in backup or surface spillage of untreated sewage, a health and environmental concern.

Financial Implications:

Any costs for sewer services will be borne by the property owner.

Respectfully submitted,

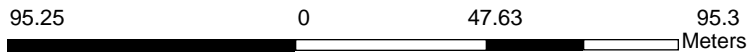
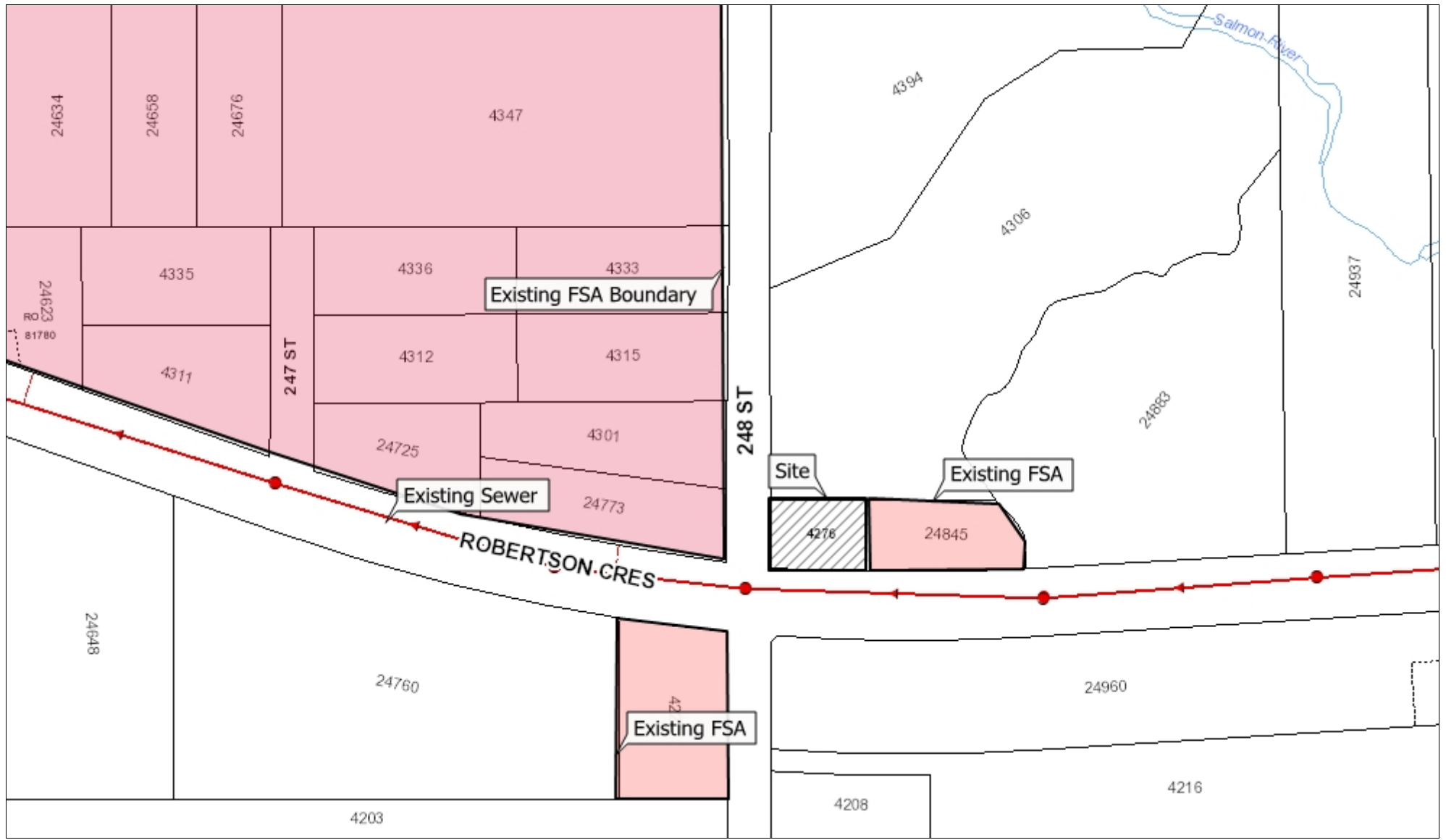
Dave McCormick
UTILITIES PLANNING ENGINEER
for
ENGINEERING DIVISION

ATTACHMENT A MAP – PROPOSED FSA EXPANSION AREA

ATTACHMENT B REGISTERED ONSITE WASTEWATER PRACTITIONER'S REPORT

FSA Expansion

Attachment A



Scale 1: 2,500.00

Township of LANGLEY Geosource

Printed 7/13/2011

4276 248 Street
Pcl 1 of Pcl E, Ex. Plan 16337

The data provided is a compilation of geographic information drawn together from a variety of sources, historic and current, and does not necessarily include everything and anything for a particular purpose; and the person utilizing this information does so entirely at their risk as the Township of Langley assumes no obligation or liability for the use of this information by any person and makes no representations or promises regarding the completeness or accuracy of the information or its fitness for a particular purpose.



Legend

- Pseudo Lot Lines
- ⊞ Easements
- Lower Mainland Roads
- Roads-Detail
- Parcels
- ⊞ Communities
- ⊞ Municipal Boundary
- ◀ Flow Direction
- Node
 - ⊞ Cap
 - Junction
 - ⊞ Vent Stack
 - Unknown
- Structure
 - other Structures
 - ⊞ Air Valve
 - ⊞ Blowdown
 - Lift Station
 - Valve Chamber
- ⊞ Valve
- Manhole
 - Other Manholes
 - ⊞ Cleanout
 - ⊞ Surcharge Manhole
 - Regular
- Connection
- Pipe
 - Gravity Main
 - Preliminary Gravity Main
 - Private Gravity Main
 - Abandoned Gravity Main
 - Stub
 - Abandoned Stub
- Sanitary Force Main
 - Preliminary Force Main
 - Force Main
 - Abandoned Force Main
- COL-Serviced Parcels

Attachment B.4

February 26, 2011

File: 311-0011

Hardy Verheyden
4106 – 248th Street
Aldergrove, BC V4W 1E3

1345 Salsbury Drive
Vancouver, BC V5L 4B4
email. info@cleartechconsultingltd.com

ph. 604-329-8324
fax. 604-893-8323

Re: 4276 – 248th Street, Langley, BC

Please be advised that Cleartech Consulting Ltd. has completed a cursory review of the above referenced property in terms of on-site sewage treatment and disposal and the ongoing renovation of the existing residence. Based on our review and the available information, we offer the following:

1. Based on information provided by yourself, it is understood that the existing residence is three bedrooms renovation will result in an increase in livable square footage of 300 ft.² (from 1500 ft.² to 1800 ft.²), with no increase in the number of bedrooms. According to the current version of the Standard Practice Manual (SPM), a companion document to the BC Sewerage System Regulation (SSR), this will not result in an increase in sewage flow rate to the system.
2. Cleartech has not conducted an inspection or review of the existing septic system and makes no claims to the location of the system's components, or its current or future condition or performance.
3. Based on our visual review of the property, it is our opinion that design and construction of a new sewerage system as per the requirements of the SSR and SPM would not likely be possible due to saturated soil conditions and standing water across the site, and the 30.5m (100 ft.) setbacks required between tanks and the disposal field to the well, as required by the regulation.

We trust this meets with your immediate requirements. If you have any questions or require further information, please do not hesitate to contact the undersigned at 604-329-8324.

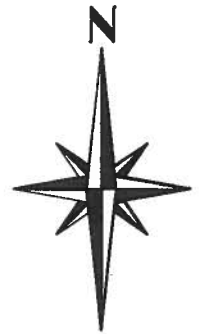
Yours truly,


per: Craig Regier, P.Eng., ROWP



B.C. Land Surveyor's Building Location Certificate

PLAN SHOWING BUILDINGS CONSTRUCTED ON PCL. ONE (EX. PLAN 16337)
OF PCL. E (REF. PLAN 15090) N 1/2 OF SW 1/4 SECTION 35 TOWNSHIP 10 N.W.D.

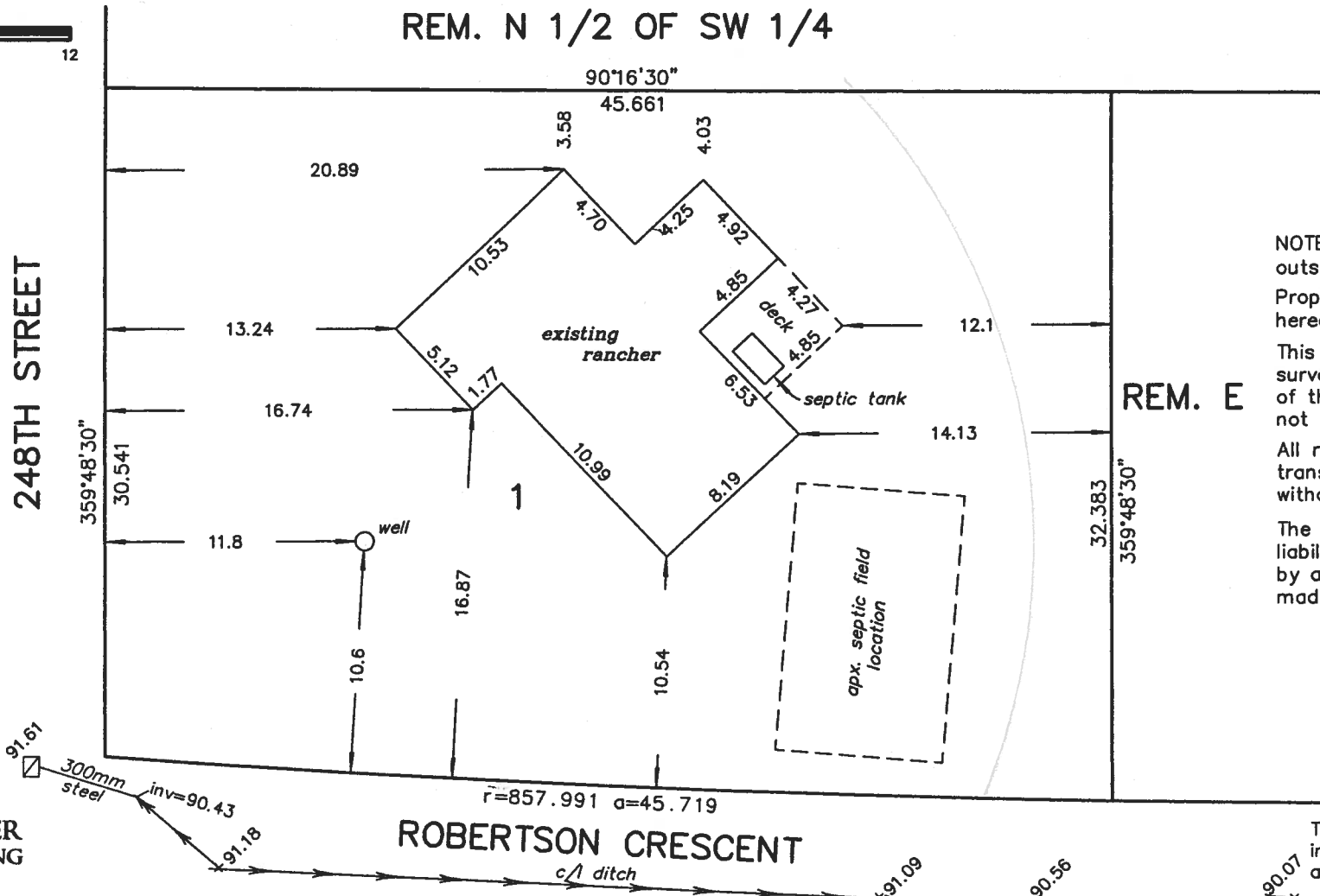


SCALE 1:300



All Distances are in Metres.

CIVIC ADDRESS
4276 248 STREET
LANGLEY, B.C.
P.I.D. 001-286-200



NOTES: Measurements are shown to the outside of siding.
Property boundary dimensions shown hereon, are derived from Posting Filing 57653.
This document shows the relative location of the surveyed structures with respect to the boundaries of the parcel described above. This document shall not be used to define property lines or corners.
All rights reserved. No person may copy, reproduce, transmit or alter this document in whole or in part without the consent of the signatory.
The signatory accepts no responsibility or liability for any damages that may be suffered by a third party as a result of any decisions made, or actions taken based on this document.



UNDERWATER
LAND SURVEYING

CLOVERDALE B.C.
Phone 604-574-7311
Fax 604-574-3018
OUR FILE: ML6619C
CLIENT: VERHEYDEN

NOTES:

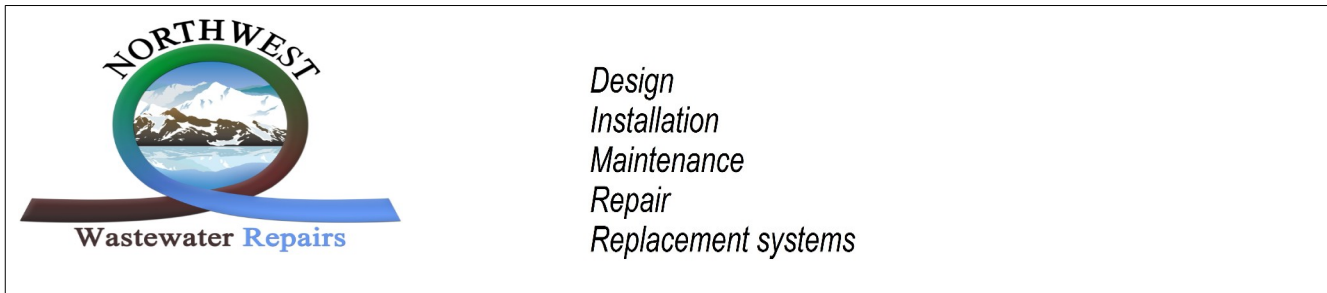
- 1) Elevations are in metres and are geodetic. (CVD28-GVRD2005)
- 2) Elevations are derived from OCM 88H4708, EI=92.548m located at the int. of Robertson Cres. and 248th St.

This building location certificate has been prepared in accordance with the Manual of Standard Practice and is certified correct this 28th day of March, 2011.

[Signature]
B.C.L.S.

This document is not valid unless originally signed and sealed.

©
E-4



December 6, 2023

Re;
Well & septic setback issue
4276 248th St.
Langley, BC

To Whom It May Concern,

On December 5th, 2023 I was asked to locate an existing septic field at 4276 248th st and assess its performance. On locating the buried distribution box for the 50 y/o type 1 gravity system it was noted that the system is in need of replacement due to field performance. When I did a study of the property for system placement it was noted that due to placement of the adjacent property's new construction and well position, that installation of a new septic system would not be possible. During the construction of a new residence at 24845 Robertson Crescent, a new well for potable water was placed 20m-25m from the existing septic system at 4276 248th st. This is closer than the 30m setback required by Provincial regulations. Between the property's existing well and the new construction's well, there isn't an area on the property to put a new system. More concerning is that the water quality of the new well may be compromised due to the inadequate setback needed to reduce pathogens such as fecal coliform bacteria. Two options would be to either reposition the new well, or to decommission the old septic system and tie into the city sewer on 248th street. This issue should be resolved before occupancy is granted on the new construction.

Sincerely,

Jim Mortier, ROWP
Northwest Wastewater Repairs
6045 Kamp Rd, Agassiz, BC
604-798-0671

GENERAL NOTES:

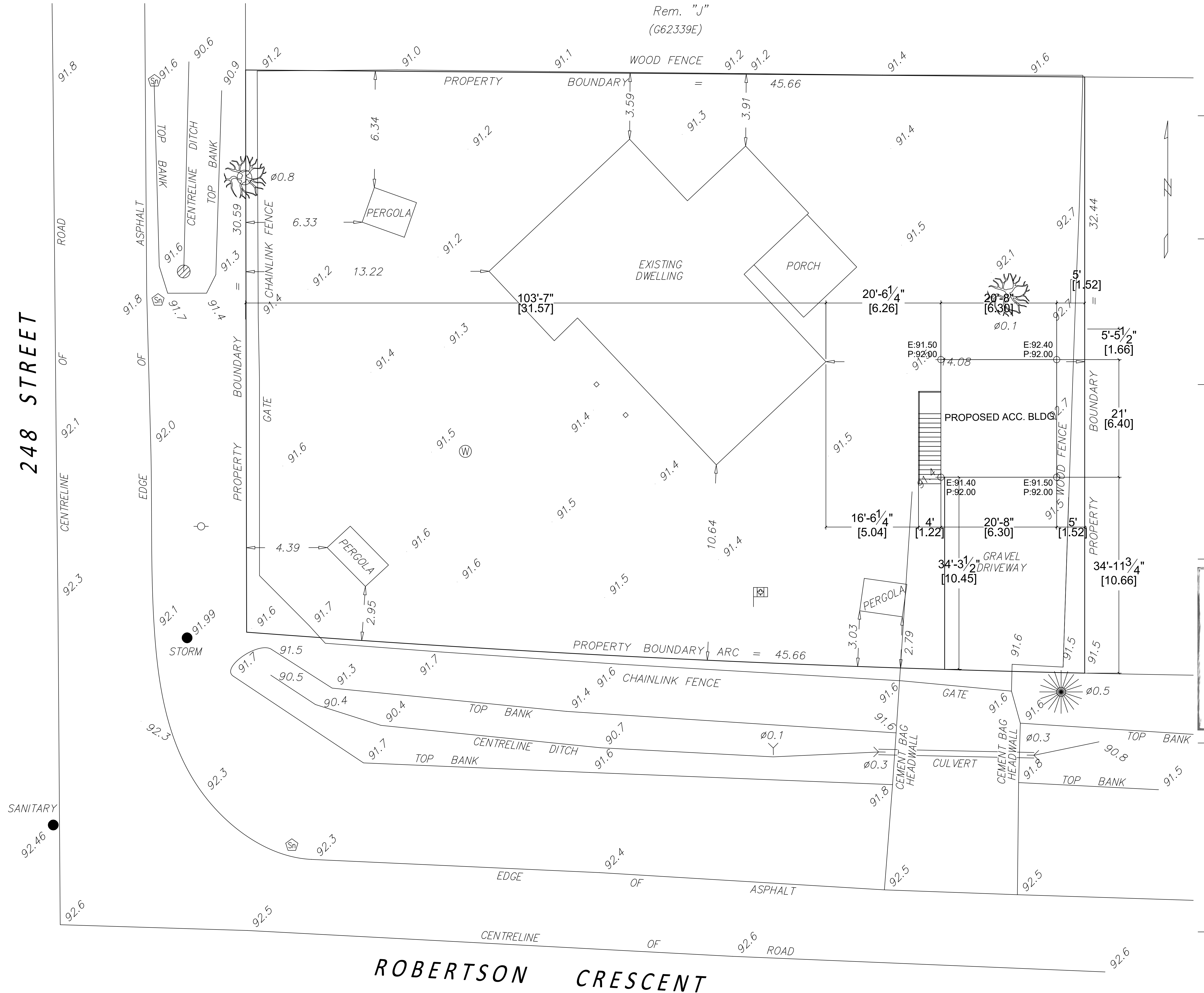
Plans by idesign:
It is the responsibility of the owner and builder to verify all dimensions and structure before proceeding with construction, to report all errors or omissions to the designer. Failure to report this information will absolve idesign of all responsibility associated with the construction of this project.

ALL NOTES OF THIS PLAN
APPLY TO ALL OTHER PAGES.

COPYRIGHT:

Designs, drawings, presentations and renderings as instruments of service will remain the property of idesign. This is a limited agreement which gives this client the right to build this structure. Designs or plans are not to be duplicated or copied without the written consent of idesign.

Lot Calculations	
Zoning:	RU-3
Address:	4276 248 St, Langley, B.C.
LOT AREA: 1416.389 sq.m (15246 sq.ft.)	
FLOOR AREA RATIO	
PROPOSED:	
MAIN HOUSE AREA:	1727 sq.ft.
ACC. BLDG MAIN FLOOR:	434 sq.ft.
ACC. BLDG UPPER FLOOR:	434 sq.ft.
TOTAL FLOOR AREA: =	2595 sq.ft.
SITE COVERAGE	
MAX.ALLOWABLE @ 0.33: 467.40 sq.m (1727.0 sq.ft.)	
PROPOSED:	
EXISTING HOUSE:	160.44 sq.m (1727.0 sq.ft.)
PROPOSED ACC. BLDG.:	46.64 sq.m. (502.0 sq.ft.)
TOTAL SITE COVERAGE:	207.08 sq.m. (2229.0 sq.ft.)

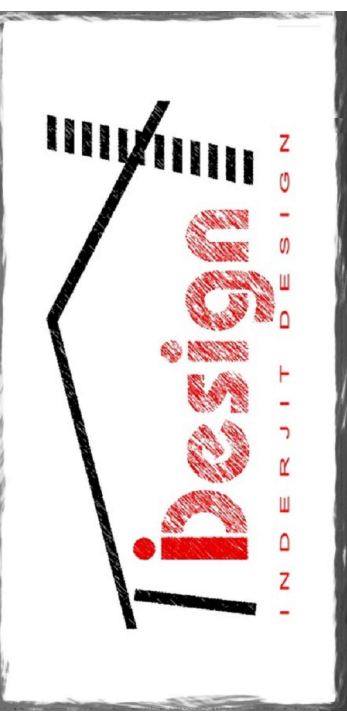


A1

5 Feb 2024

SITE PLAN
scale 1/8"=1'-0"

IDEASIGN INC.
604-767-4593
info@idesignhomes.ca



4276 248 St
Langley, B.C.

THESE PLANS
CONFORM TO
BCBC 2018

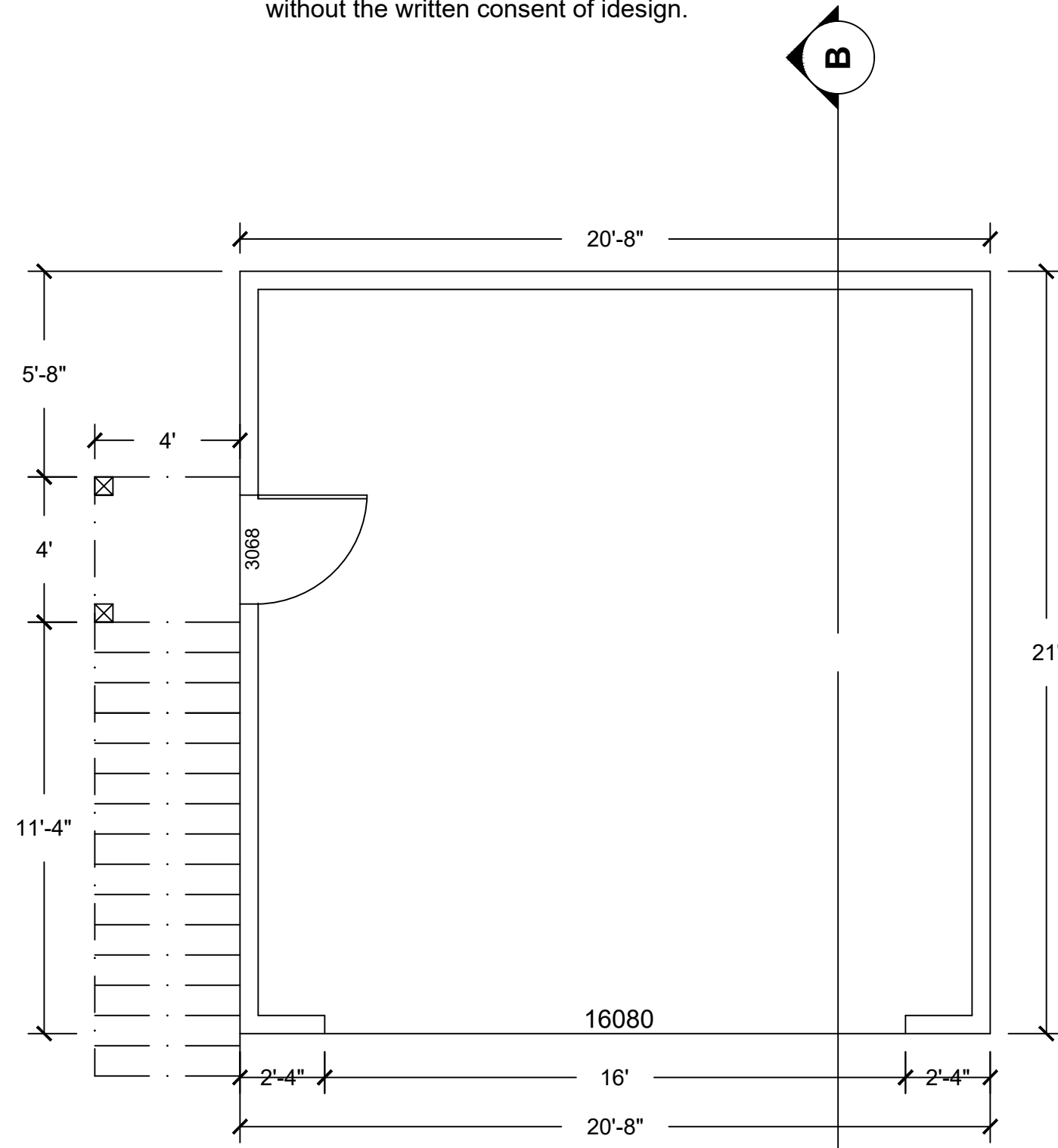
GENERAL NOTES:

Plans by idesign:
It is the responsibility of the owner and builder to verify all dimensions and structure before proceeding with construction, to report all errors or omissions to the designer. Failure to report this information will absolve idesign of all responsibility associated with the construction of this project.

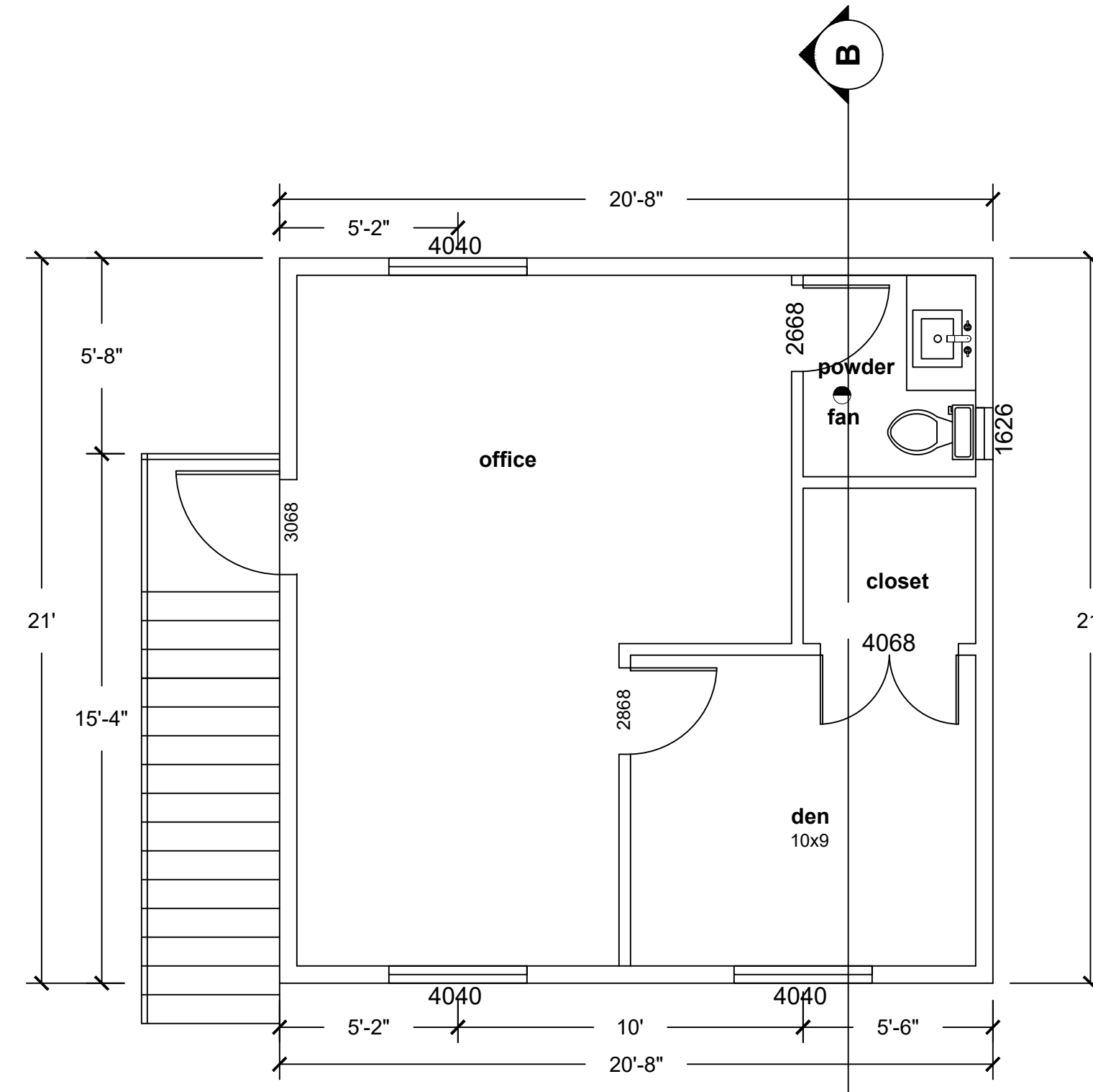
ALL NOTES OF THIS PLAN
APPLY TO ALL OTHER PAGES.

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ACC. BLDG.
Garage Area: 434 sq.ft.

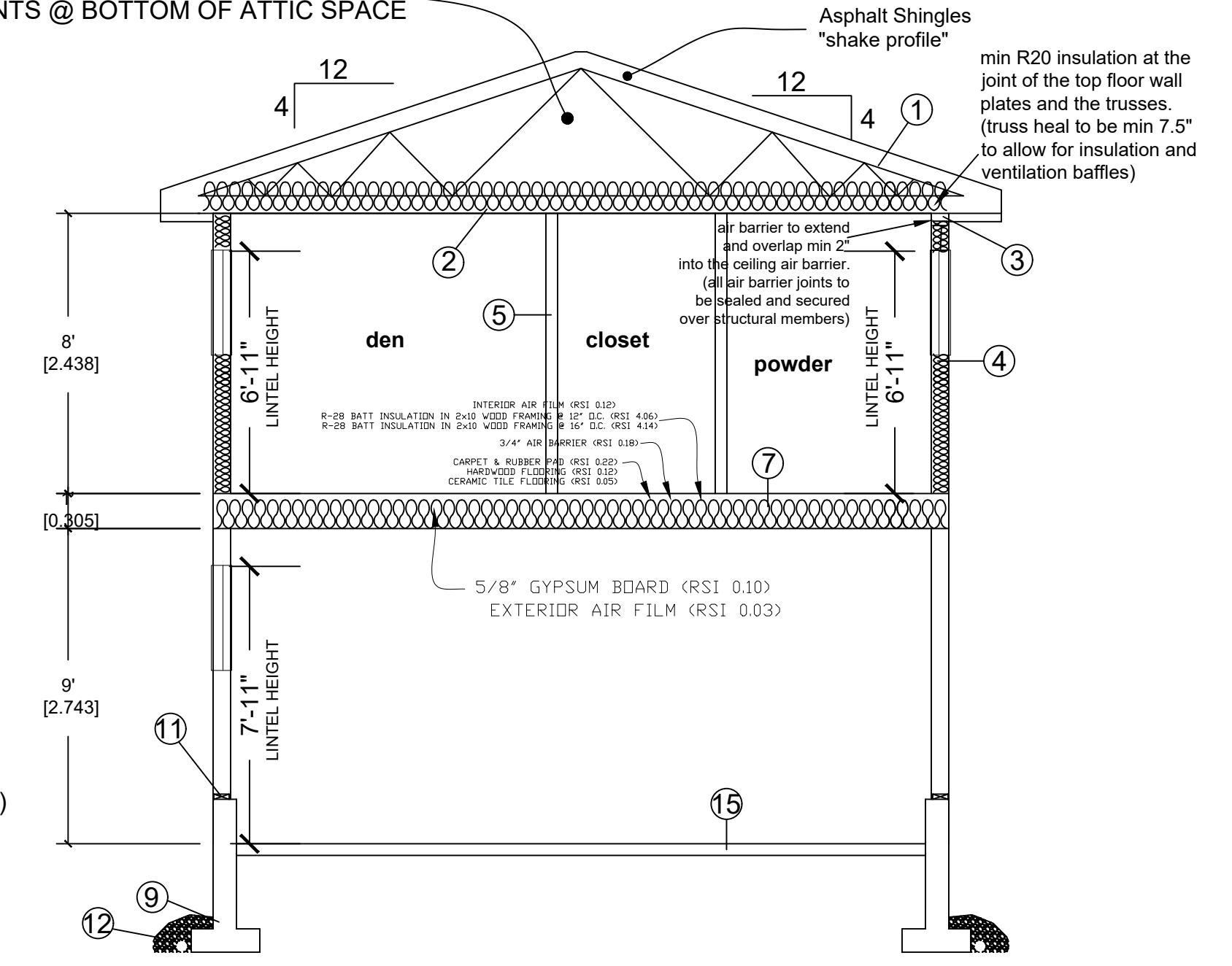


ACC. BLDG.
Upper Floor Area: 434 sq.ft.

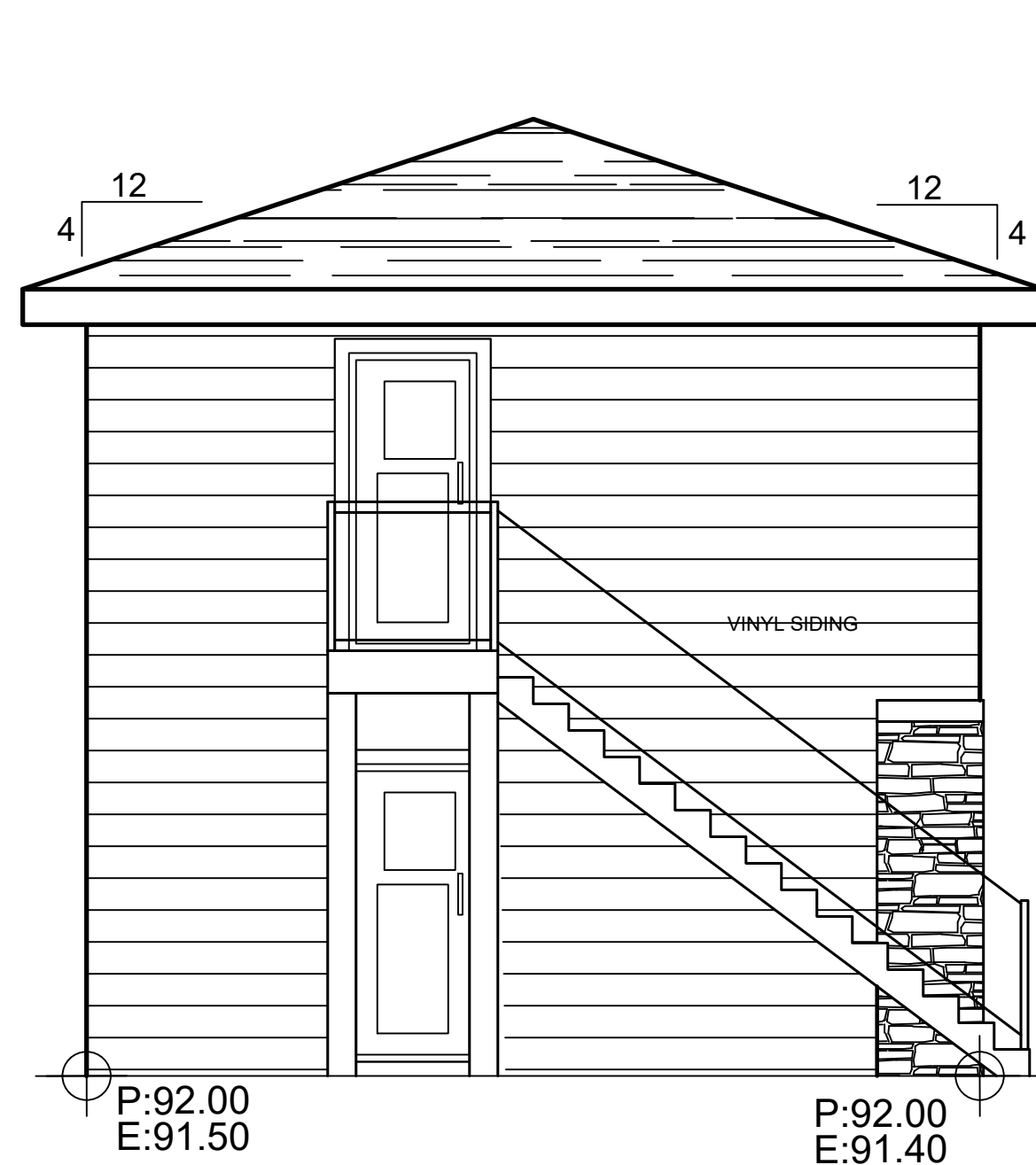
HEAT: ELECTRIC BASEBOARD HEAT
H/W: ELECTRIC TANKLESS HEATER

- ① ROOF/TRUSS:
ROOF TRUSSES @ 24" O.C.
W/2X4 STRAPPING
METAL ROOF
- ② CEILING:
MIN R-40 BATT OR LOOSE-FILL INSULATION
MIN 6 MIL POLY VAPOUR BARRIER
5/8" GYPSUM BOARD
- ③ FASCIA/SOFFIT
2X8 FASCIA BOARD
VENTED ALUM OR VINYL SOFFIT
- ④ EXTERIOR WALL:
FINISH MATERIAL - SEE ELEVATION
BUILDING PAPER
3/8" PLYWOOD SHEATHING
R-20 BATT INSULATION
2 x 6 STUDS @ 16" O.C.
MIN 6 MIL POLY V.B.
1/2" GYPSUM BOARD
- ⑦ UPPER FLOOR:
FINISH FLOORING
5/8" T&G PLYWOOD SUBFLOOR
2X12 FLOOR JOISTS @ 24" O.C. (OR AS NOTED)
2X2 CROSS BRIDGING @ 6'-10" O.C. MAX
1/2" GYPSUM BOARD
- ⑨ EXTERIOR FOUNDATION WALL:ENGINEERED
8" CONCRETE FOUNDATION WALL (OR AS NOTED)
- ⑪ PLATE TO FOUNDATION CONNECTION:
2X8 (OR 2X6 AS REQ'D) SILL PLATE
6MIL POLY OR 45# FELT DAMP-PROOFING
1/2" DIA ANCHOR BOLTS @ 4'-0" O.C. MAX
- ⑫ DRAINAGE:
4" DRAIN TILE
12" MIN DRAIN ROCK
- ⑮ GARAGE FLOOR:
4" CONCRETE SLAB FLOOR
6X6 6/6 WWM REINF
CLEAN, COARSE AND GRANULAR FILL
COMPACTED EVERY 1'-0" FROM SOLID
BEARING TO UNDERSIDE OF GARAGE SLAB

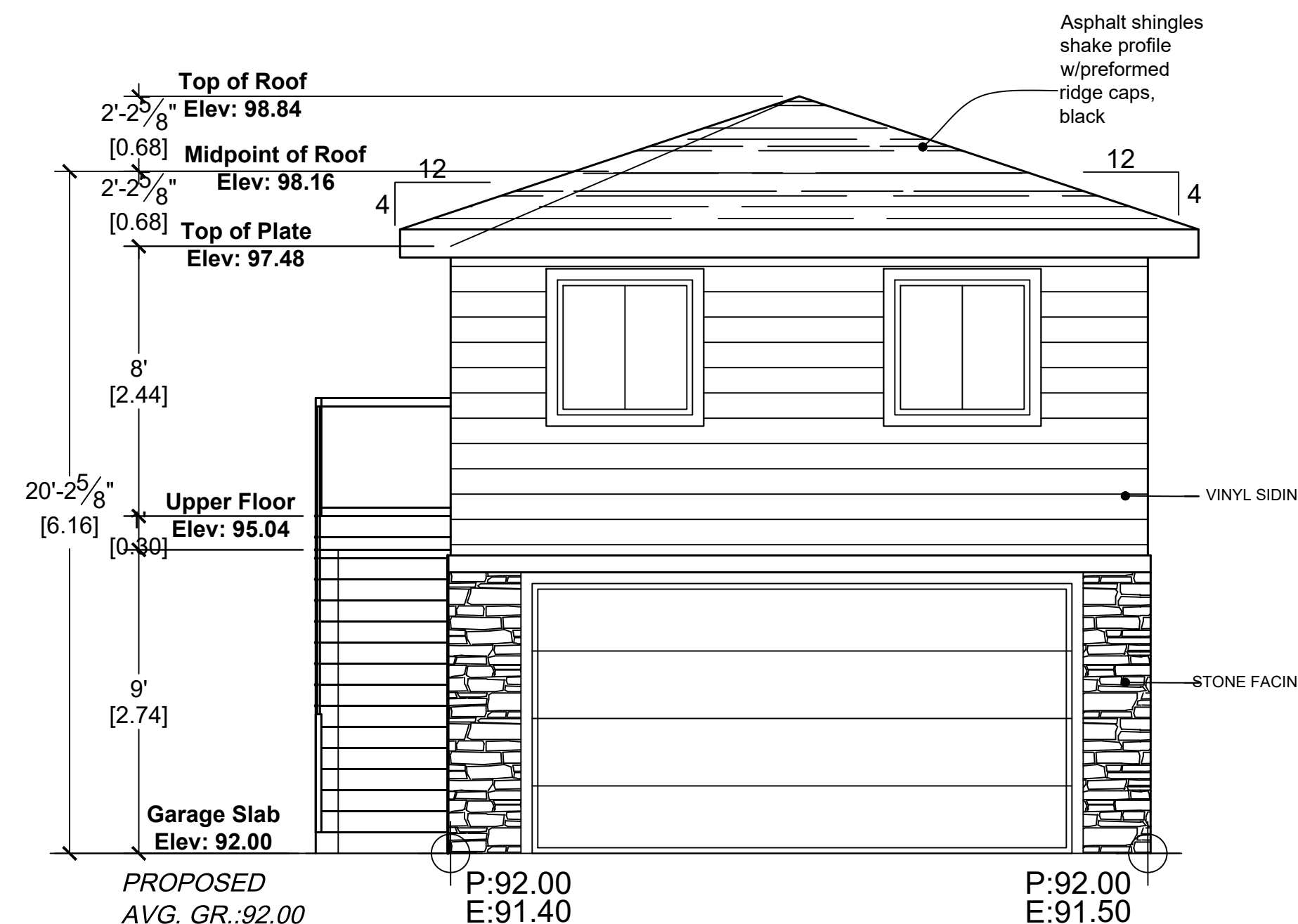
ATTIC VENTING - 1/150
MIN. 25% VENTS @ TOP OF ATTIC SPACE
MIN. 25% VENTS @ BOTTOM OF ATTIC SPACE



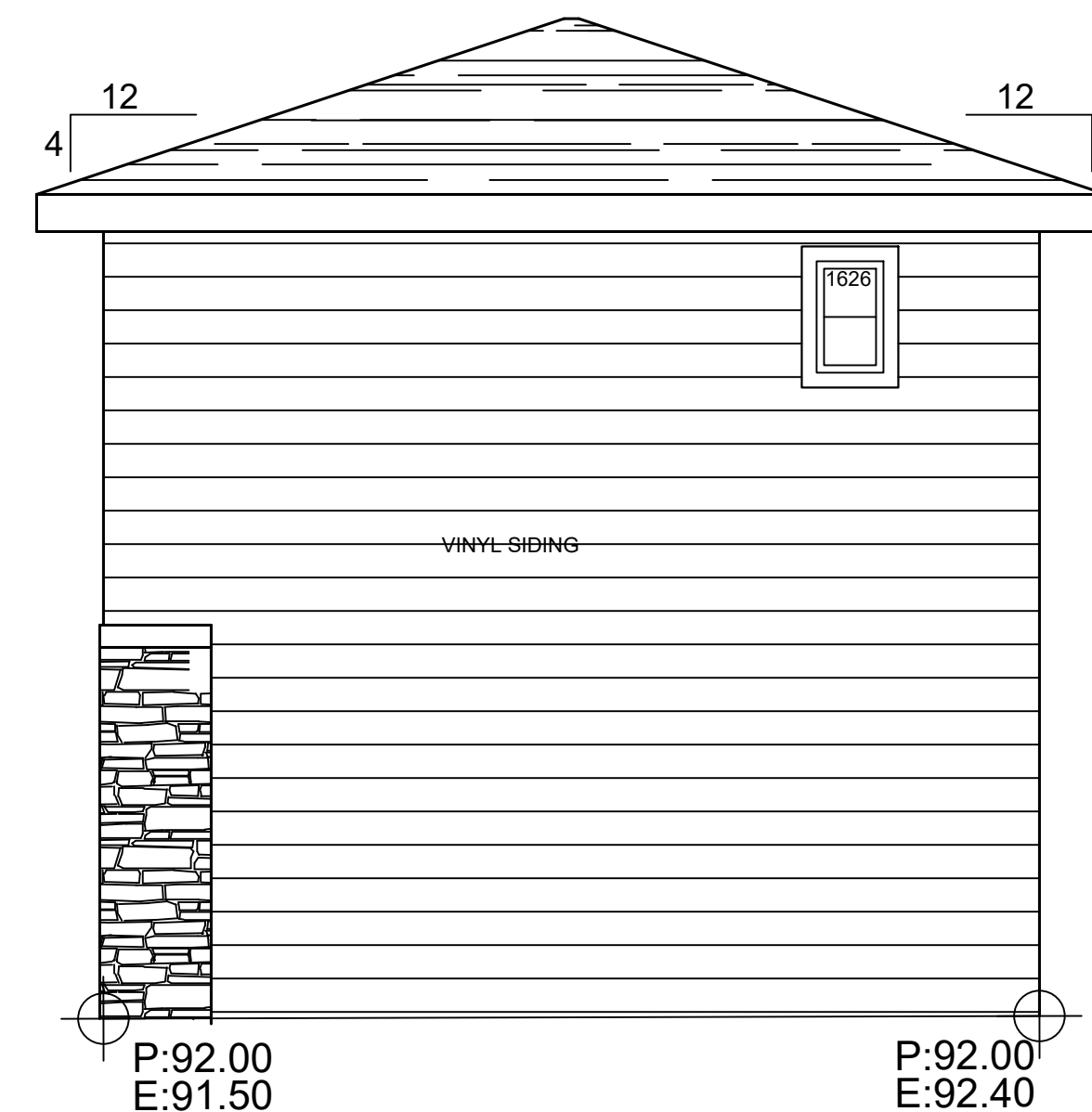
section A
Scale: 1/4"=1'-0"



Left elev
scale: 1/4"=1'-0"

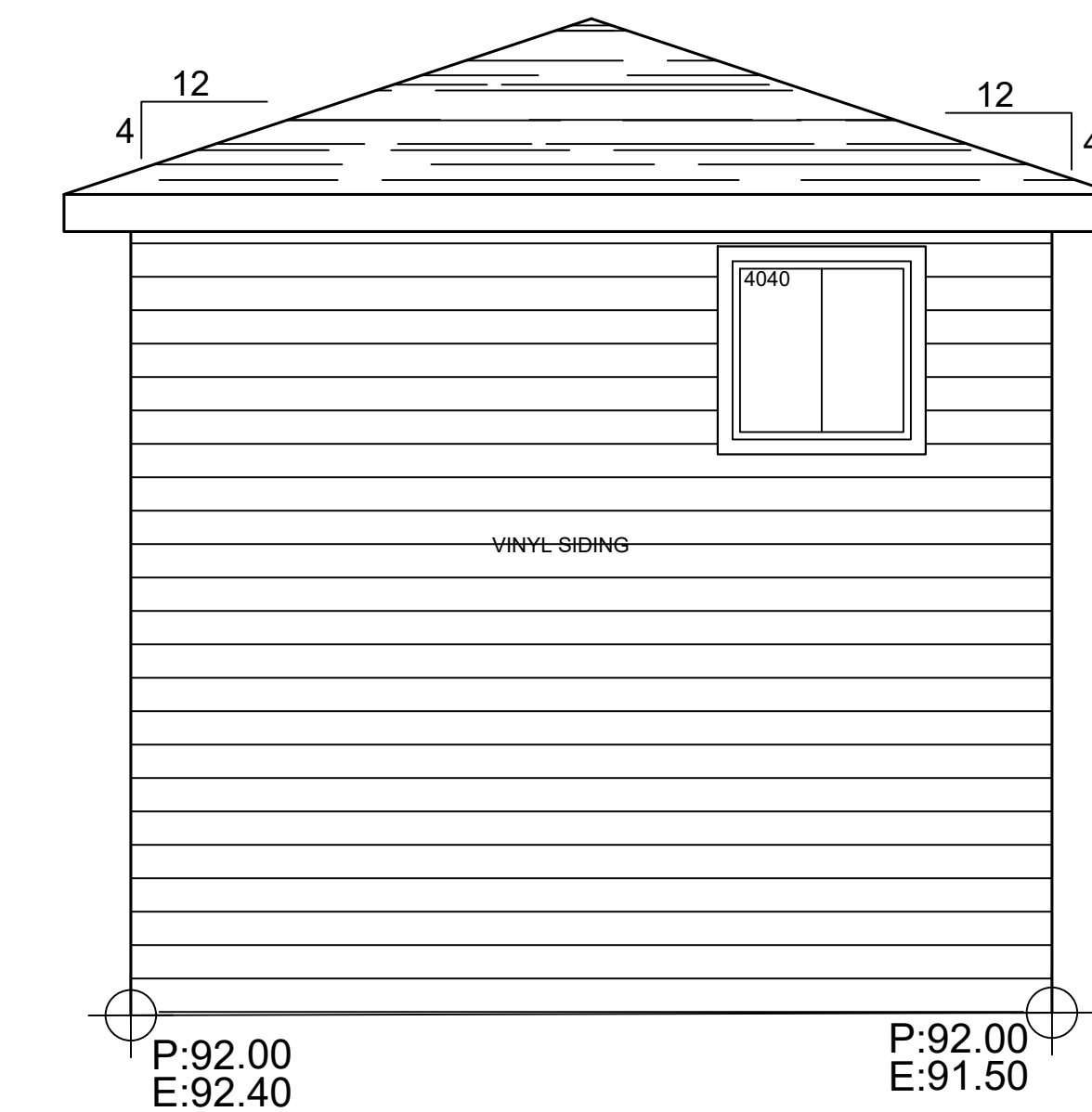


Front elev
scale: 1/4"=1'-0"



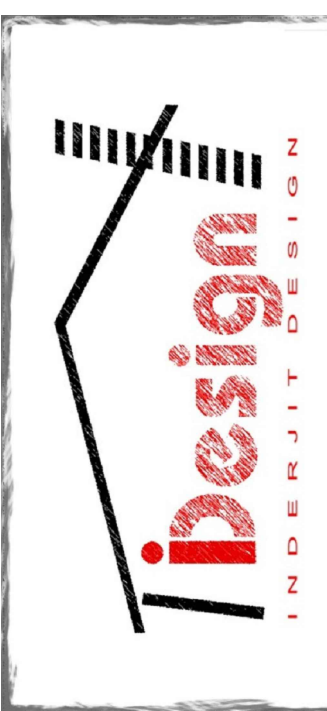
Right elev
scale: 1/4"=1'-0"

SPATIAL SEPARATION CALC'S
WALL AREA = 34.63 SQ.M. (373 SQ.FT)
LIMITING DISTANCE = 1.5 m
ALLOWABLE UNPROTECTED OPENINGS @ 8% = 29.84 SQ.FT
ACTUAL OPENINGS = 4.0 SQ.FT (1.07%)



Rear elev
scale: 1/4"=1'-0"

SPATIAL SEPARATION CALC'S
WALL AREA = 33.91 SQ.M. (365 SQ.FT)
LIMITING DISTANCE = 1.5 m
ALLOWABLE UNPROTECTED OPENINGS @ 8% = 29.20 SQ.FT
ACTUAL OPENINGS = 16.0 SQ.FT (4.38%)



PROJECT:
LOCATION: 4276 248St

DATA:
AVERAGE DAILY FLOW = 250 l/c/d
INFILTRATION = 0.17 l/s/ha
MAX. DEPTH OF FLOW = 50% for <=200, 60% for 250, 70%
POPULATION DENSITY: 3.3 SFR
Commerical Flow 40000 l/ha/d
Industrial Flow 30000 l/ha/d
Manning's coefficient 'n' 0.013

Line No.	Manhole		Catchment Area Description	Lots	Residential Population	Residential Cumulative Population	Peak Factor	Flow [l/s]	Industrial		Industrial / Commercial		Peak Factor	Flow [l/s]	Area [ha]	Tot. Catch. Area (ha)	Infiltration (L/s)	PWWF (L/s)	PDWF (l/s)
	From	To							Area	Cum Area	Area	Cum Area							
	0			1	3.3	3	4.45	0.0		0.0		0.0	4.50	0.0	0.14168	0.1	0.0	0.1	0.0

To: Regional Planning Committee

From: Victor Cheung, Regional Planner, Regional Planning and Housing

Date: February 12, 2024 Meeting Date: March 8, 2024

Subject: **Acceptance of the Fraser Valley Regional District Regional Growth Strategy - Bylaw No. 1706, 2023**

RECOMMENDATION

That the MVRD Board:

- a) accept the Fraser Valley Regional District Fraser Valley Future 2050 Regional Growth Strategy (Bylaw No. 1706, 2023) pursuant to section 436 of the Local Government Act; and
 - b) send a letter forwarding the Board resolution to the Fraser Valley Regional District Board.
-

EXECUTIVE SUMMARY

The Fraser Valley Regional District (FVRD) has submitted its *Fraser Valley Future 2050* regional growth strategy (Bylaw No. 1706, 2023) to the Metro Vancouver Regional District (MVRD) Board for acceptance. Per section 436 of the *Local Government Act*, before the bylaw can be adopted, the MVRD Board and other affected local governments must pass a resolution formally accepting the regional growth strategy. *Fraser Valley Future 2050* is organized under eight goals:

- | | |
|-----------------------------------|------------------------------|
| 1. Collaboration | 5. Ecosystem Health |
| 2. Economic Strength & Resiliency | 6. Transportation & Mobility |
| 3. Living Well | 7. Infrastructure & Services |
| 4. Community Building | 8. Climate Change |

Staff have reviewed these goals relative to the five goals of *Metro 2050* and have found the two regional growth strategies to be well aligned (e.g. policies to protect and support agricultural, employment, and industrial lands). There is also alignment between climate related policies in *Fraser Valley Future 2050* and *Metro 2050 / Climate 2050*, such as GHG emission reduction targets achieved through energy efficient buildings and renewable energy.

PURPOSE

To provide the Regional Planning Committee and MVRD Board with the opportunity to accept the FVRD's *Fraser Valley Future 2050* regional growth strategy (Bylaw No. 1706, 2023).

BACKGROUND

Regional Planning has participated in the development of *Fraser Valley Future 2050*. The FVRD Chair and staff presented a draft version of *Fraser Valley Future 2050* to the Regional Planning Committee at its October 6, 2023 meeting (Reference 1). The FVRD Board gave first and second readings to the *Fraser Valley Future 2050* bylaw on January 25, 2024, and referred the bylaw to Metro Vancouver for consideration of acceptance on January 26, 2024.

Per section 436 of the *Local Government Act*, before a regional growth strategy can be adopted, affected local governments, including adjacent regional districts, have 60 days to pass a resolution formally accepting it. This report is presented to the Regional Planning Committee and MVRD Board in compliance with this timeline.

FRASER VALLEY FUTURE 2050

Fraser Valley Future 2050, the FVRD's regional growth strategy, is an update of the FVRD's current regional growth strategy, *Choices for our Future*, which was adopted in 2004. *Fraser Valley Future 2050* includes the context for regional growth; housing, population, and employment projections; a regional vision; and eight goals. The vision and goals of *Fraser Valley Future 2050* are provided below; see Reference 2 for the entire bylaw.

Vision

The Fraser Valley Regional District will be a network of healthy, vibrant, distinct, and sustainable communities that accept responsibly managed growth while being committed to protecting the land resource and the natural environment to ensure that a high quality of life is accessible to all.

Goals

The eight *Fraser Valley Future 2050* goals are:

1. **Collaboration:** To achieve our common goals for the future of the region by encouraging collaboration between jurisdictions, cultures, and neighbours;
2. **Economic Strength & Resiliency:** To realize the region's economic potential by providing opportunities in employment and education that will grow the economy by building on the region's strengths;
3. **Living Well:** To ensure the region is an inclusive place where everyone is able to maintain a high quality of life, regardless of age, income, or ability
4. **Community Building:** To create compact, complete communities that strengthen urban centres, maintain rural character, and offer choice and affordability in housing.
5. **Ecosystem Health:** To protect the air, water, and biodiversity on which we depend.
6. **Transportation & Mobility:** To develop an integrated, safe, and efficient transportation system for people and goods that promotes transit, walking, and cycling, and minimizes the transportation system's impact on air quality.
7. **Infrastructure & Services:** To provide efficient, sustainable, and cost effective services that contribute to compact and sustainable growth.
8. **Climate Change:** To mitigate the region's impact on global climate change and adapt to the impacts of climate change on the region.

ALIGNMENT BETWEEN FRASER VALLEY FUTURE 2050 AND METRO 2050

Key highlights of how the *Fraser Valley Future 2050* goals align with *Metro 2050* goals and strategies is provided below:

Fraser Valley Future 2050 Goal 1: Collaboration

Fraser Valley Future 2050 Goal 1 contains two strategies centred around working with Indigenous communities, governments and other agencies to implement the regional growth strategy.

- *1.1 Build and strengthen relationships with Indigenous communities and governments*
- *1.2 Work together to ensure success*

Goal 1 and its strategies align with *Metro 2050 Goal 1: Create a Compact Urban Area* and *Goal 3: Environment, Address Climate Change, and Respond to Natural Hazards*, specifically:

- *Strategy 1.3 Develop resilient, healthy, connected, and complete communities with a range of services and amenities; and*
- *Strategy 3.2 Protect, enhance, restore, and connect ecosystems*

In both plans, these strategies encourage incorporation and recognition of Indigenous knowledge and collaboration.

Fraser Valley Future 2050 Goal 2: Economic Strength & Resiliency

Fraser Valley Future 2050 Goal 2 contains four strategies focused on growing and protecting the region's economy.

- *2.1 Create opportunities for employment and education*
- *2.2 Promote growth and development in agriculture*
- *2.3 Protect and support employment lands*
- *2.4 Work to attain the region's full tourism potential*

Goal 2 and its strategies align with *Metro 2050 Goal 2: Support a Sustainable Economy*, specifically:

- *Strategy 2.1 Promote land development patterns that support a diverse regional economy and employment opportunities close to where people live;*
- *Strategy 2.2 Protect the supply and enhance the efficient use of industrial land; and*
- *Strategy 2.3 Protect the supply of agricultural land and strengthen agricultural viability*

In both plans, these strategies promote growth and protection of agricultural, employment, and industrial lands.

Fraser Valley Future 2050 Goal 3: Living Well

Fraser Valley Future 2050 Goal 3 contains three strategies intended to ensure the region offers a high quality of life by offering a range of cultural, recreational, and social opportunities.

- *3.1 Promote healthy and inclusive living*
- *3.2 Support arts and culture initiatives*
- *3.3 Protect and enhance parks and recreation lands*

Goal 3 and its strategies align with *Metro 2050 Goal 3 Protect the Environment, Address Climate Change, and Respond to Natural Hazards*, specifically:

- *Strategy 3.1 Protect and enhance Conservation and Recreation lands*

In both plans, these strategies emphasize the need to protect lands for recreation and for the provision of ecosystem services.

Fraser Valley Future 2050 Goal 4: Community Building

Fraser Valley Future 2050 Goal 4 contains four strategies focused on creating compact, complete communities that strengthen urban centres, maintain rural character, and offer choice and affordability in housing.

- 4.1 Concentrate growth in urban centres
- 4.2 Maintain the character of rural communities in electoral areas
- 4.3 Promote sustainable regionally-scaled resort development
- 4.4 Ensure housing choice and affordability

Goal 4 and its strategies align with Metro 2050 Goal 1: Create a Compact Urban Area and Goal 4: Provide Diverse and Affordable Housing Choices, specifically:

- Strategy 1.2 Focus growth in Urban Centres and Frequent Transit Development Areas;
- Strategy 4.1 Expand the supply and diversity of housing to meet a variety of needs;
- Strategy 4.2 Protect tenants and expand, retain, and renew rental housing supply; and
- Strategy 4.3 Meet the housing needs of lower income households and populations experiencing or at risk of homelessness.

In both plans, these strategies work towards concentrating growth and promoting housing choice and affordability.

Fraser Valley Future 2050 Goal 5: Ecosystem Health

Fraser Valley Future 2050 Goal 5 contains three strategies focused on protecting the air, water, and biodiversity.

- 5.1 Monitor, study, protect, and improve air quality
- 5.2 Protect watershed health
- 5.3 Protect biodiversity

Goal 5 and its strategies align with Metro 2050 Goal 3: Protect the Environment, Address Climate Change, specifically:

- Strategy 3.1 Protect and enhance Conservation and Recreation lands;
- Strategy 3.2 Protect, enhance, restore, and connect ecosystems; and
- Strategy 3.3 Advance land use, infrastructure, and human settlement patterns that reduce energy consumption and greenhouse gas emissions, create carbon storage opportunities, and improve air quality.

In both plans, these strategies aim to improve air quality, protect watersheds, and protect biodiversity.

Fraser Valley Future 2050 Goal 6: Transportation & Mobility

Fraser Valley Future 2050 Goal 6 contains two strategies focused developing an integrated, safe, and efficient transportation system for people and goods that promotes transit, walking, and cycling, and minimizes the transportation system’s impact on air quality.

- 6.1 Create a region-wide transportation network
- 6.2 Promote active and alternative forms of transportation

Goal 6 and its strategies align with *Metro 2050 Goal 5: Support Sustainable Transportation Choices*, specifically:

- *Strategy 5.1 Coordinate land use and transportation to encourage transit, multiple-occupancy vehicles, cycling and walking; and*
- *Strategy 5.2 Coordinate land use and transportation to support the safe and efficient movement of vehicles for passengers, goods, and services*

In both plans, these strategies aim to facilitate the efficient movement of people and goods while also promoting active forms of transportation.

Fraser Valley Future 2050 Goal 7: Infrastructure & Services

Fraser Valley Future 2050 Goal 7 contains four strategies focused on providing efficient, sustainable, and cost effective services that contribute to compact and sustainable growth.

- *7.1 Provide safe and efficient access to basic utilities*
- *7.2 Ensure responsible management of solid waste*
- *7.3 Ensure public safety through emergency management planning*
- *7.4 Minimize the impact of large-scale utility corridors*

Goal 7 and its strategies align with *Metro 2050 Goal 1: Create a Compact Urban Area* and *Metro 2050 Goal 2: Support a Sustainable Economy*, specifically:

- *Strategy 1.1 Contain urban development within the Urban Containment Boundary*
- *Strategy 3.4 Advance land use, infrastructure, and human settlement patterns that improve resilience to climate change impacts and natural hazards*

In both plans, these strategies encourage water and sewer systems that protect public health and the environment, and aim to improve public safety through emergency management planning.

Fraser Valley Future 2050 Goal 8: Climate Change

Fraser Valley Future 2050 Goal 8 contains two strategies focused on mitigating the region’s impact on global climate change and adapting to the impacts of climate change.

- *8.1 Mitigate the region’s impact on global climate change*
- *8.2 Adapt to the impacts of climate change*

Goal 8 and its strategies align with *Metro 2050 Goal 3: Protect the Environment, Address Climate Change, and Respond to Natural Hazards*, specifically:

- *Strategy 3.3 Advance land use, infrastructure, and human settlement patterns that reduce energy consumption and greenhouse gas emissions, create carbon storage opportunities, and improve air quality; and*
- *Strategy 3.4 Advance land use, infrastructure, and human settlement patterns that improve resilience to climate change impacts and natural hazards*

In both plans, these strategies address resilience and mitigating climate change impact.

ALIGNMENT BETWEEN FRASER VALLEY FUTURE 2050 AND CLIMATE 2050

Metro Vancouver's *Climate 2050* guides climate change policy and action for Metro Vancouver and includes roadmaps that describe a trajectory towards a resilient, low carbon region for the following issue areas:

- Nature and Ecosystems
- Water and Wastewater Infrastructure
- Human Health and Well-Being
- Buildings
- Transportation
- Industry and Business
- Energy
- Land Use and Urban Form
- Agriculture
- Waste

Fraser Valley Future 2050 Goal 8 contains two strategies focused on mitigating the region's impact on global climate change and adapting to the impacts of climate change that align with *Climate 2050*.

- *8.1 Mitigate the region's impact on global climate change*
Examples:
 - Targets for region-wide per capita reduction in GHG emissions of 50% by 2050
 - Promote development of renewable energy supply that reduce GHG emissions and protects air quality
 - Support for community design that facilitates active transportation
 - Support for high energy efficient building standards
- *8.2 Adapt to the impacts of climate change*
Examples:
 - Ensuring that land use, transportation, water supply management, and other planning decisions at the regional level take climate change impacts into account
 - Researching and promoting best practices for climate change mitigation and adaptation

ALTERNATIVES

1. That the MVRD Board:
 - a) accept the Fraser Valley Regional District Fraser Valley Future 2050 Regional Growth Strategy (Bylaw No. 1706, 2023) pursuant to section 436 of the Local Government Act; and
 - b) send a letter forwarding the Board resolution to the Fraser Valley Regional District Board.
2. That the MVRD Board decline acceptance of the Fraser Valley Regional District Fraser Valley Future 2050 Regional Growth Strategy (Bylaw No. 1706, 2023) and notify the Fraser Valley Regional District Board of the decision and the reasons.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

CONCLUSION

In January 2024, the FVRD Board gave second reading to *Fraser Valley Future 2050*, its new regional growth strategy, and referred it to Metro Vancouver and other affected local governments for acceptance. Staff have reviewed *Fraser Valley Future 2050* relative to *Metro 2050* and *Climate 2050*

and conclude that there is general alignment between Metro Vancouver's and the FVRD's strategies. Staff recommend Alternative 1.

ATTACHMENT

1. "Correspondence from FVRD Board, Subject: Referral of Fraser Valley Regional District Regional Growth Strategy Bylaw No. 1706, 2023 for Acceptance by Affected Local Governments", dated, January 26, 2024

REFERENCES

1. [FVRD Fraser Valley Future 2050 Presentation – Regional Planning Committee \(October 6, 2023\)](#)
2. [Draft Fraser Valley Regional District Regional Growth Strategy Bylaw No. 1706, 2023](#)
3. [Report dated January 25, 2024 titled "Fraser Valley Regional District Growth Strategy Bylaw No. 1706, 2023 Correction"](#)
4. [Report dated December 7, 2023 titled "Second Reading of Fraser Valley Regional District Regional Growth Strategy 1706, 2023"](#)
5. [Staff presentation to affected local governments on the updated regional growth strategy draft](#)

65861656



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January 26, 2024

Metro Vancouver Regional District
Metrotower III, 4515 Central Boulevard
Burnaby, BC V5H 0C6
VIA EMAIL

Attention: Metro Vancouver Regional District Chair and Board

Dear Chair and Board:

Re: Referral of Fraser Valley Regional District Regional Growth Strategy Bylaw No. 1706, 2023 for Acceptance by Affected Local Governments

Please find attached a copy of draft *Fraser Valley Regional District Regional Growth Strategy Bylaw No. 1706, 2023* and Schedule A: "Fraser Valley Future 2050 Regional Growth Strategy."

The Fraser Valley Regional District (FVRD) Board has given second reading to *Fraser Valley Regional District Regional Growth Strategy Bylaw No. 1706, 2023* and resolved to refer the regional growth strategy to affected local governments (member municipalities and adjacent regional districts) for acceptance.

In accordance with Section 436 of the LGA, an affected local government must, within 60 days of receipt of this notice and by way of a council or board resolution submitted to the FVRD board, formally accept the regional growth strategy. If an affected local government fails to act within the period for acceptance, it is deemed to have accepted the regional growth strategy.

If an affected local government does not accept the regional growth strategy, it must indicate within the 60 day referral period: (a) each provision to which it objects, (b) the reasons for its objection, and (c) whether it is willing that a provision to which it objects be included in the regional growth strategy on the basis that the provision will not apply to its jurisdiction.

The FVRD has worked closely with member municipalities, adjacent regional districts, local First Nations, members of the public, and other agencies and organizations on the review and update of the regional growth strategy. For more information about RGS engagement and collaboration, please visit the FVRD's website at fvrd.ca/rgs.

Additional documents have been included in this package for information purposes.

The Fraser Valley Regional District would like to thank you and your staff for their time, contributions, and commitment to the regional growth strategy update. We look forward to your continued support as we move towards the adoption and implementation of "Fraser Valley Future 2050."

Should you have any questions or require further information, please contact Alison Stewart, Manager of Strategic Planning, astewart@fvrld.ca, 604-702-5054.

Council resolutions can be sent to Jaime Van Nes, Director of Legislative Services, Fraser Valley Regional District by email at jvannes@fvrld.ca.

Yours truly,

Jason Lum
Chair of the FVRD Board

Cc: Jerry Dobrovolny, Chief Administrative Officer, Metro Vancouver Regional District
Jonathan Cote, Deputy General Manager, Planning and Housing , Metro Vancouver Regional District
Jennifer Kinneman, Chief Administrative Officer, Fraser Valley Regional District
Stacey Barker, Director of Regional Services, Fraser Valley Regional District
Jaime Van Nes, Director of Legislative Services, Fraser Valley Regional District

Attachments:

1. [Draft Fraser Valley Regional District Regional Growth Strategy Bylaw No. 1706, 2023](#)
2. [Report dated January 25, 2024 titled "Fraser Valley Regional District Growth Strategy Bylaw No. 1706, 2023 Correction"](#)
3. [Report dated December 7, 2023 titled "Second Reading of Fraser Valley Regional District Regional Growth Strategy Bylaw 1706, 2023"](#)
4. [Staff presentation to affected local governments on the updated regional growth strategy draft](#)



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To: Regional Planning Committee

From: Jessica Hayes, Acting Program Manager, Housing Policy and Planning
Regional Planning and Housing Services

Date: February 20, 2024 Meeting Date: March 8, 2024

Subject: **Inclusionary Housing Policy Review – Final Report and Regional Model Policy Framework**

RECOMMENDATION

That the MVRD Board:

- a) receive for information the report dated February 20, 2024, titled “Inclusionary Housing Policy Review – Final Report and Regional Model Policy Framework”; and
 - b) send correspondence to member jurisdictions, requesting that the regional model policy framework be considered when adopting or updating inclusionary housing policies.
-

EXECUTIVE SUMMARY

The Inclusionary Housing Policy Review project assesses inclusionary housing policies and practices in the region, and advances a regional inclusionary housing model informed by best practices, economic analysis, and stakeholder feedback for inclusionary housing. Inclusionary housing has been an important tool in the region, contributing approximately 9,200 new below-market units to date. Recent changes to Provincial legislation, changing market conditions, and experience in implementing current policies suggest opportunities to better utilize inclusionary housing tools in the region. The regional model policy framework is intended to assist member jurisdictions seeking to adopt or update inclusionary housing policies, and encourage policy consistency across the region, while recognizing the varied housing markets in Metro Vancouver and impacts of inclusionary housing on development feasibility.

Well-designed inclusionary housing policy can generate a significant number of new affordable homes in the region, but must be carefully considered to ensure it is in line with market conditions, implementable, and efficient. In terms of the viability of inclusionary housing, the study found that the higher priced markets in Metro Vancouver appear to strongly support up to 10% or 20% inclusionary housing under current conditions, while the moderate markets may be able to support some inclusionary housing. The lower priced markets may be challenged to support any viable amount of inclusionary housing at this time, primarily due to the current high construction costs that are creating a difficult environment for housing development overall. However, it is anticipated that with improved market conditions and phased implementation over time, inclusionary housing will be supportable in all markets. The report also finds that greater consistency could have significant benefits and recommends the following policy design to optimize the effectiveness and feasibility of the framework:

- A tiered inclusionary unit set aside rate, with the percentage of units required ranging from 5% to 20% based on the local housing market and phased in over time;

- A voluntary approach to inclusionary housing in exchange for bonus density above the new provincial minimum densities;
- A mandatory inclusionary zoning contribution in provincially-designated TOAs, in order to capture affordable housing benefits in increased minimum base densities near transit;
- Depth of affordability for the inclusionary units set at a moderate affordability level (10% below CMHC average market rent);
- Length of affordability of the inclusionary housing units secured for the life of the building;
- Applicable only in strata developments (base tenure) that contain at least 100 units (minimum size of development);
- Includes an option to provide cash-in-lieu or delivery of inclusionary units off-site with Council approval, and only if adequate housing outcomes are achieved;
- Inclusionary units to be owned (sold below-market) and operated by a non-profit or qualified organization; and,
- Annual performance monitoring and reporting (# of units generated), and 3 to 5-year policy reviews (financial impact and economic analysis).

Metro Vancouver will engage with member jurisdictions and the Province on the regional model inclusionary housing policy framework. Some of the recommendations would require new legislation to permit inclusionary zoning in BC, which is anticipated to be enabled by the Province this spring.

PURPOSE

To provide the Regional Planning Committee and MVRD Board with the final report and recommendations of the Inclusionary Housing Policy Review, including a regional model policy framework.

BACKGROUND

Metro Vancouver’s Regional Planning and Housing team supports and convenes member jurisdictions around regional housing issues, including producing best practice policy research. Inclusionary housing policies have become an increasingly used policy tool to support the delivery of affordable housing in the region. This policy lever has been identified by member jurisdictions as a topic of interest for further study, and is on the Regional Planning Committee work plan for 2024. Advocacy to the Province to adopt enabling legislation that provides the ability for local governments to mandate affordable housing through inclusionary zoning powers was identified as an action item in *Metro 2050* (Policy 4.1.5). Furthering partnerships and exploring Metro Vancouver Housing’s potential role in facilitating, managing and acquiring inclusionary housing units are also key aspects of the *Metro Vancouver Housing 10-Year Plan*.

This report provides the final report from the inclusionary housing policy review project, and an overview of the regional model inclusionary housing policy framework developed as part of the study.

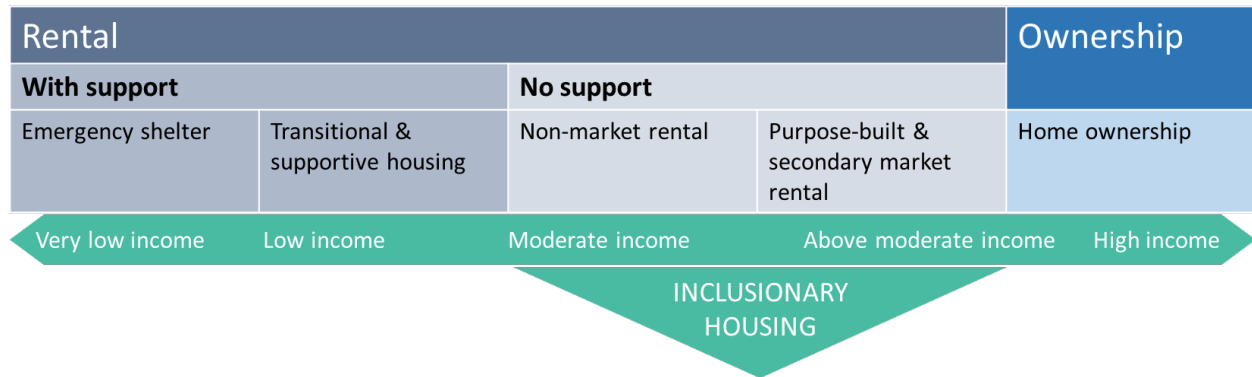
INCLUSIONARY HOUSING OPPORTUNITY AND BEST PRACTICES

There is an urgent need for additional housing supply in Metro Vancouver, particularly affordable and secure rental housing. The provincial government is overhauling the planning framework in BC,

and inclusionary housing represents a critical opportunity to ensure that new growth and density can simultaneously contribute to the provision of affordable homes.

The demand for rental housing is significantly outpacing the growth in supply and availability of rental units. Between the 2016 and 2021 Census periods, total renter households in Metro Vancouver increased by over 13% while the purpose-built rental stock increased by just 5.6%. At the same time, the average vacancy rate for rental apartments has remained consistently very low, while the viability of constructing new rental projects continues to be challenged by rising construction costs and interest rates, labour shortages, and significant inflation. While inclusionary housing typically does not provide deeply affordable units, it is an effective tool to generate below-market units for middle income households, as shown in Figure 1. In addition, depending on the program design, inclusionary housing policies can increase the number of non-market rental units owned or operated by non-profits, which generally deepen in affordability over time.

Figure 1: Housing Continuum and the Inclusionary Housing Opportunity



Inclusionary Housing Defined

Inclusionary housing is a broad term that refers to municipal initiatives that use planning regulations and the development approval process to engage private developers to provide a percentage of affordable housing in otherwise market-rate housing developments. The terms “inclusionary housing” and “inclusionary zoning” are often used interchangeably, however, the current regulatory context in BC does not allow inclusionary zoning which would allow local governments to require a certain percentage of affordable housing units be provided as part of a market-rate development. Instead, BC local governments use “voluntary” inclusionary housing policies which encourage the delivery of affordable housing units in private development by providing additional density or other incentives. While some local governments do not currently have an inclusionary housing policy, they may be using similar tools and incentives, for example, through density bonus policies, to ensure that developers include a proportion of affordable units in their developments. There is considerable diversity in the design and implementation of inclusionary housing policies across the Metro Vancouver region, which is, in part, a reflection of the specific and distinct market and policy conditions of each jurisdiction. However, similarities in design and policy components also suggest opportunities to streamline policies for greater regional consistency, which could make policies more effective and easier to navigate for non-profit providers and developers.

Inclusionary Housing Best Practices

Based on the jurisdictional scan of existing inclusionary housing policies in Metro Vancouver and review of leading practices from other jurisdictions, best practices were identified and considered in the development of the recommended regional model policy framework. Inclusionary housing policies were found to be most effective when:

- the provision of affordable housing is mandatory (voluntary programs have proven to be far less effective than mandatory programs);
- they apply as universally as possible;
- they maintain affordability “permanently”;
- they consider local market conditions;
- they use fixed and non-negotiable rules that are set out in advance so that developers know the cost of the inclusionary housing obligation when purchasing the land for development. This applies most particularly to the unit set-aside rate, the depth of affordability requirement, and the development incentives; and,
- they provide limited flexibility with regards to cash-in-lieu or off-site delivery. Opt-out provisions should operate within strict parameters and only allow these alternatives when they demonstrably produce a greater public benefit than the on-site obligation.

As part of the best practices review research, key informant interviews were conducted with local government staff and representatives from the non-profit housing sector, and the private development sector. Interviewees identified a number of successes and challenges based on their experiences implementing and interfacing with existing inclusionary housing policies in the Metro Vancouver region.

Some of the success factors identified were predictability and consistency, policies that take into account market conditions and are assessed and revised accordingly, policies that apply to denser housing types (mid-rise, high-rise buildings), and the inclusion of a phase-in window prior to a policy coming into effect. On the other hand, interviewees identified areas for improvement including the simplification of policy to ensure that they are easily understood by the development sector and non-profit operators, ensuring that affordability requirements do not impact project feasibility and that incentives are calibrated accordingly, and encouraging early engagement between developers and non-profit partners.

INCLUSIONARY HOUSING IN METRO VANCOUVER

To date, eight member jurisdictions in Metro Vancouver have adopted inclusionary housing, and several others have other policies that similarly achieve below-market units through incentives like density bonusing. As well, there is a number of Metro Vancouver member jurisdictions who have identified inclusionary housing as a future priority as part of their housing action plans (Figure 2).

The table that follows provides a summary of the key features of the existing inclusionary housing policies and programs that currently exist within the Metro Vancouver region (Table 2).

Figure 2: Metro Vancouver Member Jurisdictions with Inclusionary Housing or Similar Policies

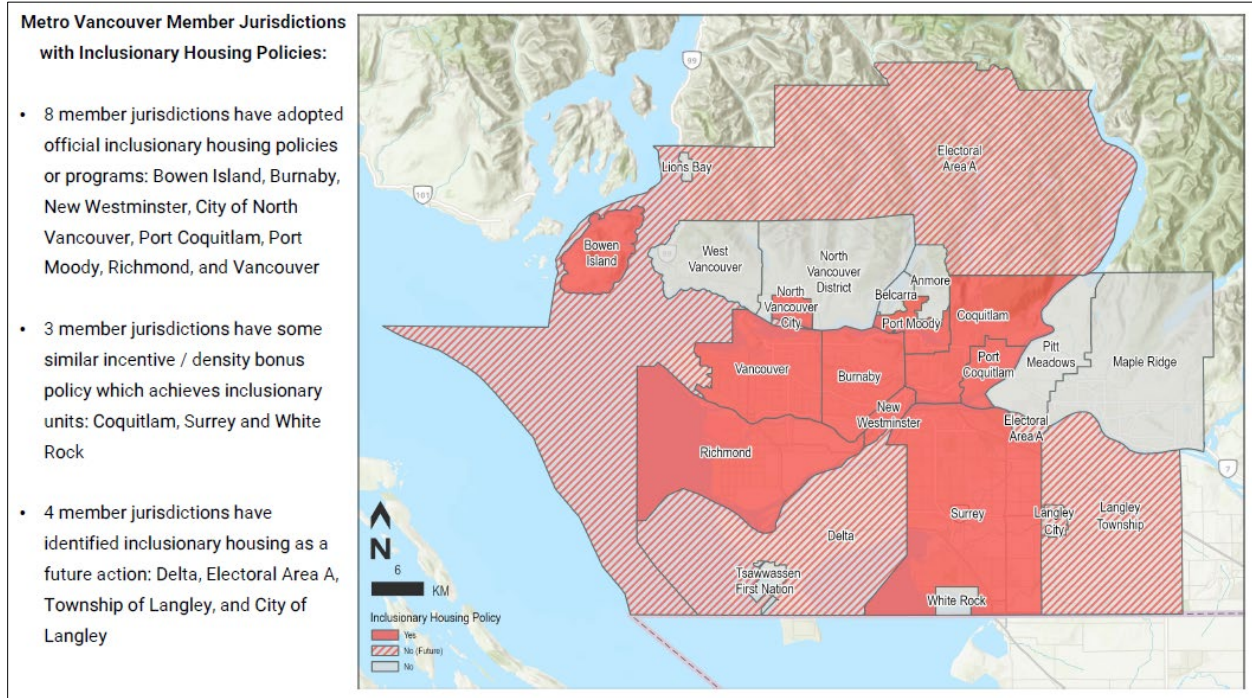


Table 2: Summary of Key Features of Existing Inclusionary Housing Policies in Metro Vancouver

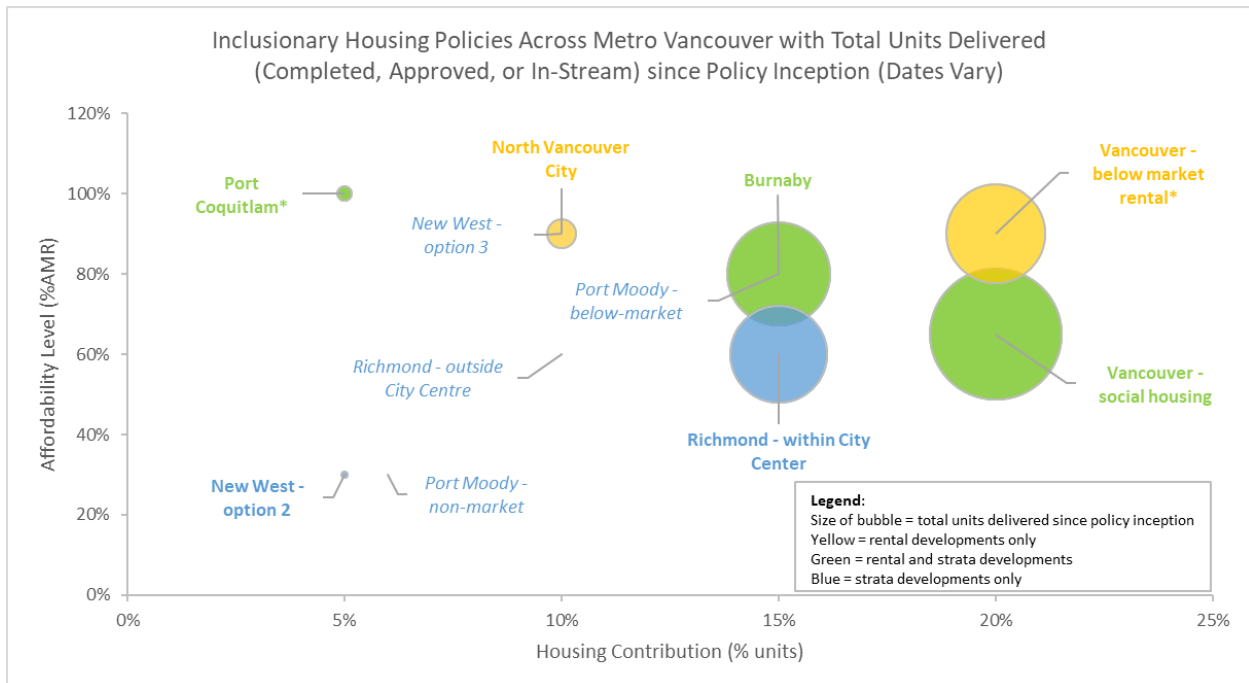
Policy element	Description
Set-aside percentage and Affordability level	Ranges from 5% of Gross Floor Area (GFA) or units (for deeply affordable units i.e., shelter rate and Rent Geared to Income (RGI) units to 30% of GFA or units (Vancouver: 20% social housing + 10% below market rental). Some municipal policies have varying requirements for set aside percentage based on the neighbourhood or plan area (i.e., more units required in centres).
Affordability period	Majority of policies are for 60 years or life of the building.
Tenure type	Most existing policies in the region apply to either strata tenure developments or strata and mixed tenure developments. The only member jurisdictions that have inclusionary housing policies that apply to rental only buildings are the City of Vancouver and the City of North Vancouver.
Opt-out options	Cash in lieu option available in most but not all policies, usually for projects resulting in fewer than 3 or 4 inclusionary units.
Developer incentives	Most existing policies in the region offer developers some type of incentive in exchange for providing affordable housing (primarily a density bonus).
Operating and management	The most common operating/management requirement in the existing policies is for units to be managed by a non-profit, with the option for the units to remain in the ownership of a private developer.

Existing inclusionary housing policies and practices vary significantly across jurisdictions and as a relatively new tool, there has been no comprehensive effort to measure and understand their effectiveness. Despite this, a significant number of inclusionary housing units have been delivered in Metro Vancouver since the first inclusionary housing policies were adopted, though the scale is difficult to precisely quantify, for various reasons including:

- Differences in the tracking of inclusionary units, making comparison across jurisdictions difficult;
- Some jurisdictions have very location-specific and time-specific policies, making comparisons over a time period or across sub-regions difficult;
- Some jurisdictions allow for cash-in-lieu or off-site delivery of inclusionary units, which may not always be tracked or translated into an exact count of units produced; and
- Among the data that is tracked, little is made available publicly at a granular level, making it difficult to use for policy evaluation and research.

Despite these challenges, this study estimates that approximately 9,200 inclusionary housing units have been delivered in the region (approved or completed) since inception of the various policies across the region (Figure 3). The existing gaps in inclusionary housing data illustrates the need for clear and consistent policy design and reporting, to enable future monitoring and evaluation of the effectiveness of these policies in Metro Vancouver.

Figure 3: Scale of Units Delivered via Inclusionary Housing Policies in Metro Vancouver



REGIONAL MODEL POLICY FRAMEWORK

In 2023, SHS Consulting Inc. was contracted by Metro Vancouver to conduct a jurisdictional scan, best practice research, interviews with key stakeholders, and economic analysis. The study drew on these inputs to develop a regional inclusionary housing model framework.

As outlined in the final report (Attachment 1), the following policy design is recommended to optimize the effectiveness and feasibility of the regional inclusionary housing policy framework:

Table 3: Summary of Regional Model Policy Framework

Policy element	Regional Model Policy Framework Recommendation	Rationale
Set-aside percentage	<p>A tiered inclusionary unit set aside rate, with the percentage of units required ranging from 5% to 20% based on the local housing market and phased in over time;</p> <ul style="list-style-type: none"> • Voluntary approach to inclusionary housing in exchange for bonus density above the new provincial minimum densities; and, • Mandatory inclusionary zoning contribution in provincially-designated TOAs, in order to capture affordable housing benefits in increased minimum base densities near transit. 	<p>Set-aside amounts are based on the results of the economic analysis and are recommended to begin at modest levels, recognizing that construction costs are at recent highs and residential construction is eventually expected to return to higher profitability, and thus able to carry higher affordable housing contributions. The higher end of the set-aside range (20%) is aligned with some of the existing policies within higher priced markets in Metro Vancouver. In addition, the recommendation for mandatory affordable housing contributions in TOAs ensures that affordable housing benefits are being captured when these areas are upzoned to meet new minimum densities.</p>
Affordability level	<p>Depth of affordability for the inclusionary units set at a moderate affordability level (10% below CMHC average market rent).</p>	<p>Despite the important need for deeply affordable units, inclusionary housing is best suited to a moderate depth of below-market affordability, as the provision of the affordable units has to be balanced with the project’s overall viability. Deeply affordable units that require operating subsidies are best delivered with financial support senior governments. The study found that moderate and weaker markets had challenging financial</p>

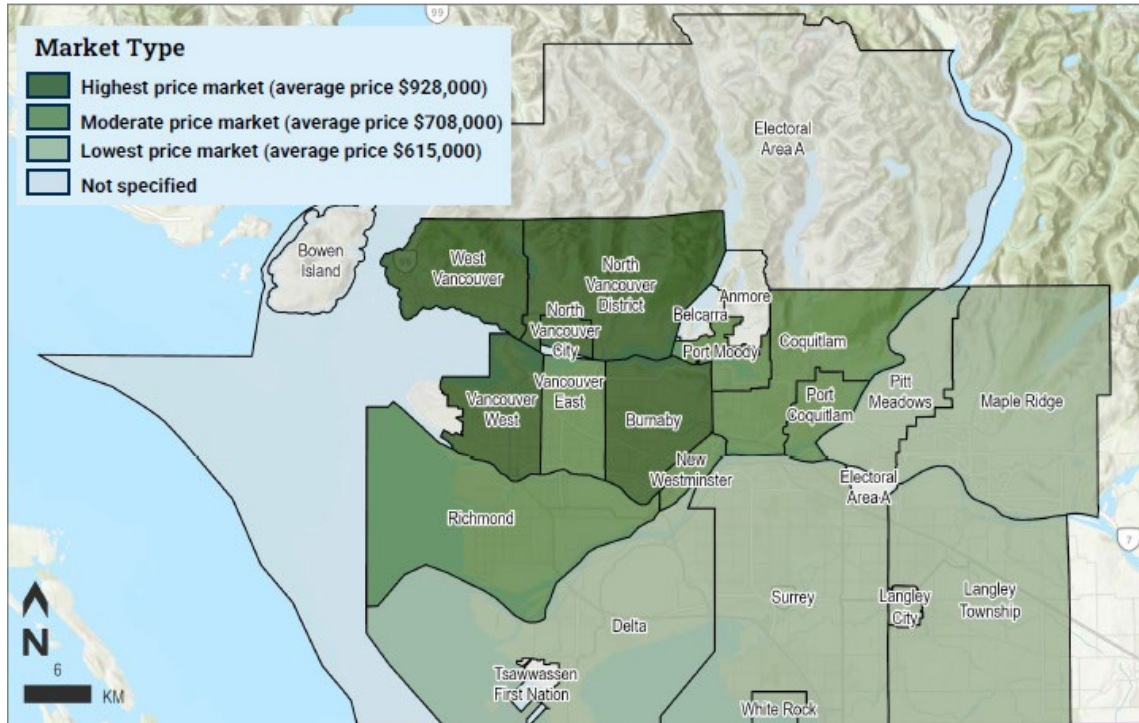
		feasibility results, therefore 10% below CMHC average rent is recommended, which is still a significant discount compared to true market rents for new units. The affordability will also deepen over time as the building ages.
Affordability period	Length of affordability of the inclusionary housing units secured for the life of the building.	All existing inclusionary housing policies in Metro Vancouver have affordability periods that are either in perpetuity, or for 60 years or life of the building. The study findings suggest that it is a best practice for all affordable units provided through inclusionary housing policies to be affordable over a long and enduring period to prevent the units from being lost to the marketplace at turnover. Requiring affordability ‘in perpetuity’ requires the registration of agreements / liens that must be monitored, and may add additional administration costs.
Size and tenure type	Applicable only in strata developments (base tenure) that contain at least 100 units (minimum size of development).	Given that rental projects are already financially challenged to proceed in most markets, the economic analysis indicates that layering on inclusionary housing requirements could negatively impact rental housing development. Strata developments are commonly built at higher densities and have the greatest ability to contribute toward community benefits such as affordable housing, making strata buildings a preferable focus for inclusionary housing policies. A minimum size of development (>100 units) is proposed, as projects smaller than this size will not be able to generate a meaningful number of inclusionary housing units.

Opt-out	Include an option to provide cash-in-lieu or delivery of inclusionary units off-site with Council approval, and only if adequate housing outcomes are achieved.	All existing policies in Metro Vancouver include a cash-in-lieu option, however, this option is often not commensurate with the value of the actual housing unit contribution. The study suggests that allowing off-site or cash-in-lieu options should come with restrictions and be limited to when the alternative results in a better outcome (i.e. there would be too few affordable units secured or the inclusionary unit requirements could be better fulfilled in a nearby purpose-built rental building with better access to transit and services).
Operating and management	Inclusionary units to be owned (sold below-market) or operated by a non-profit or qualifying agency.	Requiring that inclusionary units are owned or operated by a non-profit ensures that the units become part of the stock of permanently affordable units, and will likely result in deeper affordability.
Monitoring and reporting	Annual performance monitoring and reporting (# of units generated), and 3 to 5-year policy reviews (financial impact and economic analysis).	Monitoring and reporting increases transparency and oversight and ensures that the policy is achieving its intended outcomes, without negatively impacting development activity.

Economic Analysis

SHS Consulting undertook an economic and viability analysis to determine how much inclusionary housing can be provided under a set of scenarios within three representative housing markets (lowest, moderate, and highest price market areas) identified within Metro Vancouver (Figure 4).

Figure 4: Metro Vancouver Housing Markets



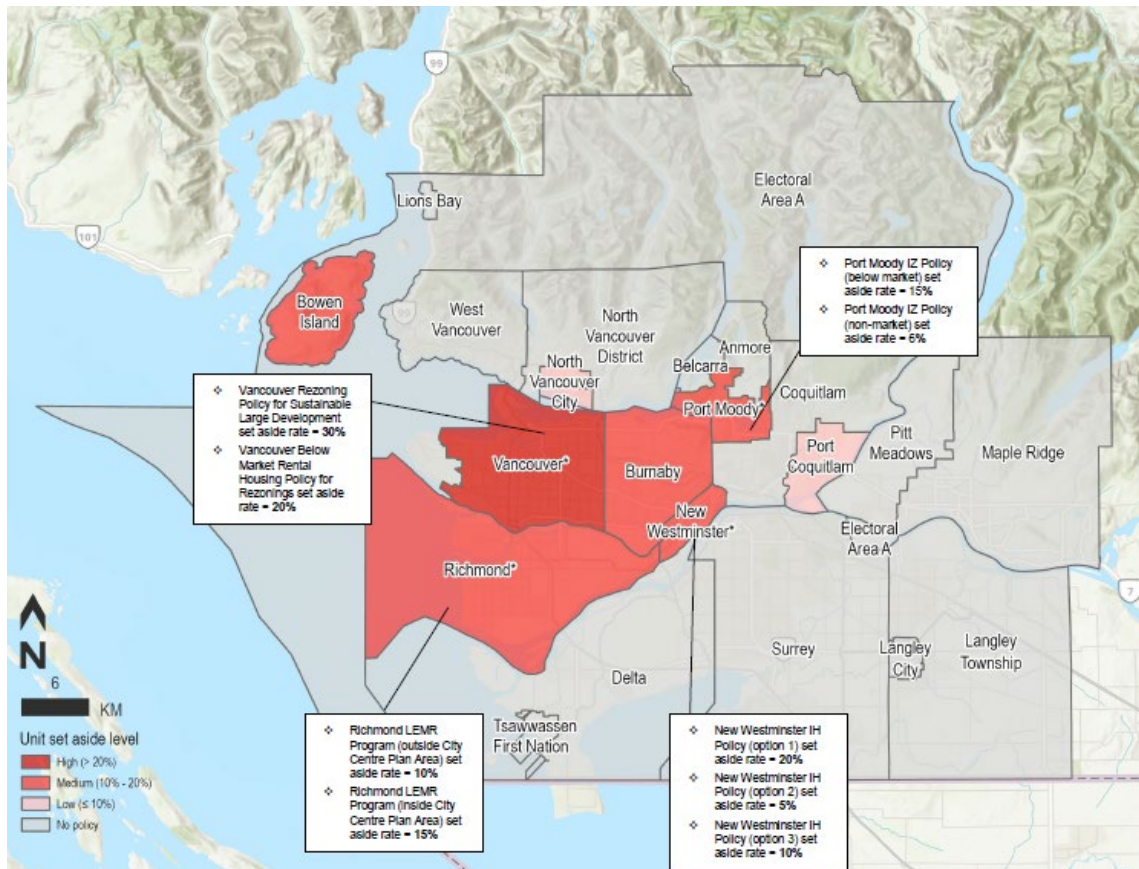
Multiple scenarios were tested in each of these market areas, for different built forms and construction types, to evaluate the viability of inclusionary housing policy options at various set aside percentages and affordability levels, once upzoning had occurred (based on the “residual” land value to determine how much inclusionary housing can be supported). Overall, the study found that the higher priced markets in Metro Vancouver appear to strongly support up to 10% or 20% inclusionary housing under current conditions, while the moderate markets may be able to support some inclusionary housing. The lower priced markets may be challenged to support any viable amount of inclusionary housing at this time, primarily due to the current high construction costs that are creating a difficult environment for housing development overall.

A future-looking scenario was also developed which assumed interest rates decline and prices continue to increase. Under this scenario, the moderate priced markets will be able to support approximately 10% inclusionary housing, and the lowest priced markets will support inclusionary housing in some projects. This analysis suggests that minor changes in the variables result in more housing projects becoming viable, and subsequently more projects being able to support inclusionary housing contributions in Metro Vancouver going forward.

As the economic and viability analysis was undertaken as a “point-in-time” analysis and based on current construction cost assumptions, the regional model policy framework proposes a tiered policy design with gradual phase-in of inclusionary housing set aside amounts (5% - 10% - 20%) at a moderate level of affordability (10% below average market rents) that remains consistent as the set aside increases over time. Introducing a modest set aside amount of 5% to 10% would create some units and position the municipality to increase the inclusionary housing set aside amount as the housing market improves in the future, with low risk to stalling the development environment. For

most Metro Vancouver member jurisdictions, these proposed set aside rates are consistent with existing policy approaches (Figure 5), however, several of the policies have yet to see any inclusionary units built. As such, the tiered system would enable scaling over time and as the housing market recovers, while permitting member jurisdictions within higher housing markets to adopt a higher tier immediately.

Figure 5: Metro Vancouver Existing Inclusionary Housing Policy Set-Aside Rates



Alignment with Provincial Housing Legislation

The suite of legislative changes recently introduced by the Province will introduce new minimum standards for height and density near transit, and shift local governments toward a pro-active planning framework, requiring pre-zoning for 20 years of housing needs. In particular, Bill 47 (Transit-Oriented Areas) will require local governments to set minimum heights and densities for housing within defined transit-oriented development areas, but have not included any consideration for securing affordable housing units within these new base densities. In current planning practice, municipalities contribute to housing objectives by capturing a portion of the additional land value created through rezoning to contribute towards affordable housing. Many of the existing inclusionary housing policies in the region are tied to rezoning. There is a substantial risk that the new legislation will reduce the ability of municipalities to generate much needed non-market/affordable housing units through new development, without expanding the tools for local governments to request an inclusionary zoning contribution through as-of-right development.

The Inclusionary Housing Policy Review project scope originally included the objective of advocating to the Province to adopt new legislation that would enable the authority for *inclusionary zoning* in BC. Since that time, the Province has indicated that it intends to introduce inclusionary zoning legislation in Spring 2024. As such, the report identifies considerations for the implementation of mandatory inclusionary zoning in transit-oriented areas, which could be leveraged by member jurisdictions interested in adopting the regional model policy, or aligning their existing inclusionary housing practices with the regional framework. As part of Metro Vancouver’s engagement with the Province, staff will be requesting that the regional model policy framework be considered, to ensure that the recommendations would be implementable alongside new provincial legislation.

NEXT STEPS

This report requests that correspondence be sent to all member jurisdictions asking them to consider the regional model policy framework, which is intended to complement existing inclusionary housing practices in Metro Vancouver municipalities, while encouraging greater policy consistency across the region. In particular, there is an opportunity to leverage the use of forthcoming inclusionary zoning powers to ensure that affordable housing units are secured in provincially-designated transit-oriented areas (TOAs) across the region. Following input from the Regional Planning Committee and direction from the MVRD Board, staff will engage with interested member jurisdictions to discuss opportunities to align existing inclusionary housing practices with the regional model policy framework.

In addition, further work will be undertaken to explore supportive roles for Metro Vancouver or other agencies, such as monitoring and reporting, and managing centralized lists of pre-approved non-profit housing providers or waitlists for residents that are eligible for inclusionary housing units.

ALTERNATIVES

1. That the MVRD Board:
 - a) receive for information the report dated February 20, 2024, titled “Inclusionary Housing Policy Review – Final Report and Regional Model Policy Framework”; and
 - b) send correspondence to member jurisdictions, requesting that the regional model policy framework be considered when adopting or updating inclusionary housing policies.
2. That the MVRD Board receive for information the report dated February 20, 2024, titled “Inclusionary Housing Policy Review – Final Report and Regional Model Policy Framework”, and provide alternate direction to staff.

FINANCIAL IMPLICATIONS

This project was completed through a mix of staff and consultant support. Professional consulting costs totaling \$71,165 were included in the 2023 and 2024 Housing Policy and Planning budget and work plan.

CONCLUSION

The Inclusionary Housing Policy Review was initiated in 2023, and included a review of existing inclusionary housing policies in Metro Vancouver, best practice research, interviews with key

stakeholders, and economic analysis to develop a regional inclusionary housing model framework. Inclusionary housing has been an important tool in the region to date, contributing an estimated 9,200 new below-market housing units, suggesting opportunities to further scale the use of inclusionary housing tools to achieve goals such as the *Metro 2050* target of 15% affordable rental housing in Urban Centres and Frequent Transit Development Areas. The regional model policy framework is intended to assist member jurisdictions seeking to adopt or update inclusionary housing policies, and encourage policy consistency across the region, while recognizing the varied housing markets in Metro Vancouver and impacts of inclusionary housing on development feasibility. Staff are seeking direction to send correspondence to member jurisdictions to consider the regional model policy framework. In addition, staff will continue advocating to the Province, and request that the regional model policy framework be considered, to ensure that the recommendations would be implementable alongside forthcoming provincial legislation to enable inclusionary zoning. Staff recommend Alternative 1.

ATTACHMENTS

1. “A Regional Model for Inclusionary Housing – Final Report”, dated February 29, 2024.
2. Presentation re: Inclusionary Housing Policy Review – Final Report and Regional Model Policy Framework.

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A Regional Model for Inclusionary Housing

Metro Vancouver Regional District

Final Report • February 29, 2024

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1 Introduction, Background and Context

Introduction

The purpose of this study is to take stock of current inclusionary housing policies and practices within the Metro Vancouver region and develop an inclusionary housing model framework that would support Metro Vancouver and the communities within it to reach its objectives for improved affordable housing options moving forward. The goals of the inclusionary housing model framework are to 1) provide a consistent framework of policies that municipalities that either already have or do not have inclusionary housing policies can voluntarily adopt or “opt-in” to, and 2) to support municipalities to implement the tool in the most effective way.

The inclusionary housing model framework presented in this report has been developed based on a review of current inclusionary housing policies and practices in the region and consultation with key stakeholders on the opportunities and challenges faced with the existing practices; an in-depth review of best practices and case studies from other jurisdictions; and a fulsome economic feasibility analysis that explores how to balance the available land lift with the amount of affordable unit set aside and depth of affordability desired, and that is feasible within current market conditions.

The scope of recommendations in this report include a recommended policy framework and phase-in approach, as well as considerations for the unit set aside rates, depth of affordability and affordability period, the size and tenure of projects included within the scope of this policy, provisions for project incentives and opt-out considerations, and potential roles for the Metro Vancouver Housing Corporation in the administration of units. The role of Metro Vancouver in the ongoing monitoring and evaluation of the inclusionary housing framework is also considered through recommended reporting processes. The final recommendations also include a framework for conforming to recent legislative changes in British Columbia and consider how the framework could be implemented should the Province of British Columbia enact legislation to enable inclusionary zoning.

Overview of Study

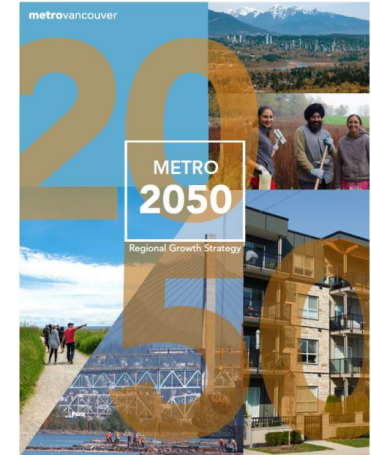
This section provides an overview of the study background, objectives and approach.

Background

Metro Vancouver is comprised of a federation of 21 municipalities, one electoral area and one treaty First Nation with a population of 2.6 million people. Like in many other cities in Canada, housing affordability is one of Metro Vancouver's most challenging regional issues. Metro Vancouver is taking action and looking for new solutions to the housing affordability crisis. This study explores how inclusionary housing policies can be used as effective tools for creating more affordable housing within the context of Metro Vancouver.

Planning for diverse and affordable housing choices is one of the goals of **Metro 2050**, the regional growth strategy adopted in February 2023. In addition, the **Metro Vancouver Housing 10-Year Plan (2022 Progress Update)** identifies the affordable housing crisis the region is facing and recognizes the need to increase the region's affordable housing portfolio.

Goal 4: Provide Diverse and Affordable Housing Choices of the regional growth strategy includes a strategy to encourage policies and actions that expand rental housing supply, mitigate or limit the net loss of existing purpose-built rental and non-market housing stock, and protect renter households. Policy 4.2.3 sets a regional target that by 2050 at least 15% of newly completed housing units be affordable rental housing units. Furthermore, Policy 4.2.7 a) requires that member jurisdictions include a statement on how they will support and achieve the goal of having 15% of new housing units be affordable rental housing.



Study objectives

OBJECTIVE 1

Develop a model inclusionary housing policy framework

The first objective of the study is to develop a model inclusionary housing policy framework that member municipalities can voluntarily adopt or “opt-in” to. The model policy has been developed using information gathered about the challenges and opportunities that municipalities, developers, and non-profits currently face under existing inclusionary housing policies in the region. It is also informed by economic theory, best practices and case studies from other jurisdictions, and a fulsome economic feasibility analysis that explores how to balance the available land lift with the amount of affordable unit set aside and depth of affordability desired, and that is feasible within current market conditions. This extensive and robust study of inclusionary housing aims to support municipalities to implement the tool in the most effective way and provide a consistent framework of policies that municipalities within the region that either already have or do not have inclusionary housing policies can voluntarily adopt or “opt-in” to.

OBJECTIVE 2

Advocate to the Province of British Columbia for inclusionary zoning

The second objective is to develop material to be presented to the Province of British Columbia for a potential framework for mandatory inclusionary zoning for consideration as a legislative tool to create new affordable housing. Unlike other jurisdictions in Canada and abroad, the current regulatory context in British Columbia (BC) does not enable inclusionary zoning which would allow municipalities to set a required percentage of affordable housing to be provided directly as part of zoning requirements. Instead, BC municipalities use voluntary inclusionary housing policies, density bonusing, and incentives which encourage the delivery of affordable housing through private development by securing a certain amount of affordable housing as a condition of rezoning or in exchange for additional density. However, the Province has recently indicated its willingness to explore inclusionary zoning and it is anticipated that legislation to enable inclusionary zoning in BC will be introduced by the Province in Spring 2024.

Study approach

APPROACH & METHODOLOGY

This project involves cataloging and assessing existing inclusionary housing policies and informal practices in the region, conducting a scan of global best practices, assessing the economic feasibility of various inclusionary housing models in different market typologies, and developing policy alternatives and recommendations that could be applied in the Metro Vancouver region. The project is being undertaken in five parts.

Part 1: Detailed jurisdictional scan of inclusionary housing policies and practices currently in place in the Metro Vancouver Region. This work included interviews with various municipalities that have inclusionary housing policies or practices to catalogue the details of those policies/practices

Part 2: Review of inclusionary housing best practices in other jurisdictions in Canada and the United States, as well as **key informant interviews** with non-municipal stakeholders for feedback on their experience with inclusionary housing policies; what is working well and what might need further consideration.

Part 3: Economic analysis that explores the impact of an inclusionary housing requirement on development viability and includes looking at market typology variables such as land value, development costs, potential land value lifts, and market housing prices to illustrate strong, moderate and emerging markets. The results test how different policy variables (i.e. rent levels, incentives or densities) affect development viability and the ability to generate new affordable housing units.

Part 4: Policy alternatives for the model inclusionary housing framework developed based on the research and analysis undertaken in the previous three parts, and Metro Vancouver's goals for inclusionary housing across the Region.

Part 5: A recommended regional Inclusionary Housing model framework which outlines the recommendations for an elective or 'opt in' inclusionary housing model that could be applied across multiple municipalities or at the regional level. The final recommendations will also consider how the framework could be applied in an inclusionary zoning context, if enabled by the Province of British Columbia.

Background

Inclusionary housing and Inclusionary zoning

This section provides a background summary on inclusionary housing and inclusionary zoning: what it is, why it is important, and its key features.

What is inclusionary housing & inclusionary zoning?

Inclusionary housing (IH) is a broad term that refers to municipal initiatives that use planning regulations and the development approval process to engage private developers to provide a percentage of affordable housing in their otherwise market-rate housing developments.

Inclusionary zoning (IZ) refers to a form of inclusionary housing. Inclusionary zoning refers to a zoning regulation or land use ordinance that requires developers of projects, often of a certain size, to provide a set amount of affordable housing in their market-rate residential development as a condition of development approval. Inclusionary housing therefore is a more general and inclusive term while inclusionary zoning is a particular type of inclusionary housing.

	Definition	Example
Mandatory Inclusionary Housing (Inclusionary Zoning)	<p>Mandatory inclusionary housing practices, such as inclusionary zoning, require all developments to provide affordable housing as a condition of zoning and receiving development approval on as-of-right development. These types of programs essentially require developers to provide the affordable housing proportion outlined in the regulation, if they want to pursue any development project.</p> <p><i>There is evidence from jurisdictions using these types of policies that they are very effective at creating affordable housing, where supported by market conditions.</i></p>	<p>These approaches are permitted in Ontario, Manitoba, Alberta, and have been used across the US and England.</p>
Inclusionary Housing	<p>Voluntary inclusionary housing policies encourage the delivery of affordable housing through private development by requiring a certain proportion of affordable units in exchange for additional density or some other incentive. The two primary voluntary approaches are “rezoning-based practices” and “incentive-based practices”.</p> <p>Rezoning-based inclusionary practices, such as those proposed in this study, leverage the increased density allowed under a rezoning approval in exchange for the provision of affordable housing. Developers have the option to build without providing affordable housing under the existing as-of-right conditions or build at a higher density with the affordable provision. In these programs, the cost to the developer of providing affordable housing units is recovered through additional revenues generated by the rezoning.</p> <p>In order for these policies to be effective, stakeholders believe that developers of affordable housing must be made “whole by the incentives.”</p>	<p>These approaches are used in Canada, including Metro Vancouver, and to a limited extent in Australia and the US.</p>

Creating an inclusionary housing policy

There are many ways to implement affordable housing programs. Typically, municipalities tailor the design of their inclusionary housing policy to reflect their local housing market conditions and affordable housing needs. In designing an inclusionary housing policy framework, the trade-offs between the depth of affordability, number of units, and length of affordability must be considered., and the policy features will always need to support the affordable housing direction of the local Council.

The design of an inclusionary housing policy differs based on the intended objectives of the policy:

Upzoning / Increased Density



- Creates affordable housing from the increased land value
- May include detailed, site-specific financial analysis

Tenure of Affordable Housing

- There may be a need for both affordable ownership and rental in a community



Incentives

- Policies tailored to balance incentives with the revenue losses from the affordable units
- Works better with mandatory policies or with not-for-profit developers



Income Mixing



- Is there a policy direction to encourage income mixing in the community?

Period of Affordability



- Permanent affordable housing has a larger financial impact, but provides long-term community benefit
- Limited affordability periods have lower financial impacts and will produce more affordable units

Geographical Distribution of Affordable Housing

- Is there a policy direction to encourage distribution of affordable housing across the community?



Inclusionary housing policy features

Results of the jurisdictional scan

The details of inclusionary housing or zoning differ between communities that have implemented such policies, but all policy frameworks include decisions on these key features.

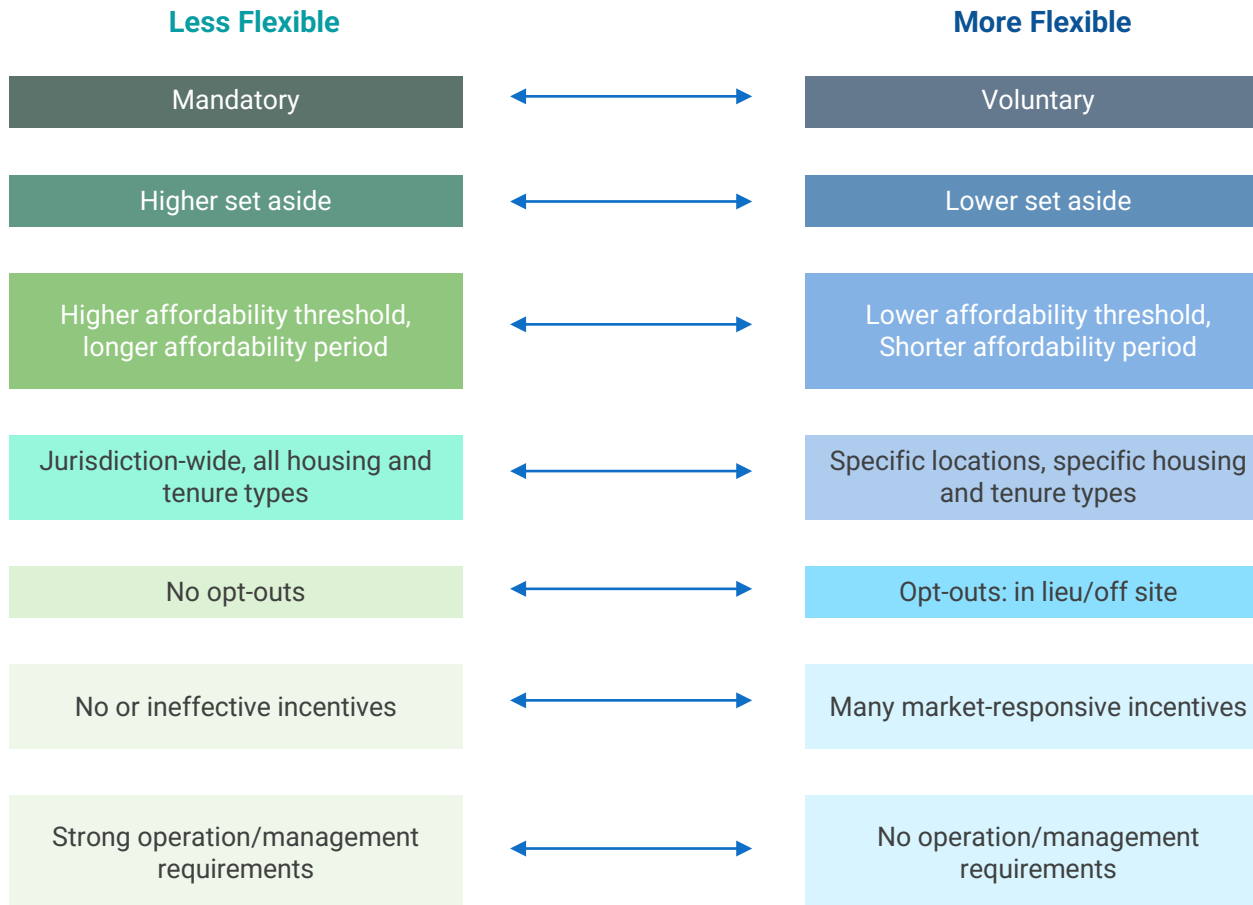
This report includes recommendations for each of these variables and a few others, based on the information gathered through best-practice research, stakeholder input, and the results of the financial analysis.

Key Feature	Description
Affordable housing unit set-aside	Set-aside requirements refer to the percentage of units a developer is required to set aside in the development as affordable housing. Most set-aside rates explored in the best practice review are between 5 and 30 percent, but some places have higher or lower requirements or sliding requirements.
Depth of affordability	The depth of affordability requirement determines how affordable the inclusionary units must be. In many existing policies, inclusionary housing units (i.e., affordable units) are rented at rents between 60 percent and 120 percent of average market rent.
Length of affordability period	Most programs control the duration of affordability of the inclusionary units to preserve affordability over the long term. Many policies also include compliance and monitoring requirements to ensure units remain affordable for the prescribed period.
Restrictions based on location and type of housing development	Inclusionary housing policies and regulations typically define where and when these policies apply (e.g., new residential development projects of a particular size, type, and tenure.) Some policies could apply only to new multi-family developments or could also include the rehabilitation of existing buildings, for example. Some policies also have specific requirements by neighbourhood.
Opt-out options (e.g., off-site construction and in-lieu payments)	Most inclusionary housing programs offer alternatives to providing the inclusionary housing requirements. These opt-out options typically involve allowing developers to make cash in-lieu payments or to construct the affordable housing off-site. This kind of flexibility is usually granted only in specific circumstances.
Developer incentives	Many inclusionary housing policies also involve some cost offsets in the form of incentives for developers. These incentives can work to either offset part or all the cost imposed on the developers of the inclusionary housing requirement. The most common developer incentives are density bonuses, fast tracked approval processes, reduced parking requirements, flexible design standards, waivers or reductions of permit and/or impact fees, and tax abatements.
Administration and monitoring	For an inclusionary housing program to be successful, there must be proper administration and oversight of the program. The specific requirements for ongoing administration of any inclusionary housing program will depend on the specific requirements and policy goals of the program.

Inclusionary housing policy features

Flexibility in program features

Depending on the goals and objectives of a municipality's inclusionary housing program, key policy features can be designed on a scale from less flexible to more flexible, as shown in the table below.



Source: Based on Urban Land Institute, 2016.

Inclusionary housing policy features

Best practices

Key takeaways from the jurisdictional scan of existing inclusionary housing and inclusionary zoning policies are highlighted below and were taken into consideration in the development of the recommended policy framework.

U.S. CASE STUDIES KEY TAKEAWAYS

- 1 Inclusionary housing policies are most effective when the provision of affordable housing is **mandatory**. Voluntary programs have proven to be far less effective than mandatory programs.
- 2 Inclusionary housing policies are most effective when the requirements apply as **universally** as possible.
- 3 Inclusionary housing policies are most effective when they use **fixed** and **non-negotiable rules**. The rules should be fixed, non-negotiable and set out in advance. This applies most particularly to the **unit set-aside rate**, the **depth of affordability requirement**, and the **development incentives**. Furthermore, having fixed rules is important for treating all developers consistently and fairly. It is particularly important for them to know the cost of the affordable housing obligation ahead of time when purchasing the land for development.
- 4 Inclusionary housing policies are most effective when they **maintain affordability “permanently”**.
- 5 Inclusionary housing policies are most effective when they provide **limited flexibility**. The regulations can provide some flexibility by allowing the use of **cash-in-lieu** or **off-site development**. However, the flexibility should operate within strict parameters and only allows these alternatives only when they demonstrably produce a greater public benefit than the on-site obligation.

UK CASE STUDIES KEY TAKEAWAYS

- 1 England’s version of inclusionary housing policies has become more effective over the years in large part due to the **growing capabilities of the local authorities**. Their targets have been more demanding as they became more familiar with the process and certain of their powers.
- 2 England’s version of inclusionary housing policies is most effective when they **consider local market conditions**. Local market conditions have a strong influence in how the targets are set and met. In general, authorities in high-demand areas for market housing have been able to impose and achieve far higher targets than authorities elsewhere.
- 3 Although England’s experience holds many relevant lessons for Canada, because of fundamental differences between the English and Canadian planning systems, **the approach used in England cannot be readily replicated in Canada**.

Background

Inclusionary housing in Metro Vancouver

This section provides an overview of the current context in Metro Vancouver by exploring the existing inclusionary housing policies in the region and the state of delivery of affordable housing in the region.

Types of inclusionary housing policies in Metro Vancouver

Unlike other provinces in Canada and other jurisdictions internationally, the current regulatory context in BC **does not allow inclusionary zoning** which would allow municipalities to set a required percentage of affordable housing directly into zoning requirements.

Instead, BC municipalities use “voluntary” inclusionary housing policies which encourage the delivery of affordable housing through private development by requiring a certain proportion of affordable units in exchange for additional density and other incentives. There is a wide variation in the inclusionary housing policies that exist across the Metro Vancouver region. And while some municipalities are not currently using inclusionary housing tools, some are using other tools to secure affordable/ non-market housing such as setting aside land, Community Amenity Contributions (CACs), etc.

Although all of the tools used in the Metro Vancouver region all share the common approach of using the zoning authority to encourage or require development of affordable housing units in connection with approval of a proposed market-rate project, they reflect considerable diversity in design and implementation. The design of each policy differs based on the intended objectives of the policy.

While all being “voluntary” programs, many are understood to be near mandatory in nature, given that current planning practice in BC relies so heavily on the rezoning process, and developers rarely build to base densities. In the following image, the current inclusionary housing programs in Metro Vancouver are organized by their scale from mandatory (less flexible in application) to voluntary (more flexible in application). The map on page 19 of this report shows which municipalities have inclusionary housing policies or programs, a similar incentive / density bonus policy which achieves inclusionary units, or have identified inclusionary housing as a future action.

Existing inclusionary housing policies

Less Flexible



More Flexible

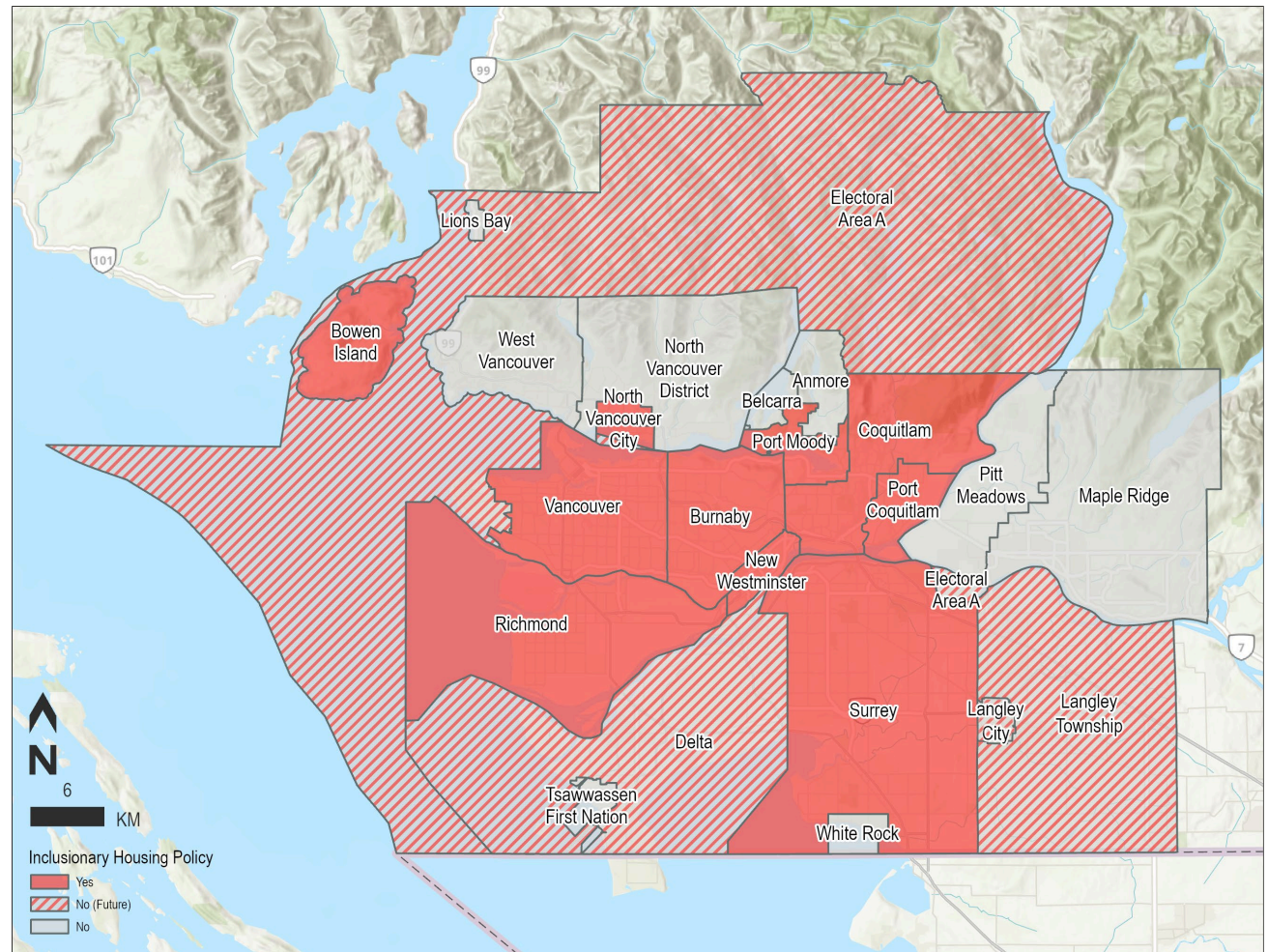
Inclusionary Zoning - Required Housing Contribution	Pre-Written Zone with Required Inclusionary Housing Contribution	Negotiated at rezoning with policy guidance	Negotiated at rezoning on case-by-case basis
<ul style="list-style-type: none"> • <i>spot rezoning not required</i> • <i>developer cannot opt out</i> <ul style="list-style-type: none"> • Does not exist in BC currently 	<ul style="list-style-type: none"> • <i>spot rezoning required</i> <ul style="list-style-type: none"> • Burnaby Rental Use Zoning Policy • Coquitlam* Density Bonus Incentive for Priority Housing Types • Port Coquitlam Affordable and Family Friendly Policy • Richmond Low End Market Rental Program • Vancouver Below Market Rental Housing Policy for Rezoning • Vancouver Specific plan or area policies 	<ul style="list-style-type: none"> • Bowen Island Affordable Housing Policy • City of North Vancouver Mid-Market Rental Policy • New Westminster Inclusionary Housing Policy • Port Moody Inclusionary Zoning Policy • Vancouver Rezoning Policy for Sustainable Large Development 	<ul style="list-style-type: none"> • Surrey* Density Bonus Policy • White Rock* OCP policies 11.2.1 and 11.2.4 for Affordable Rental Housing requirements for rezonings

* Coquitlam, Surrey, and White Rock do not have inclusionary housing policies, but have a similar incentive / density bonus policy which achieves inclusionary units.

Existing inclusionary housing policies/ practices in Metro Vancouver

Metro Vancouver Member Jurisdictions with Inclusionary Housing Policies:

- 8 member jurisdictions have adopted official inclusionary housing policies or programs: Bowen Island, Burnaby, New Westminister, City of North Vancouver, Port Coquitlam, Port Moody, Richmond, and Vancouver
- 3 member jurisdictions have some similar incentive / density bonus policy which achieves inclusionary units: Coquitlam, Surrey and White Rock
- 4 member jurisdictions have identified inclusionary housing as a future action: Delta, Electoral Area A, Township of Langley, and City of Langley



Existing inclusionary housing policies key features

The table below provides a summary of the key features of the existing inclusionary housing policies and programs that currently exist within the Metro Vancouver region.

<p>Unit set aside, affordability threshold</p>	<ul style="list-style-type: none"> • Percent of affordable inclusionary units varies based on associated affordability level. Ranges from 5% of GFA or units (for deeply affordable units i.e., shelter rate and RGI units) to 30% of GFA or units (Vancouver: 20% social housing + 10% below market rental). Some policies have set-aside requirements that are calculated on bonus density (additional GFA), rather than the whole development GFA. • Some policies have different requirements for affordability and % unit set aside based on geography (i.e., more units required in central areas) and tenure type.
<p>Length of affordability</p>	<ul style="list-style-type: none"> • Majority of policies are for 60 years or life of the building.
<p>Inclusionary housing in different tenure types</p>	<ul style="list-style-type: none"> • Most existing policies in the region apply to either strata only developments or strata and mixed tenure developments. The only municipalities that expect inclusionary policies to apply for rental only buildings are the City of Vancouver and the City of North Vancouver.
<p>Developer Incentives</p>	<ul style="list-style-type: none"> • Existing policies in the region offer developers some type of incentive in exchange for providing affordable housing. • The most common incentive types offered to developers of affordable housing are: density bonusing, reduction in parking requirements, DCC waivers (or other waivers), prioritized application review.
<p>Opt-out restrictions</p>	<ul style="list-style-type: none"> • Cash in lieu option available in most but not all policies, usually for projects resulting in fewer than 3 or 4 inclusionary units.
<p>Operating and management restrictions</p>	<ul style="list-style-type: none"> • The most common operating/management requirement in the existing policies is for units to be managed by a not-for-profit, but the units can remain in the ownership of a private developer. • Most of the existing programs have annual reporting requirements. Annual reporting is important to ensure policy is functioning as it should, however it requires staff capacity to disseminate and assess the reports.

State of delivery of affordable rental housing in the Metro Vancouver region

AFFORDABLE HOUSING NEED

There is an urgent need for affordable housing in Metro Vancouver, particularly affordable and secure rental housing. The provincial government is overhauling the planning framework in BC, and inclusionary housing represents a critical opportunity to ensure that new growth and density can simultaneously contribute to the provision of affordable homes.

The demand for rental housing is significantly outpacing the growth in supply and availability of rental units. Between the 2016 and 2021 Census periods, total renter households in Metro Vancouver increased by over 13% while the purpose-built rental stock increased by just 5.6%. At the same time, the average vacancy rate for rental apartments has remained consistently very low, while the viability of constructing new rental continues to be challenged by rising construction costs and interest rates, labour shortages, and significant inflation.

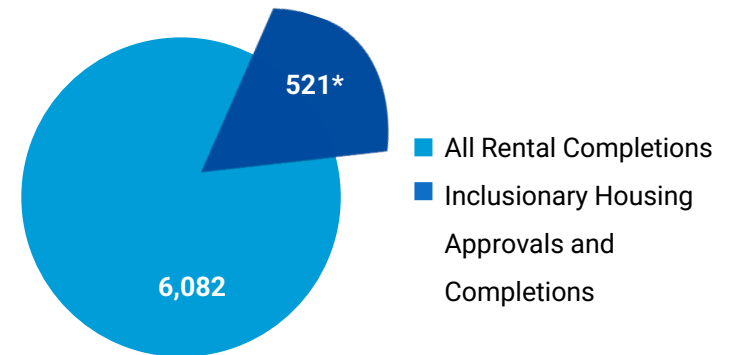
BY THE NUMBERS

In 2022 there were **1,273** social housing completions in Metro Vancouver, out of a total of **6,082** rental housing completions.

On average, it is estimated that **521** (9%) Inclusionary Housing units were approved or completed in Metro Vancouver. It is estimated that of these units, approximately **174** were completed.

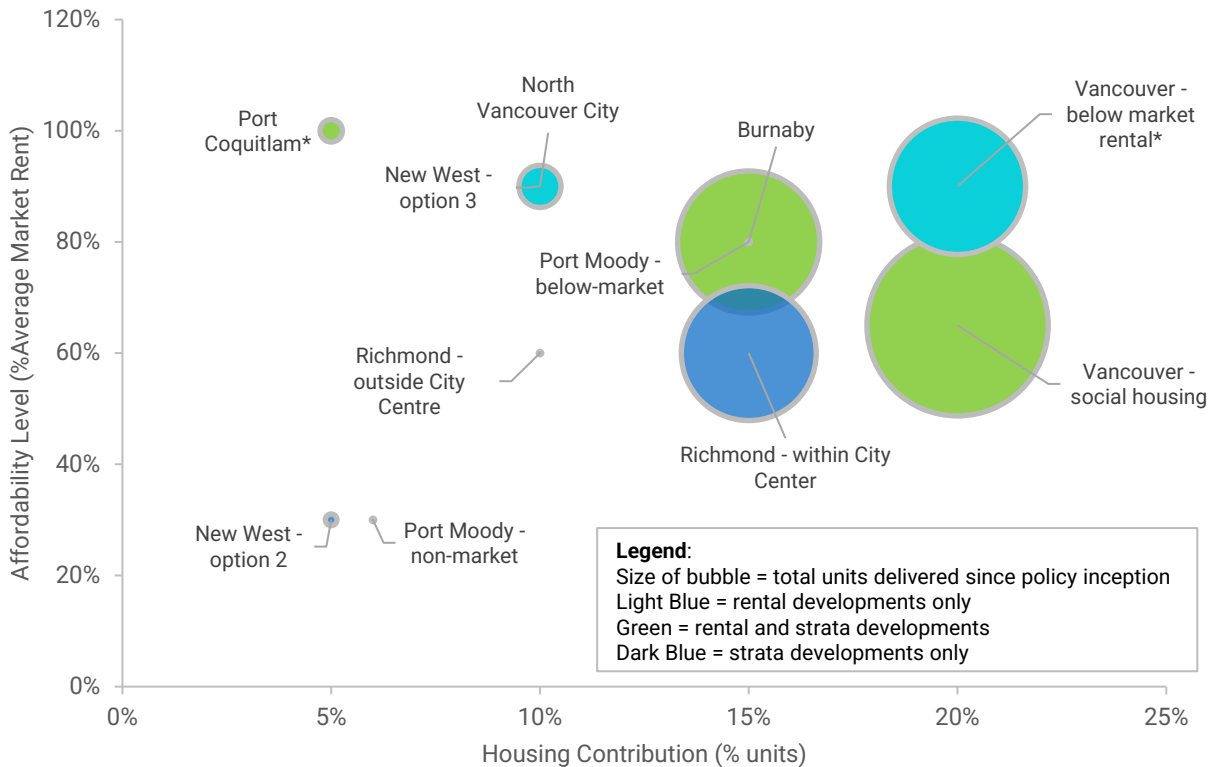
From 2007 to the present, Metro Vancouver has had approximately **6,190** inclusionary housing units approved under various jurisdictions' inclusionary housing policy frameworks. Additionally, **3,000** units have been either completed or in the construction process, resulting in a total of **9,190** inclusionary housing units delivered across the region from inclusionary housing policies. The chart on the next page demonstrates the scale of inclusionary housing units delivered by municipality.

Figure 1: Estimated Inclusionary housing approvals and completions in an average year, compared to total rental completions in Metro Vancouver in 2022



*Includes inclusionary housing approvals and completions, actual completions are estimated to be 1/3 of total approved/completed, or ~174 units.

Figure 2: Inclusionary Housing Policies Across Metro Vancouver with Total Units Delivered (Completed, Approved, or In-Stream) since Policy Inception (Dates Vary)



Note: The Affordability Level (% Average Market Rent) on the vertical axis is calculated using the 2022 Vancouver CMA average market rent for all units as reported in the 2023 CMHC Rental Market Report.

INCLUSIONARY HOUSING OUTCOMES

- Eight jurisdictions have IH policies
- Six jurisdictions have delivered IH units to date
 - Vancouver
 - Burnaby
 - Richmond
 - City of North Vancouver
 - Port Coquitlam
 - New Westminster
- The majority of units were:
 - In stronger markets
 - In mixed-tenure developments
 - At higher rents (higher %AMR)
- Since policy inception (dates vary), approximately 9,200 inclusionary units have been delivered in the region (approved or completed)

Legislative Context

This section provides an overview of legislative environment for introducing new inclusionary housing policies.

Provincial legislative changes

LEGISLATIVE CHANGES RELATING TO HOUSING

The suite of legislative changes introduced by the province will introduce new minimum standards for height and density near transit, and shift municipalities toward a pro-active planning framework, requiring pre-zoning for 20 years of housing needs. Bill 47 (Transit-Oriented Areas) will require local governments to set minimum heights and densities for housing within defined transit-oriented development areas but have not included any consideration for securing affordable housing units within these new base densities.

The province has estimated that changes resulting from these legislative changes could lead to approximately 100,000 new housing units being built in TOD areas over the next decade, according to provincial estimates. However, the legislation has no requirements related to the provision of affordability or non-market housing. Rather, the focus is more on increasing housing supply in general.

In current planning practice, municipalities contribute to housing objectives by capturing a portion of the additional land value created through rezoning to contribute towards affordable housing. In fact, many of the existing inclusionary housing policies in the region are tied to rezoning.

Unlike other jurisdictions in Canada and abroad, the current regulatory context in British Columbia does not allow inclusionary zoning which would allow municipalities to set a required percentage of affordable housing to be provided directly as part of zoning requirements. There is a substantial risk that the new legislation will reduce the ability of municipalities to generate much needed non-market/affordable housing units through new development, without expanding the tools for local governments to request an inclusionary zoning contribution through as-of-right development.

The legislation risks removing or curtailing several key tools that are currently used to deliver affordability in our region: contributions to affordable housing reserve funds (through CACs negotiated through rezoning) and the direct delivery of affordable units by the private sector (through rezoning).

Common practices, like funding affordable housing through CACs, or securing affordable housing units through rezoning, have not been addressed under the new framework. Introducing enabling legislation for inclusionary zoning is an opportunity for the province to address this gap.

Provincial legislative changes

Summary of Bills 44 and 47 (2023)

BILL 44, 2023

B.C. is shifting to a pro-active, long-term approach to planning that is focused on identifying housing needs and zoning accordingly. As a result, the Housing Statutes (Residential Development) Amendment Act (Bill 44, 2023) was passed, requiring Housing Needs Reports (HNRs) to be updated using a standard method estimating housing needs for 20 years – rather than the previously required 5 years.

Pre-zoning for 20 years of housing need provides an opportunity for municipalities to introduce inclusionary zoning frameworks in order to dedicate a percentage of developments on pre-zoned land towards affordable housing, thus “capturing” the additional value created through pre-zoning .

BILL 47, 2023

The Housing Statutes (Transit-Oriented Areas) Amendment Act (Bill 47, 2023) requires that municipalities designate Transit Oriented Development Areas (TOD Areas) near transit hubs.

TOD Areas are defined as land within 900 metres of a rapid transit station and within 400 metres of a bus exchange.

In TOD Areas, municipalities will be required to permit housing development that meets provincial standard for allowable height and density (see Figure 1).

Figure 3: Transit-Oriented Areas Types in British Columbia, 2023

TOA Type	Transit Hub Type	Prescribed Distance	Minimum Allowable Density (FAR)	Minimum Allowable Height (Storeys)	Type of Building
TOA Type 1 (Metro Vancouver)	1A) Rapid Transit	200m or less	Up to 5.0	Up to 20	Condo Tower
		201m – 400m	Up to 4.0	Up to 12	High Rise, Mid-rise
		401m – 800m	Up to 3.0	Up to 8	Mid-rise
TOA Type 1 (Metro Vancouver)	1B) Bus Exchange	200m or less	Up to 4.0	Up to 12	High Rise, Mid Rise
		201m – 400m	Up to 3.0	Up to 8	Low-rise, Townhouse
TOA Type 2 (Victoria/Kelowna/Other Medium-Sized Munis)	Bus Exchange	200m or less	Up to 3.5	Up to 10	Mid-rise
		201m – 400m	Up to 2.5	Up to 6	Low-rise/Townhouse
TOA Type 3 Other qualifying areas	Bus Exchange	200m or less	Up to 2.5	Up to 6	Low-rise
		201m – 400m	Up to 1.5	Up to 4	Townhouse

Stakeholder Feedback

This section provides a summary of the feedback received from consultations with a broad range of housing stakeholders in Metro Vancouver regarding what is working well and what the challenges are with the existing inclusionary housing policy frameworks in Metro Vancouver.

Stakeholder feedback

A number of interviews with a broad range of housing stakeholders in Metro Vancouver were conducted as part of this study. These interviews were conducted with private developers and non-profit housing providers/developers. Interviews were conducted virtually throughout September and October of 2023.

Each interview helped to answer one or more of the following lines of inquiry:

- How **effective** are the current inclusionary housing policies across the Metro Vancouver region?
- What are some recent **success stories** related to the inclusionary housing policies across the Metro Vancouver region? What elements of the current policies should remain in the future?
- What are the **current challenges** faced by private developers and non-profit housing providers/developers interacting with the inclusionary housing policies across the Metro Vancouver region? How can these policies be improved in the future?
- How might the Metro Vancouver Regional District **develop an achievable and impactful regional model** inclusionary housing policy that achieves the desired outcomes?

The feedback provided through these key stakeholder consultations has been considered in the development of the recommended policy framework. The following pages highlight what we heard through consultations in terms of what is working well and what the challenges are with the existing inclusionary housing policy frameworks.

What we heard

What's working well?

Inclusionary housing policies that are predictable and consistent are the most effective.

Often denser housing types (mid-rise, high-rise buildings) are the most feasible housing type for inclusionary housing policies to be applied to and be successful

The best designed policies take into account market conditions and are assessed and revised consistently. The policies are adjusted to reflect changes in construction costs, interest rates, demand, and other economic conditions which impact developers' abilities to build affordable housing.

A phase-in window prior to a policy coming into effect provides the development community time to adjust.

What we heard

What are the challenges?

Stakeholders (such as developers) have expressed that many of the existing policies are more challenging to navigate than they should be, in order to be effective.

Some of the affordability thresholds are too high and do not allow for feasible projects in many jurisdictions in the region, according to developers.

Developers do not find the density bonuses and other incentives currently being offered sufficient to create a meaningful number of new affordable units in the current market where construction costs are very high and interest rates are rising. Policies are designed for a moment in time and are inflexible to deal with changes in market conditions.

There is often a mismatch between the types of units constructed in the building and the needs of the not-for-profit. Early engagement between private developers and non-profits would enhance the ability to create a design that works for an operator.

Why the need for an Inclusionary Housing Model Policy Framework?

Why create a model policy framework?

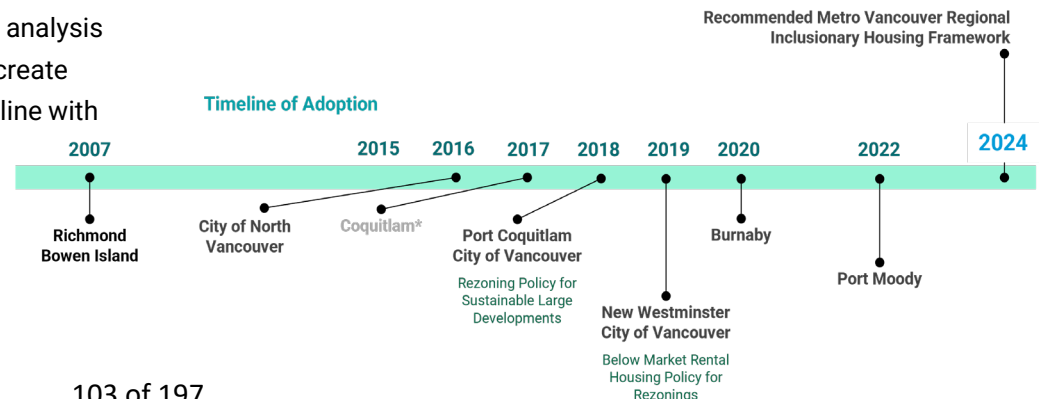
Various inclusionary housing policy frameworks have been implemented throughout Metro Vancouver since 2007, with eight jurisdictions currently having an in-force policy and three others that have similar incentive / density bonus policy which achieves inclusionary units.

Some of the municipalities have policies that are based on specific neighbourhoods, and others have multiple options depending on the type of development or rezoning type. Some policy frameworks include requirements in pre-written zones (with spot rezoning required) and others are negotiated on a case-by-case basis when a rezoning is required. This creates inconsistency in terms of applicability of inclusionary housing across the region and adds additional risk for the development industry. It also creates uncertainty about the goals and outcomes of the various policies for the public and elected officials.

A model inclusionary housing policy framework based on clear analysis and evidence and reflecting stakeholder feedback, would help create consistency across the region, ensure that requirements are in line with current market conditions, and provide the foundation to take inclusionary housing policies a step forward across the region.

A model policy that can be implemented across multiple municipalities also creates a case for enabling inclusionary zoning legislation by Province, which would allow for mandatory affordable housing requirements to be included in base development permissions (zoning), including where development approval is not required. For instance, this would apply to areas where municipalities have pre-zoned to higher densities to meet provincial requirements.

The existing inclusionary housing policies have had mixed success in creating new affordable units. Creating a consistent robust policy framework for the region could support municipalities to implement the tool in the most effective way by improving the existing policies and enabling areas without policies to introduce new inclusionary housing policies that would be seamless for the development industry and affordable housing providers to understand and participate in.



2 Financial Impact Assessment

Inclusionary housing

Impacts on development

In very general terms, inclusionary housing policies fundamentally reduce the economic value of a development project. Inclusionary housing policies encourage or require developers to develop some number of affordable housing units in connection with a proposed market-rate development project. Naturally, these affordable units will be listed at lower prices than market-rate units and as such, will earn the developer less revenue than their market-rate counterparts. Under an inclusionary housing policy, the developer's projected revenue loss has the same effect on a developer's bottom line as an increase in construction costs or the payment of a fee. This dynamic has the effect of reducing the value of the residential development project.

There are four factors that must intersect for real estate development to be feasible. These factors are: public policy, market feasibility, capital, and land. Public policy relates to the zoning, density, and design requirements for a project at a specific site. For development to be economically feasible, policy must allow the developer to build a profitable product. To achieve this, a developer must be able to achieve sufficient levels of revenue. Market feasibility relates to whether the potential revenues generated by a development project can cover the costs to develop the project.

With regards to capital, developers are concerned with both the capital costs and the availability of capital financing. A developer needs to be able to access the resources for development, including equity investment, bank loans, or other sources of funds. Development feasibility is also contingent on the cost and availability of land. For a development to be economically feasible, a developer must be able to purchase an appropriate site for a reasonable acquisition cost.

When all four of these factors intersect, a real estate development project is economically feasible for a developer to pursue. Development will continue to occur under inclusionary housing if the revenues for the market-rate units are high enough to cover the lost value from including affordable housing units in the project. Because the success of an inclusionary housing policy depends on market-rate development, these policies only work when new development is occurring.

Undertaking a financial feasibility analysis is critical for understanding the impacts inclusionary housing policies can have on the supply of housing. This involves analyzing current local development economics to demonstrate how much "prototypical" projects can realistically support the costs associated with the provision of affordable housing under different inclusionary housing policy designs, without affecting development viability to the point where development will not take place. In economic feasibility analyses, policymakers can test the trade-offs between the key policy

Residual Land Value (RLV) Analysis Methodology

This section provides an overview of the methodology used to test the impact of various inclusionary housing policy parameters.

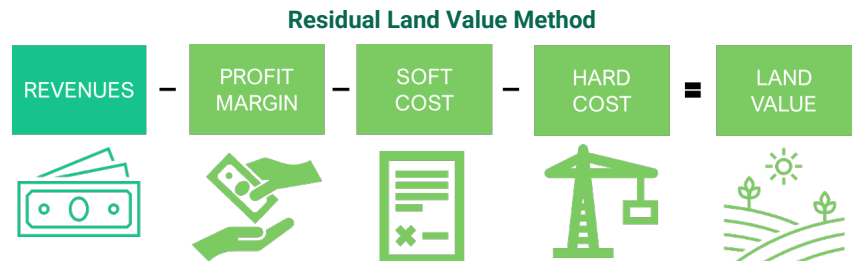
Financial impact analysis methodology

RESIDUAL LAND VALUE ANALYSIS

This study used a residual land value (RLV) analysis to determine how much inclusionary housing can be provided through the additional value created through an upzoning and subsequent development of a set of conceptual sites.

“Residual land value” analysis is the method which is often used to determine the value a developer would be willing to pay for land for a project. This valuation technique is based on the understanding that land is valuable because of the utility it provides people. The residual land value method says that the maximum a developer would be willing to pay for land for a project would be “just enough so that the land cost plus the cost of improving the land exactly equals the expected proceeds of selling/renting the property”.* The cost of improving the land includes the hard costs (which include labour, materials, etc.), soft costs (which include financing costs, municipal fees and charges, etc.), and the developer’s profit margin. The maximum payment for the land is therefore the amount of the revenues that is left over after paying all these costs of development. The value of land under this appraisal method is therefore a residual amount resulting from the improvement of land.

Any improvement that increases the value of the land’s final use increases the land residual. In contrast, any market changes or interventions which reduce revenues (or increase the costs to develop) will reduce the land residual. In the context where an inclusionary housing policy is introduced, the direct impact of the inclusionary housing policy would be to reduce developer revenues. Development costs and profit are considered fixed as developers already maximize cost reductions and are mostly not willing to reduce their profit margins. Therefore, this method assumes that reductions in revenue will lead to indirect negative impacts on land values since less funds will be available to purchase land. In the long run, the cost burden of an inclusionary housing policy is therefore capitalized into decreased values of residential land.



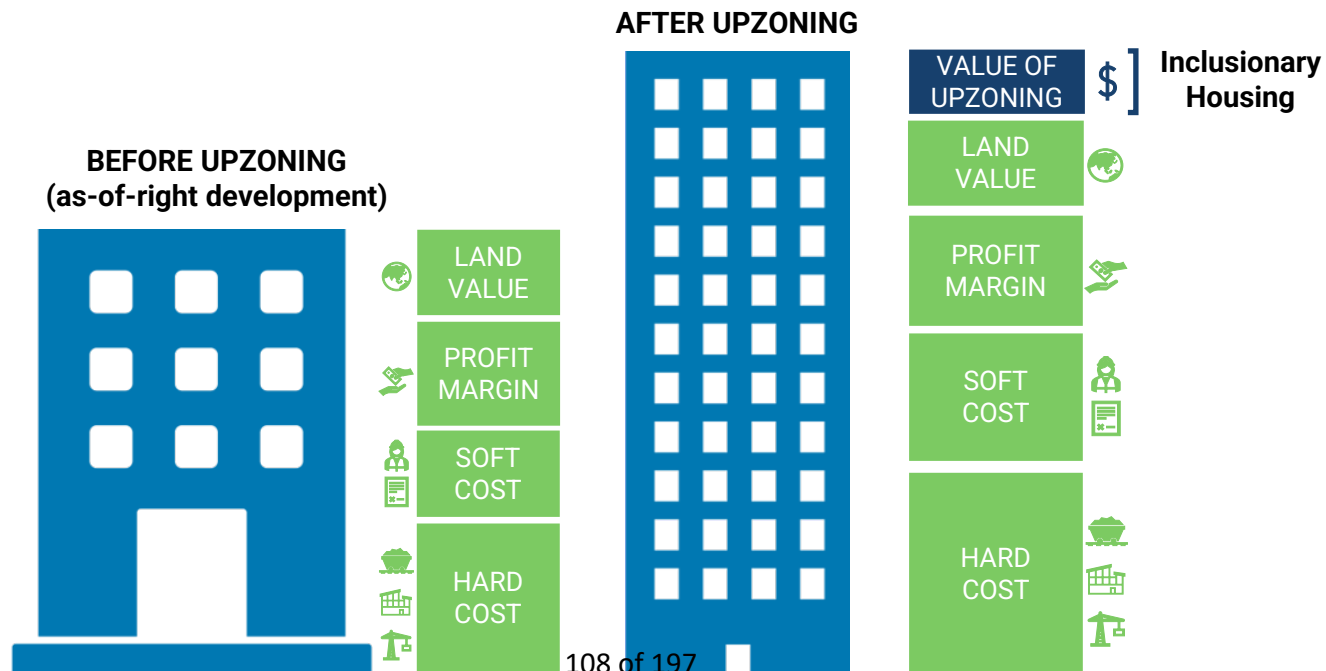
*University of British Columbia, Sauder School of Business. [Developer's Residual Method of Appraisal](#)

Upzoning and residual land values

In the illustration below, the site has been upzoned and may construct a greater number of units in exchange for setting aside a certain percentage of those units for inclusionary housing. In the illustration, the increase in hard costs, soft costs, and profit margins (shown in the figure on the right) are proportional to the amount of upzoning, with or without inclusionary housing. Upzoning creates both additional revenue and costs, but in strong markets the revenue can exceed the costs and baseline profit amount. It is this “residual” value that can be used to create new inclusionary housing units.

The inclusionary housing units generate lower revenue than the market units that would have been created without an inclusionary housing policy. As the revenues decrease under an inclusionary housing policy, how much the proponent can afford to pay for the land, the residual land value, decreases. When the residual land value matches the current land prices, it will become more difficult for new projects to purchase land, and new projects may be delayed.

Each affordable unit creates a measurable reduction in residual land value. Modelling different inclusionary housing policy requirements, such as the unit set aside rate and depth of affordability, provides insight into how much inclusionary housing can be supported in the current development market.



Residual Land Value (RLV) Analysis Scenario Variables

This section provides a summary of the assumptions, market variables, and built form typologies included within the RLV analysis.

RLV analysis

Development scenario variables

BUILT FORM AND DENSITY

A combination of development scenarios were tested that included:

- 3 built forms: High Rise, Mid Rise and Low Rise Apartment with 350, 200 and 100 units, respectively; and
- the High Rise and Mid Rise buildings were assumed to be concrete construction, and wood construction for the Low Rise apartment.

BUILDING TENURE

Only strata or condominium buildings were tested, because the purpose-built rental market is currently very challenging to achieve a viable project.

The affordable units were assumed to be rental, though scenarios were tested where the units are purchased by a not-for-profit housing provider and subsequently rented to their clients.

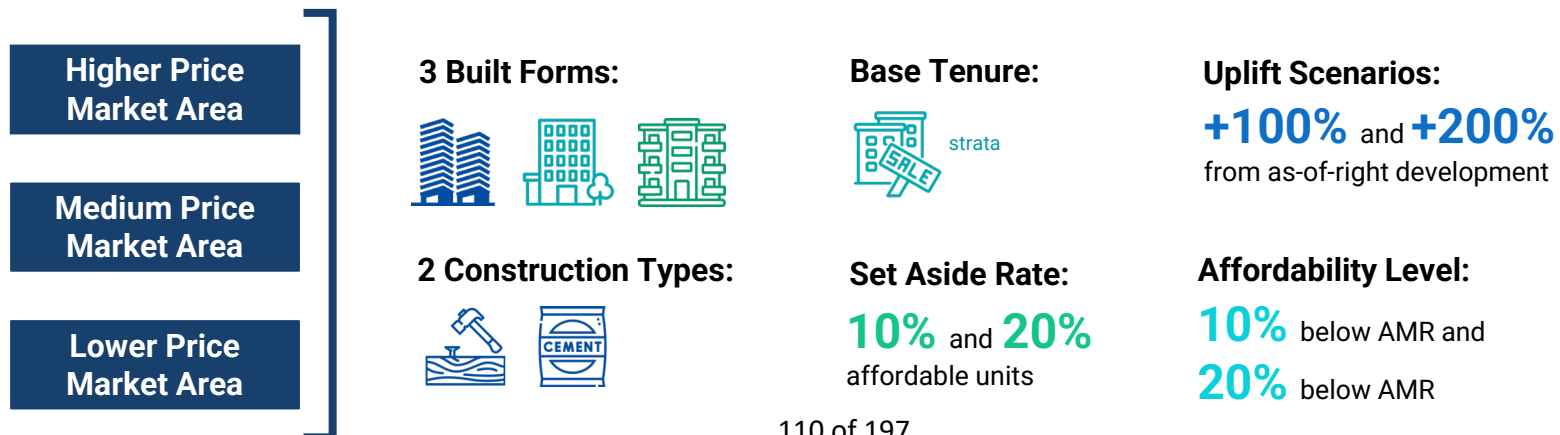
UPZONING AMOUNT

An assumption going into the analysis was that increasing the density for a site would provide substantial additional opportunity for providing inclusionary housing. Upzoning amounts of 100% and 200% from as-of-right density were modelled.

SET ASIDE & AFFORDABILITY

The amount of inclusionary housing is commonly referred to as the “set aside rate” and is a percentage of the units or gross floor area in the building. Set aside rates of 10% and 20% were modelled.

Affordable rental is commonly measured against what the average market rent that is reported by CMHC in their annual purpose-built rental market survey. We analyzed the results for 10% below average market rent (AMR) and 20% below AMR.



RLV analysis

Cost to develop

The cost of improving the land includes the hard costs, soft costs, land costs and the developer’s profit margin. The key costs that were included in the analysis are provided below.

HARD COSTS

Hard costs include the costs associated with constructing the physical building, which includes materials and labour.

The individual components of the hard costs might include:

- Base Construction Cost of the building
- Parking Construction Cost
- Site Servicing
- Appliances, Furnishings, and Equipment
- Contingency

There are several factors that impact the hard costs of a project. These are often based on the site, as well as the design, size, and height of the building. For this project, most hard costs were based on the 2023 Altus Cost Guide for multi-residential development in the Metro Vancouver Area (MVR). With the IZ percentage being a proportion of the gross floor area (GFA), changing the hard costs will have a proportional impact when IZ is applied – the percentage decrease in viability due to IH will stay mostly the same as costs increase. In addition, hard cost assumptions were verified with developers in Metro Vancouver.

SOFT COSTS

Soft costs include the costs associated with planning the development, managing the construction project, acquiring development approvals, and building permits.

The individual components include:

- Professional Fees including architect, engineer, cost consultant (Quantity Surveyor), planning consultant, and other consultant fees
- Site Studies
- Real Estate Agent Sales Commission Fee for ownership units
- Legal Fees
- Marketing Costs for rental units
- Property taxes during construction
- Financing Costs
- Fees and Permits including Municipal and Regional Planning Application fees, Building Permit fees, Development Charges, Parkland Dedication fees

Like hard costs, soft costs are largely dependent on the type of building, sites, and other development specifications. For this study, soft costs were determined based on desk research and SHS Consulting’s considerable development experience. These assumptions were also verified with developers in Metro Vancouver.

LAND COSTS

In this study project profitability is measured as a proportion of the total project value, with a viable project achieving 15% profit on the total project revenues. SHS has used a 15% profit margin in multiple inclusionary zoning analysis projects, with the development industry in each community finding it an acceptable benchmark rate.

Built form typologies

BUILT FORM AND DENSITY

Details for the three prototype developments that were modelled are shown in this figure.

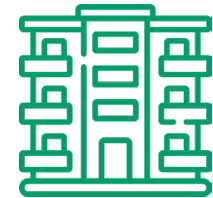
With the intent of having a policy that can be adopted widely across the region, ultra-high rise buildings (60+ storeys) were not included in the analysis.



High Rise
32 Storeys



Mid Rise
10 Storeys



Low Rise Apartment
6 Storeys

Units	350 Units	200 Units	100 Units
Construction Type	Concrete	Concrete	Wood Framed
Site Size	0.75 hectares	0.75 hectares	0.4 hectares
Podium Size	1,525m ² 6 Storeys	1,184m ² 10 Storeys	1,590m ² 6 Storeys
Tower Size	800m ²	N/A	N/A

Construction costs and unit sizes

CONSTRUCTION COSTS

The construction costs in this figure represent the range of values between the low-end and high-end of the Altus Cost Guide for Vancouver for 2023. The Unit Costs are the resulting per-square foot total cost (soft + hard costs) for the finished units, using the low and high ends of the cost range.

UNIT SIZES

The unit sizes for market units are based on a 2023 report by CMHC on average unit sizes in Vancouver and Toronto¹.

For this analysis, the affordable unit sizes were increased by 10% to account for accessibility features. An inclusionary housing policy can specify the unit sizes, though having radically different unit sizes from the market units can create challenges when designing efficient building floor plates which can result in additional development and construction costs.

		Construction Cost (per sq-ft)	Unit Cost (per sq-ft)	
Built Form	High Rise 	\$ 330 - \$ 400	\$ 870 - \$ 970	
	Mid Rise 	\$ 310 - \$ 380	\$ 837 - \$ 937	
	Low Rise Apartment 	\$ 245 - \$ 350	\$ 734 - \$ 863	
Unit Sizes			Apartment Unit Size (sq-ft)	Affordable Unit Size (sq-ft)
	One-Bedroom	660	730	
	Two-Bedrooms	815	900	
	Three-Bedrooms	1,150	1,270	

1. CMHC 2023. <https://www.statcan.gc.ca/o1/en/plus/3237-condo-market-toronto-and-vancouver-home-investment-and-increasingly-rental-property>

RLV Analysis

Local Housing Markets

This section provides an overview of the housing market assumptions used in the RLV analysis.

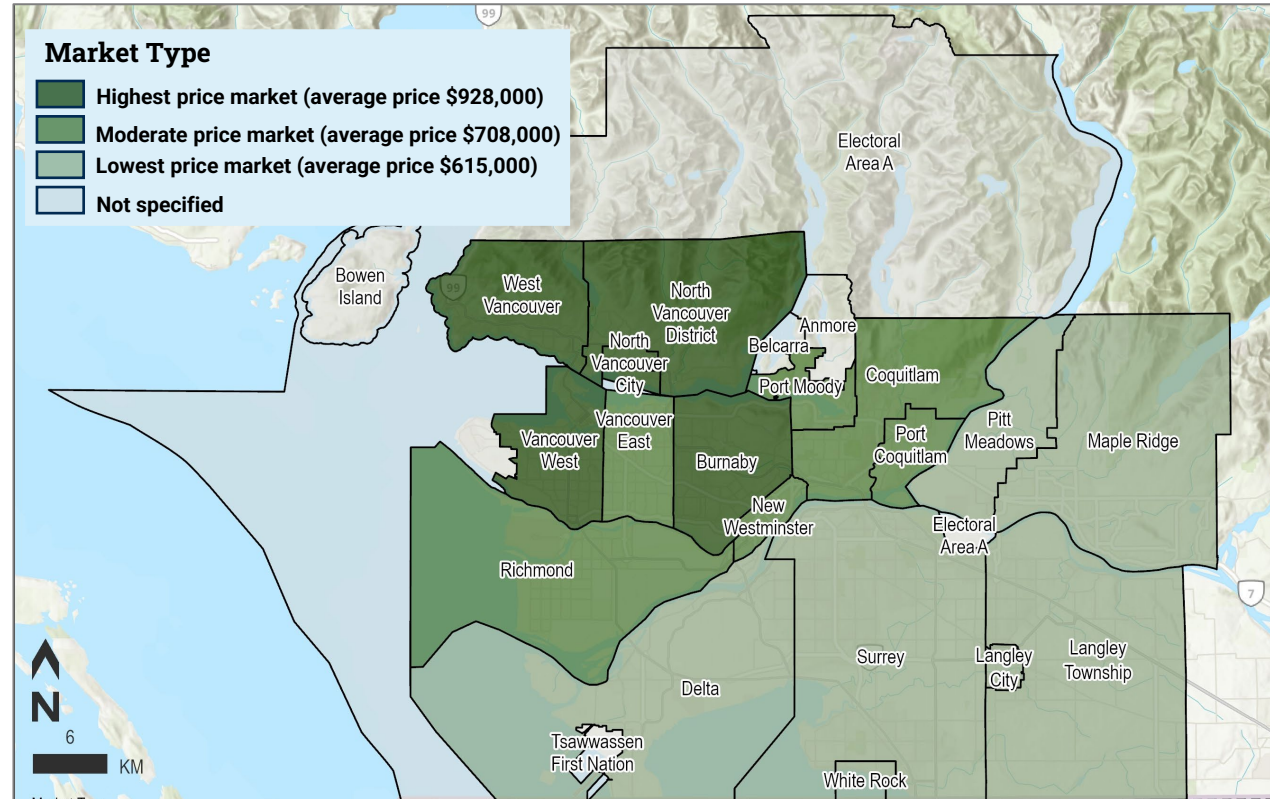
Metro Vancouver housing markets

HOUSING MARKETS

For our analysis we have divided the region into 3 broad housing markets based on recent housing sales prices; which suggest the strength of the strata development environment for each community.

The highest priced housing markets were: West Vancouver, North Vancouver, Vancouver West and Burnaby. Communities that have moderate pricing include: Richmond, Vancouver East, New Westminster, Port Moody, Coquitlam and Port Coquitlam.

The lowest priced housing markets have seen rapid increases in strata unit prices but remain priced much lower than units in the highest priced areas. The lower-priced communities include: Delta, Surrey, White Rock, Pitt Meadows, Maple Ridge and Langley.



The impact of potential inclusionary housing policies were tested in the three markets, using pricing near the average for ownership and rental in each area. In general, higher priced housing markets are better able to absorb inclusionary housing requirements, with the additional density from upzoning providing significant additional profits. The amount of additional value is driven by the difference between project construction costs and the sales prices of the units.

Representative markets / revenue potential

HOUSING PRICES

Three housing markets were identified across Metro Vancouver, as shown in the previous page with the map of the region. The prices shown in this table represent values that are near the middle of the range for each market.

The medium or moderate priced market has prices that are approximately 10% lower than the highest priced market, and the lowest priced market area has prices that are approximately 30% below the prices in the higher priced market.

When using the information in this analysis, each municipality, or community, should assess which housing market their current housing prices align with. The lower priced market areas have seen rapid increases in prices over the last 5 years, which is eroding affordability in those communities, but the total prices still remain significantly lower than those seen in the communities with the highest prices. Inclusionary housing is a tool that could help mitigate the affordability losses in the lower priced markets, going forward.

		Higher Price Market Area	Medium Price Market Area	Lower Price Market Area
Ownership Prices ¹ (2023)	1 Bedroom	\$ 826,600	\$ 752,600	\$ 596,400
	2 Bedroom	\$ 926,500	\$ 843,500	\$ 668,500
	3 Bedroom	\$ 1,176,600	\$ 1,071,200	\$ 849,000
AMR ² (2023)	Bachelor	\$ 1,351	\$ 1,185	\$ 1,099
	1 Bedroom	\$ 1,643	\$ 1,459	\$ 1,365
	2 Bedroom	\$ 2,057	\$ 1,839	\$ 1,531
	3 Bedroom	\$ 3,308	\$ 2,376	\$ 1,675

¹ – Adapted from data in the Metro Vancouver Housing Data Book 2022 Table 3.3.4 (Metro Vancouver)

² – Average Market Rent (AMR) for occupied units according to CMHC Rental Market Survey, 2022, (Table 4.4), (CMHC)

Financial Analysis Results

This section includes an explanation of the key considerations that impact the financial analysis and provides an overview of the results of the RLV analysis and financial impact assessment

Financial analysis

Key Considerations

The analysis of potential residential developments in a housing market enables identification of the key factors that are enabling or impeding development. The key variables for this analysis were the impact of recent construction cost increases on overall project viability, how construction costs are related to potential pricing, and the large range of sales and rental prices across the region.

CONSTRUCTION COST INCREASES

Current construction costs are creating a difficult environment for all types of development.

Construction costs have increased by approximately 20% between 2021 and 2023, based on the information in the Altus cost guide. This rapid increase in costs must be offset by increased revenues for projects to be financially viable.

Using the high end costs, almost no projects were viable based on current sales and rental prices in the region. Even with the low-end costs, none of the prototype projects in the lowest priced markets were viable.

This indicates that the residential development market is currently under some amount of stress, that is independent of any inclusionary housing policy.

RANGE OF SALES AND RENTAL PRICES

Local condominium prices vary widely across Metro Vancouver

The medium or moderate priced market has prices that are approximately 10% lower than the highest priced market, and the lowest priced market area has prices that are approximately 30% below the prices in the higher priced market.

This suggests that even after the rapid increase in prices in the lower-priced markets, there may be some price elasticity (room for prices to rise) and that the potential revenue of the modelled projects is likely higher than forecast, and therefore the ability to support inclusionary housing is somewhat higher than the financial analysis suggests.

CONSTRUCTION COST & REVENUE POTENTIAL

Construction across the region will vary in cost per square foot. Projects that use the high-end costs, and higher-end finishings are also likely to attract higher prices, with lower construction cost units generally attracting lower prices. This suggests that the RLV differences between the higher and lower construction costs are smaller than the analysis may suggest – lower sales prices would reduce the RLV for the lower- cost projects, and higher sales prices may offset some of the additional costs assumed in the high-end construction costs.

The cost difference for 6-storey wood construction is approximately \$118 psf, and for concrete construction the range is \$70 psf.

Financial Analysis

Policy Considerations

KEY PROJECT VARIABLES IMPACTING VIABILITY

There has been a rapid rise in construction costs across Canada in the last three to five years. Preliminary analysis using the high end of the Altus 2023 cost guide resulted in few scenarios showing viable projects.

Interest rates have also risen through 2023, which affects both the ability for a household to buy a strata unit, and the cost to the developer to borrow funds during construction. Higher interest rates reduce project viability by applying downward pressure on sales prices and increasing carrying costs during construction.

Variability in local prices for new strata units also affects the viability analysis, with the moderate market areas having prices approximately 10% below the highest prices markets, and the lowest priced markets are approximately 30% below the higher costs markets.

Overall, these factors result in few projects showing strong viability results, but the intent of an IH policy is to capture some of the value from new construction when the market is profitable. A future-looking scenario has been undertaken to demonstrate potential future viability. Implementing an IH policy now means that affordable units will be attained when the market adjusts.

CURRENT MARKET CONDITIONS AND CONTEXT

Developers across the country are facing construction cost increases which are likely contributing to slower real estate development. The cost constraints include shortage of workers, particularly in the skilled trades, a stagnant supply of raw materials, and other increased input costs. In addition to the higher materials costs, in many places across the country soft costs such as development charges have also risen. Amid these conditions, municipalities and other levels of government will need to keep policy in line with the broader goal of improving housing affordability without enacting policies that make development infeasible.

While the inclusionary housing set aside amounts and depth of affordability that were modelled in this analysis are lower than some of the existing policies in the region, it should be acknowledged that this study was based on a point in time analysis of the overall regional context and representative markets. Significant variation may exist on municipal and neighbourhood levels, and more localized analysis may yield different results. As such, the recommendations within this report reflect the minimum policy requirements that could be implemented across the region. Further analysis on a local level is recommended to support municipalities who want to request deeper affordability or higher set aside rates based on their local context.

Financial Analysis

Stakeholder Feedback & Project Viability

STAKEHOLDER FEEDBACK

Stakeholder feedback indicated that where inclusionary housing policies exist, projects are at even higher risk of being non-viable than in other parts of the region without IH policies. With the multi-faceted pressures developers are experiencing on residential project viability, more conservative inclusionary housing set aside amounts and depths of affordability were considered in this analysis.

VIABILITY BASED ON RLV

This residual land value analysis provides insight into the strength of the existing housing development market, the amount of value that can be created through upzoning and the impact of various inclusionary housing policies on potential project revenues.

A scenario is considered “viable” for development if the hard and soft project costs can be paid, as well as being able to afford the current cost to acquire land.

An RLV analysis can still be used to measure the impact of inclusionary housing, even when the scenario without inclusionary housing is not viable. The reduction in RLV provides insight into how much the industry needs to improve before the given policy could be implemented.

MINIMUM LAND VALUE

The chart on [page 51 of this report](#) highlights which scenarios achieve at least 10% RLV, which is assumed as the minimum land cost in a typical development. Any additional value achieved beyond the 10% RLV (meaning 10% of the project being spent on land costs) could be used for inclusionary housing.

Projects that have a RLV between 0% and 10% could be viable under some circumstances, where land has already been acquired, a lower profit margin is acceptable, lower costs can be achieved, or higher prices realized.

Projects with negative RLV are very unlikely to proceed.

Inclusionary housing opportunity across Metro Vancouver

INCLUSIONARY HOUSING OPPORTUNITY

There is substantial difference in the opportunity for Inclusionary Housing (IH) when the range of construction costs are considered. Using the high end of the range, very few scenarios support any amount of inclusionary housing. Assuming the low end of costs, IH becomes viable in the strongest markets and potentially viable in moderate markets.

To assess the maximum potential for IH, we can use the low-end costs and assume a land acquisition cost of 10% of the total project. In the higher priced markets, the midrise scenario could support up to 16% IH and the high rise scenario has 11% available for IH. For the moderate and weaker markets, neither the high-rise nor midrise projects had sufficient RLV to satisfy a land acquisition cost of 10% of project cost.

The low-rise scenarios support IH using the low-end costs, with developments in the strongest markets potentially supporting 38% IH and the moderate markets supporting 10% IH.



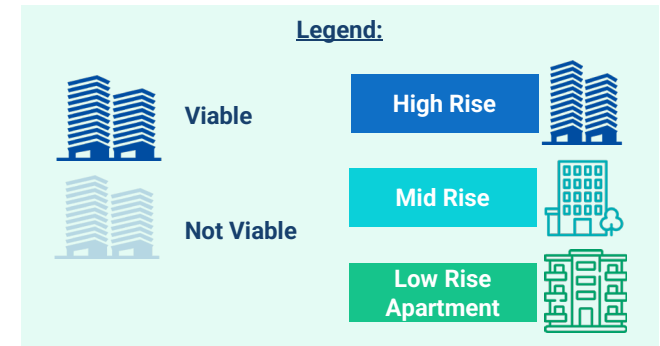
Inclusionary housing opportunity – Future-looking Market Assumptions

INCLUSIONARY HOUSING OPPORTUNITY

Housing market fundamentals are currently weak, with interest rates at the highest they have been in many years, and ongoing construction cost escalation that started during the COVID-19 pandemic. This figure illustrates how development viability improves if housing market fundamentals improve. This future-looking scenario assumes that in the next two years: interest rates decrease by 2% to bring construction loan interest rates to around 3% which are more in line with recent rates, and housing prices continue to rise following the 5-year trend for an increase of 11% over two years.

This analysis suggests that fairly minor improvements in the housing market will result in more projects becoming viable and subsequently more projects being able to support inclusionary housing contributions.

Of note is that in the lower price market area, few, if any, mid rise or high rise buildings are currently being built.

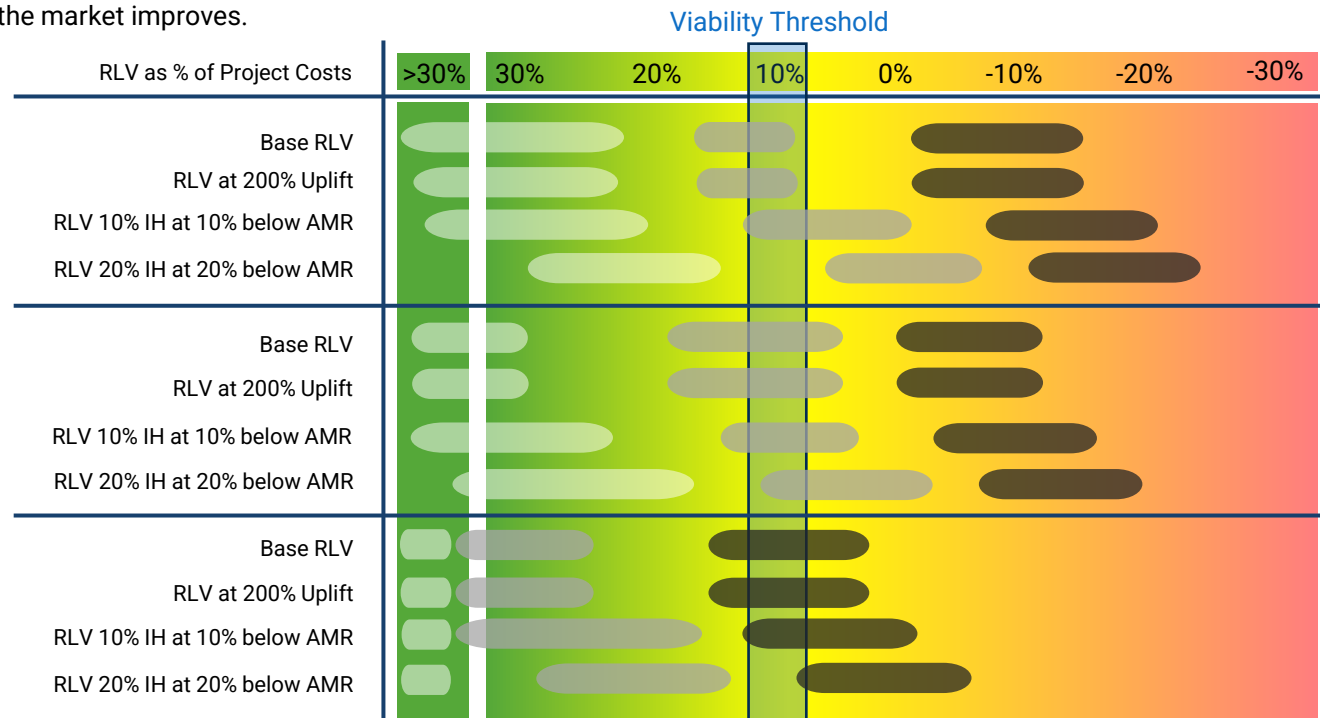
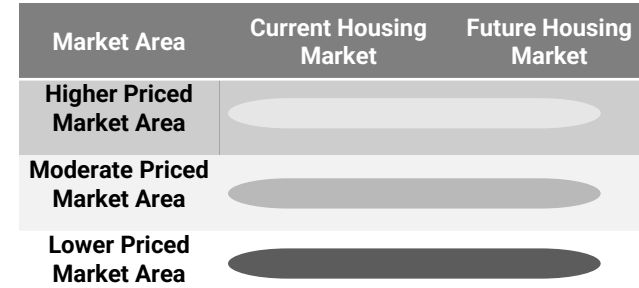


Project viability sensitivity

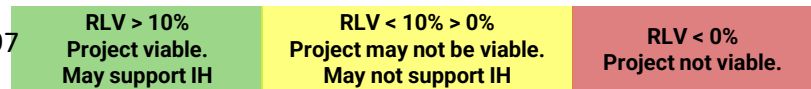
Market fundamentals

In this figure, the RLV results, based on the current housing fundamentals, are compared to a future-looking scenario where in the next two years interest rates decrease by 2%, so that construction loan interest rates are 3.1% and housing prices continue to rise following the 5-year trend - for an increase of 11% over two years.

The bars demonstrate the range of viability with respect to where the housing market could be in two years time (left end) and where the market is at today (right end - based on the lower-cost construction estimates). The results show that in all three market areas, some amount of inclusionary housing becomes viable as the market improves.



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Scenario viability results

RLV ANALYSIS SUMMARY TAKEAWAY

The residual land value results on the previous page show the viability of new projects in the current housing market and a future-looking view of the housing market. The figure also shows the RLV in both markets of upzoning a site by 200% and the RLV impacts of two inclusionary housing policy options.

The two IH options shown are: a 10% set aside amount with the units rented at 10% below AMR, and a 20% set aside amount with rents at 20% below AMR.

Overall, in the current housing market, the higher priced markets appear to support inclusionary housing, the moderate markets may be able to support some IH, and the lowest priced markets appear to be challenged to find any viable projects given current costs and prices.

Looking forward to how the housing market will likely move, all of the scenarios for the higher priced market can support IH. The moderate priced market appears to be able to support approximately 10% IH in the near future, and the lower priced market can support IH in low rise apartment scenarios.

RLV IMPACT OF UPZONING

The RLV results are nearly identical for the base case and the scenario where upzoning increased the density by 200%.

Upzoning creates additional value for already viable (profitable) projects, but not a significant increase in the *proportion* of profit. This means that the IH set aside percentage can not increase as more density is added. *More total IH units* can be achieved, but not proportionally more. i.e. If the project had a profit margin of 15% before an upzoning, the profit percentage will likely remain close to 15% in the upzoned project – in this example the total dollar amount would increase, but not the percentage.

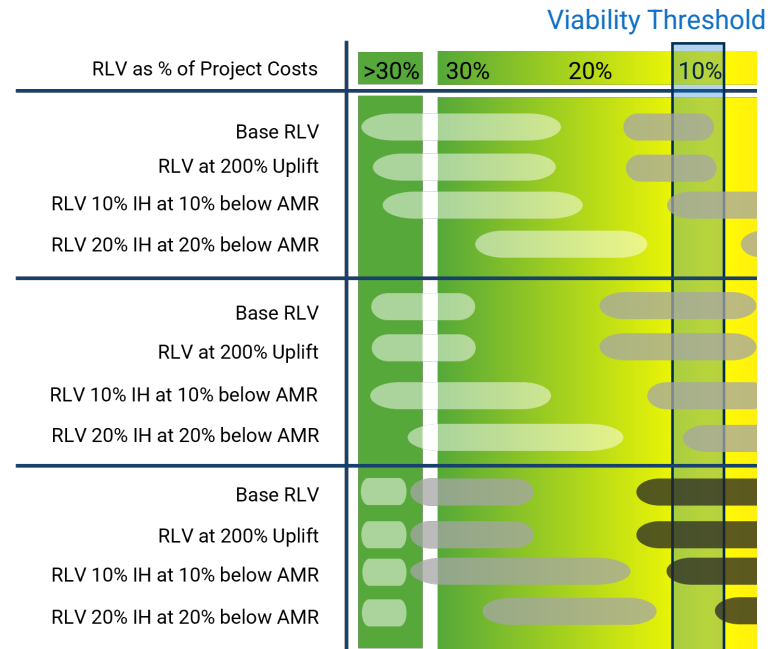
The same applies to the IH set aside amount. If the project can support 10% IH before upzoning, it should be able to support near 10% after upzoning, not a set aside amount of 15% or 20%.

HIGHER PRICED MARKETS

As shown by the project viability sensitivity, when using the lower end of the cost range with current cost assumptions, all of the scenarios had over 10% RLV, exceeding the viability threshold. The results for the forward-looking analysis suggests that all scenarios would support up to 20% inclusionary housing.

For the future-looking scenario, the high rise building would have challenges providing 20% IH at 20% below AMR, but would likely be able to support 20% IH at 10% below AMR.

The results for the midrise and low rise apartment buildings are similar. All of the future-looking scenarios have greater than 30% RLV, which provides enough revenue to support 10% land costs and 20% inclusionary housing.

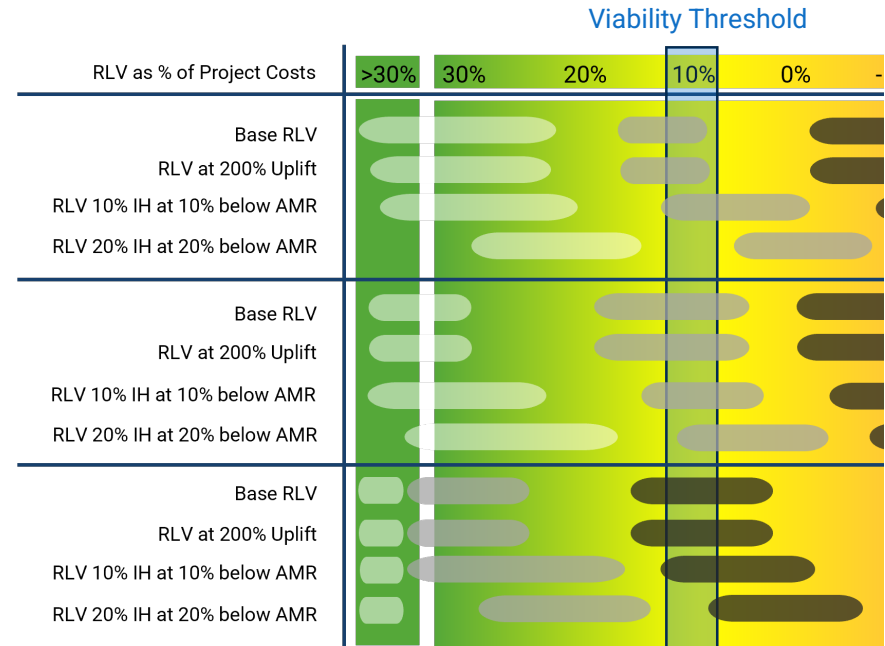


Market Area	Current Housing Market	Future Housing Market
Higher Priced Market Area	Green	Green

MODERATE PRICED MARKETS

As shown by the project viability sensitivity, development in the future-looking moderate priced market scenario would support up to 20% IH in the low rise apartment scenarios and approximately 5% IH at 10% below AMR in the mid rise buildings.

The results for the high rise building suggest that an IH policy at 5% set aside and 10% below AMR may be viable, as the scenario has some RLV remaining after land is purchased.



Market Area	Current Housing Market	Future Housing Market
Moderate Priced Market Area	[Grey bar]	

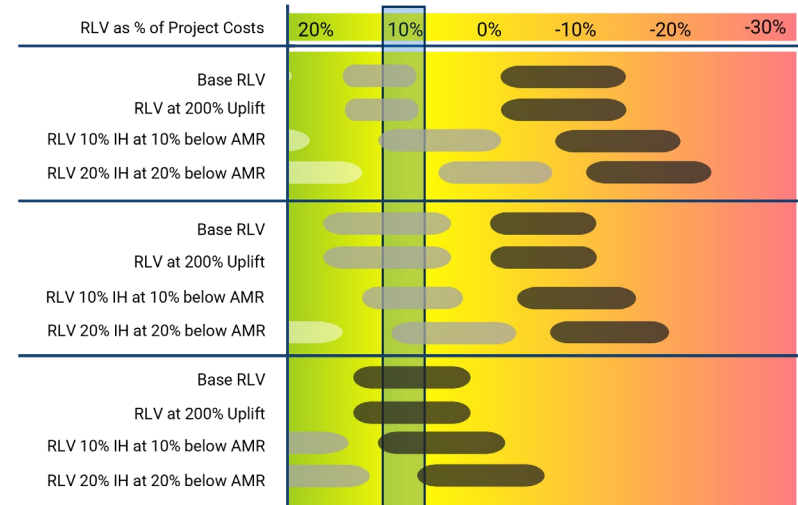
LOWEST PRICED MARKETS

As shown by the project viability sensitivity, for the future looking housing lowest price market scenarios, the low rise apartment is viable, and could support some amount of inclusionary housing (5%) at shallow affordability, such as 10% below AMR.

The fact that there is ongoing development in these communities suggests that the industry average costs and prices are not well aligned with the realities of development in these communities. This suggests that due to ongoing price elasticity (ability to continue to rise) these market may be able to support a moderate amount of inclusionary housing. For these communities, establishing an inclusionary housing policy while prices are rising will enable the community to capture some of this value and turn it into affordable housing for the future.



Viability Threshold



Market Area	Current Housing Market	Future Housing Market
Lower Priced Market Area		

Policy implications

This financial analysis is a point in time snapshot that can not completely capture the full range of housing market conditions across a region as large as Metro Vancouver. The results are indicative of the range of financial outcomes for a suite of scenarios based on today's market conditions.

To account for the current weakness of housing development fundamentals, a forward-looking analysis was conducted that anticipates interest rates coming down and housing purchase prices to continue to rise. The interest rates were assumed to be 2% below current rates and that house prices in across the region would increase by approximately 11%, based on the five year housing price trend.

The two policy features with the greatest impact on project feasibility are:

1. the affordable housing unit set-aside percentage i.e., the share of units in the building that are affordable; and
2. the depth of affordability requirements i.e., how affordable the affordable units must be.

HOUSING MARKET DIFFERENCES

The analysis shows that each of the three housing markets have different development realities; any inclusionary housing policies need to enable individual communities to set their policy to align with their market conditions. The analysis suggests that the highest priced markets can support inclusionary housing immediately, as seen by the units being created by existing policies, and that more modest policies are needed in the lowest-priced markets to ensure that new developments will continue to be brought to market.

CONCLUSIONS

The analysis, and alignment with the current policy direction across the region, suggests selecting a depth of affordability such as **10% below AMR**.

For the set aside percentage, the highest cost markets appear to support **10% inclusionary housing with some scenarios supporting 20% set aside**.

The analysis for the moderate and lower priced markets suggests that development will likely be able to support some IH in the near future (+2 years). Introducing a modest set aside amount of 5% to 10% would create some units and position the municipality to increase the inclusionary housing set aside amount as the housing market improves in the future.

Analysis of not-for-profit ownership

This section provides an analysis of Inclusionary Housing units being purchased and operated by a non-profit housing provider

Not-for-profit ownership assumptions

NOT-FOR-PROFIT OWNERSHIP

An alternative to the developer retaining ownership of the IH units and renting them at an affordable rent is for the units to be sold to a not-for-profit housing provider at a reduced purchase price, and the housing provider rents out the units.

This option facilitates retention of the units in the affordable market, administrative efficiencies, and may enable deeper rental affordability through rent supplements that the housing provider has access to.

The model calculated the amount of a mortgage the housing provider could carry (when purchasing the IH units) with rents (mortgage payments) set at the Housing Income Limits (HILs).

The RLV impacts were found to be between the results for the 10% of the units to be offered at 10% below Average Market Rent (AMR) and the 20% set aside scenario. In the most expensive markets, the RLV impact is approximately 2.5% worse; in the least expensive housing markets in the region, the non-profit transfer of ownership option reduces the RLV by approximately 0.5%.

	Vancouver HILs 2023	Maximum Rent / Mortgage Payment	IH Unit Purchase Price
Bachelor	\$ 58,000	\$ 1,450	\$ 207,850
1 Bedroom	\$ 58,000	\$ 1,450	\$ 207,850
2 Bedroom	\$ 72,000	\$ 1,800	\$ 258,020
3 Bedroom	\$ 86,000	\$ 2,150	\$ 308,190
4+ Bedroom	\$ 107,500	\$ 2,688	\$ 385,230

AFFORDABLE RENT

Using the HILs to establish the purchase price simplifies the IH policy across the region, however the maximum rents derived from the HILs are higher than AMR in some communities. This means that the housing provider would need to find additional revenue sources to fill the gap between the IH affordability target (10% below AMR) and the mortgage amount. Though there would be an operating deficit at first, as the mortgage is paid down, and rents slowly rise, the units would gradually generate positive revenue.

RECOMMENDATION

The recommendation is for the inclusionary housing units to be purchased by a non-profit housing provider. Having these units available at a price that is lower than the market price balances providing an affordable housing benefit in exchange for the additional revenues the developer will realize with an upzoning, with moderating the financial impact to the developer while also moving these units permanently in the affordable housing stock.

RLV impact of NFP purchasing IH units

		HIGHER PRICE MARKET AREA	MEDIUM PRICE MARKET AREA	LOWER PRICE MARKET AREA
HIGH RISE	Base RLV	11%	-10%	-26%
	NFP Ownership at 10% IH	5%	-15%	-30%
	RLV 10% at 10% below AMR	7%	-14%	-29%
	RLV 20% at 20% below AMR	2%	-19%	-34%
MIDRISE	Base RLV	15%	-7%	-24%
	NFP Ownership at 10% IH	9%	-11%	-27%
	RLV 10% at 10% below AMR	12%	-10%	-26%
	RLV 20% at 20% below AMR	6%	-15%	-31%
SMALL APARTMENT	Base RLV	26%	2%	-16%
	NFP Ownership at 10% IH	21%	-3%	-19%
	RLV 10% at 10% below AMR	23%	-2%	-19%
	RLV 20% at 20% below AMR	18%	-6%	-23%

RLV > 10%
Project viable.
May support IH

RLV < 10% > 0%
Project may not be viable.
Does not support IH

RLV < 0%
Project not viable.

This chart shows the Residual Land Value (RLV) impact of a not-for-profit housing provider buying the IH units (and subsequently renting them at an affordable rate), compared to the base RLV of the scenario and scenarios where the developer retains the units and rents them at an affordable rate.

The key assumptions for this analysis include, using the high end of the construction cost range, that the units purchased by a not-for-profit housing provider are priced where the amount of mortgage that can be carried if the rents (revenue) are affordable to households earning the upper end of the Housing Income Limits (HILs).

The results suggest that the RLV impact to the development falls between renting 10% of the units at 10% below AMR and renting 20% of the units at 20% below AMR.

3 Recommended Regional Inclusionary Housing Model: Policy Components

This section provides details on the recommended policy components and parameters to be included in the model inclusionary housing policy framework. It also touches on the recommended tiered policy structure.

Introduction

POLICY FEATURES

The following section describes the recommended tiered policy structure and discusses the eleven inclusionary housing policy components that comprise the framework, summarizing the research that has been conducted, and providing a recommendation for each component. Further details on the implementation of the tiered approach can be found in Section 4: Conclusions.

Additionally, each policy includes a discussion of potential implementation considerations and the potential roles for non-profit housing providers and Metro Vancouver in the implementation of each aspect of the policy.

As previously noted, this study was based on a point in time analysis of the overall regional context and representative markets. The policy component recommendations thus reflect the minimum policy requirements that could be implemented across the region. Going beyond the recommended framework is encouraged, however further analysis on a local level is recommended to support frameworks with deeper affordability and higher set aside rates.

POLICY FLEXIBILITY

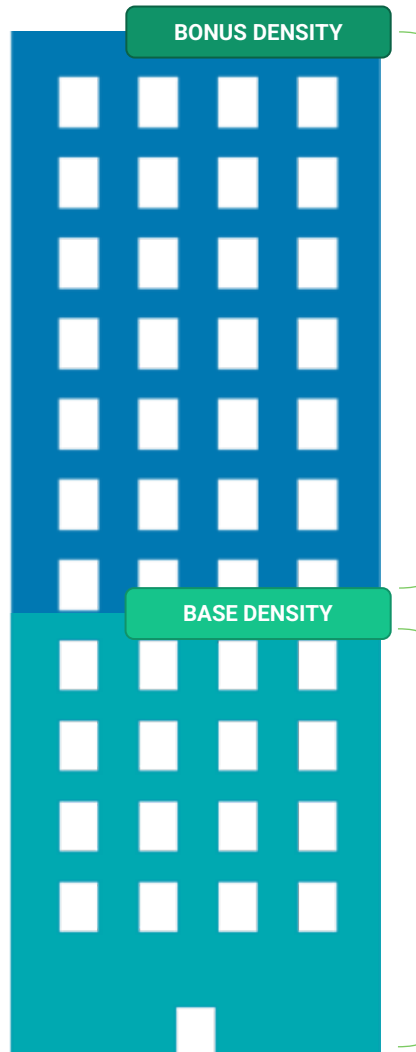
A key consideration for an inclusionary housing policy is whether it will be a very prescriptive policy or more flexible.

The recommendations generally align with the “more flexible” axis of inclusionary housing policy features. The depth of affordability is modest, there is flexibility in which organization owns and operates the units, there is a recommendation to enable opt-out through cash-in-lieu or off-site development, and the set aside amounts are suggested to begin at very modest amounts and increase as the housing market in the region improves.

Where the recommendations are less flexible are in the length of affordability, and that no incentives are being considered beyond the financial advantages of requesting an upzoning.

Recommended policy framework

A tiered approach



Voluntary
Framework:

*APPLIES
EVERYWHERE

Mandatory
Framework:

*APPLIES IN
TOAs

Inclusionary Housing

Tier 1: 5% set aside at 10% below AMR. This tier has the lowest level of inclusionary housing set aside rates which will generate new affordable housing units and is recommended for regions with lower rates of high-density development.

OR

Tier 2: 10% set aside at 10% below AMR. An intermediate approach to inclusionary housing. This tier has a higher set aside rate than Tier 1 and is recommended for regions with moderate rates of development.

OR

Tier 3: 20% set aside at 10% below AMR. The highest level of inclusionary housing. This tier has the same set aside rate as Tier 2, but an increased depth of affordability. This tier is recommended for regions with high rates of development and the highest unit prices.

+

Inclusionary Zoning

In **TOAs** where recent Provincial legislation has resulted in preemptive upzoning to enable as-of-right development permissions, municipalities could apply a mandatory set aside rate to the newly increased minimum base density, to ensure that a portion of the increased land value is captured for affordable housing.

This mandatory framework (**inclusionary zoning**) could adopt the same tiers as the voluntary framework (**inclusionary housing**) but would be applied to the base density and therefore would not require the negotiation of a density uplift to trigger its application.

This mandatory framework would require enabling legislation to permit inclusionary *zoning* by the Province. Inclusionary *zoning* is not currently permitted under the existing provincial legislation.

Unit set aside

TIERED SET ASIDE RECOMMENDATION

Voluntary Tier	Unit Set Aside
Tier 1	5%
Tier 2	10%
Tier 3	20%

Inclusionary housing policies establish a percentage of affordable housing units required in new market-rate development projects (i.e., unit set-aside rate).

Determining the “set-aside” percentage is a key decision for policymakers since it impacts the economics of development and ultimately affects the number of affordable housing units that will be generated. The unit set-aside rate impacts the feasibility of a project such that as the set-aside percentage increases, the average per-unit revenue potential of a development declines. In general, the revenue loss associated with increasing the set-aside percentage is greater for projects that can generate higher market-rate rents.

Residential development viability is at a recent low due to a rapid rise in construction costs during the pandemic, and increased interest rates driving down the amount of mortgage that purchasers can carry. Costs have increased by over 20% in the region between 2021 and 2023, and interest rates have risen from a Bank of Canada prime rate of 2.45% in 2021 to 7.2% today.

The analysis suggests that where projects are currently viable, having a 10% set aside would be viable using the low-cost assumptions. As the development environment in the region becomes healthier, a higher set aside amount can be viable.

The recommended set aside amounts are based on the financial analysis results for the low-end construction costs. This somewhat optimistic recommendation considers that current construction costs and mortgage costs are at recent highs and the longer-term prospects are for residential construction to return to higher profitability, and thus able to carry higher affordable housing contributions.

TIER SELECTION CONSIDERATIONS

In the weakest markets, we anticipate profitable residential housing development to continue as has been seen in recent years.

Introducing a small IH set aside amount would lay the ground-work for administering an IH policy as the market improves.

The rapid rise in housing prices in the lower-priced communities in Metro Vancouver suggests that though the RLV analysis shows weak profitability, there still appears to be price elasticity remaining – this suggests that significant development is expected to occur in the near future and that an inclusionary housing contribution would be supportable with low risk to stalling the development environment.

Consistent and significant year over year price increases across the region suggests that there is price elasticity (ability for prices to rise); these price increases could go towards IH instead of additional profitability.

The low rental vacancy rate seen across the region also suggests that there is also pent-up demand for new ownership units that will continue to drive sales prices upward.

The difference between construction costs and sales prices, on a per-square-foot basis can be used to infer the potential profitability of development in a housing market. This analysis found that markets that had sales prices that were twice the cost of the hard-costs of the project (including parking) would support some inclusionary housing; each 0.1 multiple after that is approximately 10% more profit, which suggests that markets with prices at 2.1x hard-costs may be able to support higher proportions of IH of either Tier 2 or Tier 3, depending on the baseline Tier that is adopted.

Recommended Unit Set Aside Amounts

Housing Market	Initial Tier	Future Tier
Lower Priced Market Area	Tier 1 5%	Tier 1 5%
Moderate Priced Market Areas	Tier 1 5%	Tier 2 10%
Highest Priced Market Area	Tier 2 10%	Tier 3 20%

For lower priced market areas, Tier 1 at 5% would be appropriate to ensure that development can proceed, while capturing some of the value generated as sales prices increase.

The moderate priced housing markets in the region may have less elasticity remaining in the market. This suggests that a conservative IH policy, such as Tier 1 at 5%, is appropriate to start with, with the goal of eventually reaching the Tier 2 set aside amount of 10%.

The analysis suggests that the highest price markets can support a set aside amount of 10% currently. The recommendation is to apply the Tier 2 set aside of 10% immediately and phase in the Tier 3 set aside amount of 20% over time.

IMPLEMENTATION CONSIDERATIONS

Project with few units should be examined for off-site delivery or cash-in-lieu.

Scattered units (<5 per building) and larger blocks of units are both needed by different types of housing providers, depending on resident needs. However, in terms of operational efficiency and administrative costs to set up agreements and manage the units, larger blocks of units are preferred.

ROLE OF NON-PROFITS

With a recommendation for the IH units to be purchased and operated by non-profit housing providers, the role would be to participate in a process to select or pre-qualify housing providers for acquisition of new IH units.

ROLE OF MVRD

There is a role in the IH policy for selecting and approving non-profit affordable housing operators that would purchase and operate the IH units. The following organizations are well positioned to provide this function: Metro Vancouver Regional District (MVRD), Metro Vancouver Housing, BC Non-profit Housing Association (BCNPHA) or BC Housing.

There is a potential role for MVRD to provide a coordination function for establishing and operating a central waitlist for IH units with priority for local residents.

Phase-in of unit set aside

There are two options for phasing-in the inclusionary housing unit set aside amount. The literature review suggests that a three year phase-in is common, but because various implementations of inclusionary housing exist in the region a shorter two-year phase-in may be appropriate.

The development industry would be made aware of the potential for a new IH policy through the public engagement process before the by-law is brought to Council. Providing at least one year before the IH policy goes into effect allows in-progress projects to use their current financial assumptions.

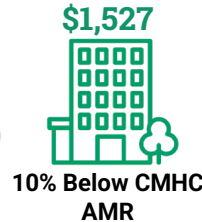
Projects that come forward more than a year after the passing of the IH by-law have had significant time to adjust to the new policy and its associated costs. However, they may already have a significant amount of locked-in costs from prior to the policy's approval or passage. A reduced IH set aside amount mitigates the policy impact on these projects. Providing two years of awareness of a new policy should be sufficient for almost all projects to adjust to the new requirements and to be able to bring forward viable projects.

The phase-in period is intended for when the by-law is initially introduced. Should a municipality opt to move between Tiers, the upper end of the Tier should be implemented when Council passes the by-law amendment. There should be at least a year between passing the by-law and the Tier change coming into effect, giving the development industry some time to adjust. This assumes that the municipality already has an IH policy in effect, and thus operates as if phasing in from Year 1 to Year 2 – i.e., an increase in the amount of affordable housing in an existing policy.

Depth of Affordability

AFFORDABILITY RECOMMENDATION

Voluntary Tier	IH Policy
Tier 1	10% below AMR
Tier 2	10% below AMR
Tier 3	10% below AMR



*average market rents are for 1-bedroom units in Metro Vancouver.

The recommendation is for setting the depth of affordability at 10% below CMHC average market rent. This level of affordability differentiates the IH policy from delivery of deeply affordable (RGI) and supportive housing that require operational subsidies. With the IH policies being implemented by local municipalities, they are not the primary provider of deeply affordable housing, and this policy would allow them to continue to focus on below-market housing for low to moderate income earners. As seen the graphic above, 10% below CMHC AMR is notably lower than rents for newly constructed rental units, thus providing housing options for more moderate income levels.

The moderate and weaker markets had challenging RLV results; a modest affordability threshold allows for the housing industry to adjust to an IH policy with modest financial risk. Only the strongest markets can support both a 10% set-aside and rents at 20% below AMR.

In member jurisdictions that have policies that require deeper levels of affordability supported by a detailed financial analysis, it is recommended that the same affordability metric (i.e., X% below CMHC average market rent) be adopted in order to achieve policy alignment and consistency in metrics across the region.

IMPLEMENTATION CONSIDERATIONS

The current financial analysis suggests that IH is only viable in the strongest markets, with the most optimistic construction cost assumptions.

The high-rise scenario can support 11% IH with units at 10% below AMR and 4% IH at 20% below AMR. There is a trade off between number of units (set aside) and depth of affordability.

Annual rent increases should be limited to the Provincial maximums for ongoing tenancies, and reset to the percentage below current AMR on unit turnover

ROLE OF NON-PROFITS

Potentially there is a role for a not-for-profit agency, such as BC Housing, Metro Vancouver Housing or BC Non-profit Housing Association (BCNPHA), in monitoring and reporting of the agreements.

ROLE OF MVRD

Potentially there is a role for MVRD in reporting on the number units created and the depth of affordability.

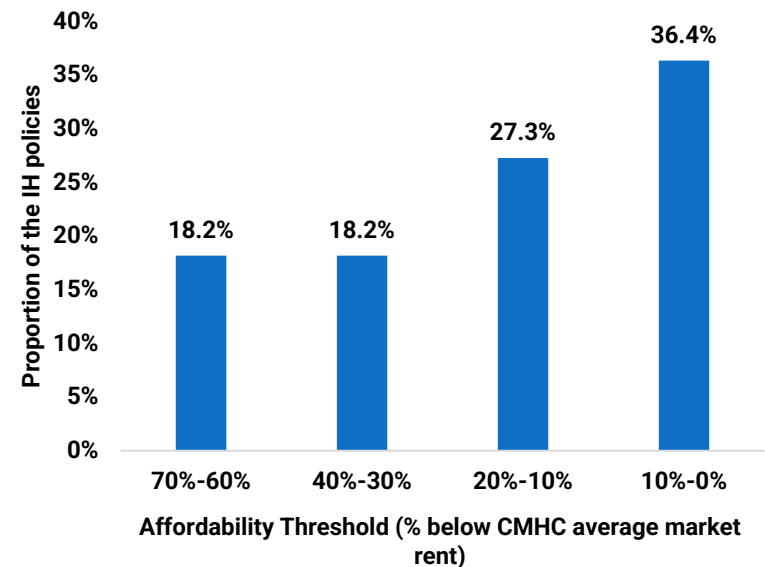
Depth of Affordability Financial Implications

The depth of affordability requirements have implications on the feasibility of a project in the same way that the unit set-aside percentage does i.e., the average per-unit revenue of a development declines as the affordability requirement deepens.

There is a trade off between the unit set-aside rate and the depth of affordability threshold. Generally, the deeper the affordability level, the lower the percentage of affordable units required. Most of the inclusionary housing policies in Metro Vancouver currently are not providing deeply affordable units. More than 60% of the programs explored in the jurisdictional scan expect developers to set the price for affordable units at 20% below CMHC average market rent or less.

Municipalities have the option to serve households with lower-incomes through inclusionary housing so long as developers can trade targeting lower-income households in exchange for developing fewer affordable housing units. Municipalities can also increase the incentives to enhance the feasibility of deeply affordable housing units.

Figure 4: Metro Vancouver Inclusionary Housing Policies - Affordability Threshold



Opt-out considerations

CASH-IN-LIEU OR OFFSITE PROVISION RECCOMENDATION



IMPLEMENTATION CONSIDERATIONS

The decision to allow the IH units to be provided off-site should be the responsibility of Council, with justification support from staff. This is to improve transparency and ensure that the public is informed of what the benefits are and why this project is being treated differently. Justifications could include that the residents of the IH units would benefit from being in the alternative building due to the social services being offered in the building, the units being more affordable due to a non-IH mechanism, or where the units can be occupied significantly in advance of when they would otherwise be ready for occupancy.

Off-site development legal agreements will be lengthy and complex and should be registered on title to ensure if the land is sold the IH requirements remain. Both legal and development policy staff must be allocated to creating, managing and implementing these agreements.

Cash-in-lieu can be managed by either the municipality or the Region, though ensuring the funds get spent in the communities where it was raised is a highly desirable policy outcome. The amount of cash-in-lieu, when this option is used, should be sufficient to build an equivalent amount of units on another site. The dollar amount per unit or per GFA would need to be adjusted annually based on construction price trends in the municipality.

ROLE OF NON-PROFITS

Off site units will likely be associated with planned affordable housing development; creating relationships with staff and the local development industry will facilitate accessing these opportunities for additional funding/development support.

Participate in creation of the off-site development agreement to ensure it integrates with their development objectives.

ROLE OF MVRD

Providing advice to municipal staff on common or standard agreement clauses and implementation procedures.

Potentially managing the cash-in-lieu funding pool by collecting cash-in-lieu funds and administering to non-profit or municipal-led affordable housing projects.

Minimum size of development

This policy alternative exposes two interrelated issues that are found in the implementation of IH policies: protecting the financial viability of small projects and limiting the number of individual affordable units that are widely distributed throughout many developments. Linking the minimum development size to the number of additional units aims to align the magnitude of the IH requirement with the amount of additional density requested, avoiding large IH requirements for relatively small upzonings. Alternatively, the threshold can reference the total number of units in a development that has requested an upzoning; this will likely capture more projects and create more IH units.

Both a unit count threshold and unit area or size threshold are needed to avoid “gaming the system” by proposing developments that are just below the threshold. In 2022, the average strata unit size was 770 sq.ft. A number near this should be assumed for the average unit size when determining the area threshold.

FINANCIAL IMPACTS & TRADE-OFFS

The larger the threshold, the fewer IH units that will be created. Smaller projects have less land value to off-set the IH financial impact, which may make smaller projects less viable for a longer period of time while land prices adjust.

The cost of creating and managing IH agreements will be similar, regardless of the project size; however, the administration cost per unit goes up as the projects get smaller. Therefore, smaller projects will be relatively more expensive for the municipality to acquire and manage.

It is more expensive to operate and maintain a scattered portfolio, rather than larger blocks of units, as the economies of scale for the housing operator decrease with smaller projects.

MINIMUM DEVELOPMENT SIZE RECOMMENDATION

Upzoning That Results in Developments With ...



Total Project Size Policy:
100 total units, or 80,000 sq. ft.

BEST PRACTICES

Generally, inclusionary housing policies generate the most below-market units in areas where the most market rate development is occurring. These areas are often identified as ‘strong’ markets, compared to ‘medium’, or ‘weak’ markets.

Inclusionary housing policies have various threshold sizes across Canada, depending on geography and market strength. Typically, threshold size varies from a minimum of 10 units to over 200 units. In Toronto, developments with fewer than 100 units are exempt from the Inclusionary Zoning By-law.

WHAT WE HEARD

Participants consulted throughout the project indicated that inclusionary housing works better in high density zones. When density offset rules were the same for all sites, larger sites benefited.

Developers indicated a preference for flexible rules that responded to present conditions, such as lessening the affordability requirements for concrete builds typically on smaller sites.

Requirements based on tenure

The three primary types of development are strata, purpose built rental and free-hold. Free-hold is primarily low-density development and rarely targeted for IH policies.

Purpose built rental development is currently financially challenging across Canada. Inclusionary housing units depress project revenues relative to market-rate units. In the current development climate, our economic analyses indicate that the forgone profits from inclusionary housing units are sufficient for purpose-built rental developers to cease development, making purpose-built rental inclusionary housing policies untenable, except in the strongest markets in the region.

Strata developments are the most common high-density development, with the highest potential profits and the greatest ability to contribute toward community benefits such as affordable housing. The higher market-rate profits in strata buildings increases the capacity to forgo maximal profits on inclusionary housing units, making strata developments a preferable focus for inclusionary housing policies.

FINANCIAL IMPACTS & TRADE-OFFS

Excluding other development types reduces the potential pool of projects that could contribute IH units.

Adding additional financial burden to purpose built rental projects conflicts with the general need for increasing the stock of rental, at any price point.

Large free-hold subdivisions (to meet the minimum project size) are some of the most profitable developments, but also require a significant amount of public infrastructure (roads, water, etc.) during development.

BASE TENURE RECOMMENDATION



BEST PRACTICES

Generally, the base tenure affects the depth of affordability and the project viability. The goals of the program should influence whether rental or strata development is pursued.

Port Moody and Richmond both adopted strata-only inclusionary housing policies.

WHAT WE HEARD

Currently, the equity required to build rental buildings is prohibitive and administration of this tenure-type poses significant challenges. Purpose-built rental construction has only been possible because of the Rental Construction Financing Initiative. However, the program has become too onerous, and developers are no longer applying to the program.

In the current economic climate, strata buildings are more feasible, however both renter and ownership should be considered when drafting a by-law. Recent changes to the Strata Title Act have complicated matters.

Unit type and size

Affordable unit type and size allocation can be based on a variety of factors. Constructing larger units introduces more affordable options for families and households of a larger size. In an Inclusionary Housing policy based on Gross Floor Area, another approach is allocating smaller unit sizes. This allows for a greater overall number of affordable units to be introduced. The allocation of unit type and size can also be calculated based on current or projected housing need.

Construction is simplest, however, if the affordable unit mix matches the market units, with no unit size or type customizations. An additional consideration is having the Inclusionary Housing units in a contiguous block – either horizontally or vertically – makes the ongoing land titles and title management easier.

FINANCIAL IMPACTS & TRADE-OFFS

Assuming that the amount of IH contribution (set-aside amount) is calculated as a proportion of GFA, the developer should not have a strong preference on whether the affordable units are smaller (1-bedroom) or larger (2+ bedroom) units. (If there is an 8,000 sq.ft. IH contribution, there should be low financial difference between providing eight 1,000 sq.ft. units or ten 800 sq.ft. units.)

Requiring specific unit design for the IH units, that does not align with the proposed building footprint, adds significant additional design and construction cost to the project. These costs greatly increase the later in the project they are introduced.

UNIT TYPE AND SIZE RECOMMENDATION

- Proportional to the mix of units and sizes of the market units.
- Customized to fit the operational needs of the affordable housing provider

BEST PRACTICES

Best practice is for the policy to have clear default direction on what the expectations are on unit size and mix for the affordable housing units. This is improved with the ability for the municipality, with participation of a housing provider, to be able to select which units become IH units, to improve the housing outcomes without requiring customization of the building footprint to meet the needs of the housing provider.

WHAT WE HEARD

Due to BC Housing income limits, not-for-profits are reducing unit size to increase the number of units. There is a need for family housing with more bedrooms. Newcomers and Indigenous families have a need for larger-size, affordable housing.

Affordability period

AFFORDABILITY PERIOD RECOMMENDATION

Length of Affordability for Units Created:



Life of the Building

IMPLEMENTATION CONSIDERATIONS

The agreement should ensure that premature redevelopment is discouraged to exit/avoid the affordability requirements.

Include an option for the municipality to exit the agreement if the strata corporation becomes financially distressed and large one-time fees are expected to be assessed.

There are administrative costs associated with longer term agreements, for example, agreements in perpetuity.

There needs to be a mechanism in the agreement for transfer of ownership or operation of the units between organizations, as the building may outlive the organizations that initially operate the units.

ROLE OF NON-PROFITS

Creation of a tenant management plan as the building approaches its end of life.

Creation of a succession plan, if the organization will not be able to continue to operate the units.

They could potentially be the owner of the unit, enabling the value created to last beyond the life of the building/unit if they are eventually sold and the revenues reinvested in new units.

ROLE OF MVRD

None specifically for this aspect of the policy.

Incentives

DEVELOPER INCENTIVES RECOMMENDATION

Negotiated density bonus for inclusionary housing provision.

RECOMMENDATION CONSIDERATIONS

A voluntary policy framework, such as the proposed three tiers, where inclusionary housing is requested in exchange for additional density through upzoning is a form of density bonusing. This is unchanged from the current regulatory framework.

The potential mandatory tier aims to create a policy that will create affordable housing within the Provincially upzoned transit-oriented areas. As a mandatory policy, there are no incentives; however, tying these policy pieces together operates similarly to a density bonus initiative.

IMPLEMENTATION CONSIDERATIONS

Metro Vancouver highlighted concerns about the extent of positive impact from a fast-track approval process relative to its administrative burden.

Numerous engagement participants indicated the importance of flexibility in an inclusionary housing policy, emphasizing that any policy framework or incentive should be responsive to market conditions, developer resources, building type/tenure, and changing legislation.

Metro Vancouver echoed this direction, and as a result is exploring a voluntary approach where density increases are negotiated on a project-by-project basis.

Ownership and operations/management

OWNERSHIP & OPERATIONS/MANAGEMENT RECOMMENDATION

The recommendation for unit ownership, operations, and tenant selection is to have a policy that allows for qualified organizations to perform any of the functions.

Additionally, the recommendation is to include an option for units to be sold below market rate to non-profit organizations for ongoing ownership, management, and operations.

A flexible policy adds some additional work when creating the affordable housing agreement but has the highest potential to deliver improved affordability outcomes while continuing to ensure the developer is in control of their project financial outcomes.

The financial analysis found that selling the units to a non-profit housing provider at a price that can be serviced by a household with an income near the Housing Income Limits (HILs) has a RLV impact that is slightly higher than renting 10% of the units at 10% below AMR, but not as much of an impact as having the set aside amount at 20%.

IMPLEMENTATION CONSIDERATIONS

An option where the developer builds the units and sells at a price that a non-profit could afford based on affordable rents servicing a mortgage would ensure that the units become part of the stock of permanently affordable units. The financial impacts of this unit ownership model on project viability must be performed separately.

The implementation agreement must clearly identify the owner of the units and conditions where ownership can be transferred. There must also be clear identification of which organization is responsible for selecting tenants and verifying they are eligible to tenant the unit. The agreements also need guidelines on how unit management/operations are achieved and the amount of oversight the municipality has on unit management outcomes and selection of service providers.

As discussed in the discussion on the Set Aside amount, there is an opportunity for an organization such as MVRD, MVH, BCNPHA or BC Housing to provide region-wide vetting of housing providers. This could also include management of a centralized waitlist for residents that are eligible for IH units.

ROLE OF NON-PROFITS

There is an opportunity for non-profits to be able to increase the depth of affordability, perform tenanting of units, management of units, and annual reporting on the units under their control.

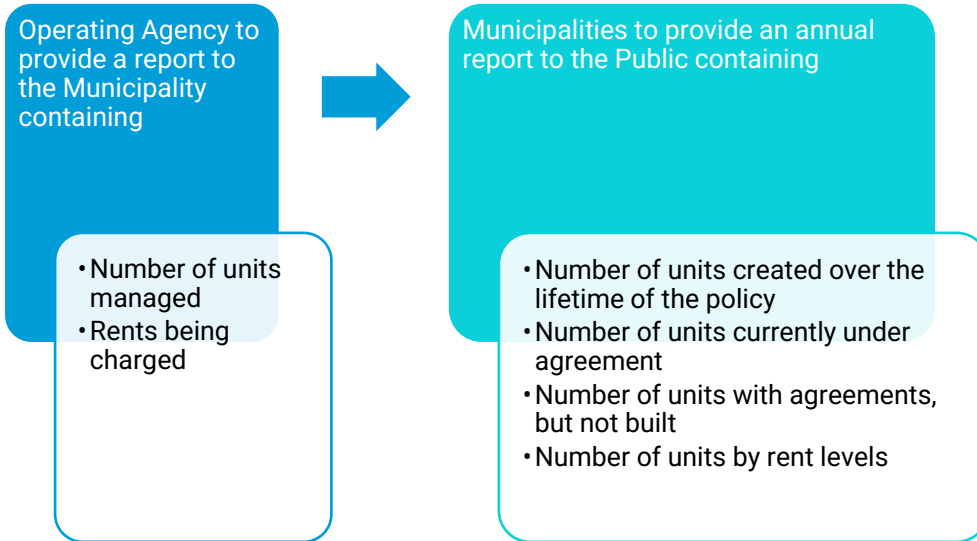
ROLE OF MVRD

MVRD, BC Housing, or MVH can participate by increase depth of affordability through rent supplements, manage tenanting of units, or providing administrative support when units change ownership of unit management companies.

Reporting requirements

REPORTING REQUIREMENTS RECOMMENDATION

Reporting Should Occur Annually



IMPLEMENTATION CONSIDERATIONS

Ensuring there is sufficient staff time allocated to management of the IH policies, including annual reporting is crucial.

The reports should be publicly available to ensure transparency.

ROLE OF NON-PROFITS

Annual reporting to the municipality.

ROLE OF MVRD

Annual reporting on the results of the model inclusionary housing policy.

Monitoring and evaluation

An inclusionary housing policy affects the local land markets and may affect the profitability and viability of new market housing. The expectation based on results from other jurisdictions that have implemented similar policies is that most of the impact will be absorbed in the land prices – this needs to be verified that it is occurring in the municipality.

IH policy creates long-term agreements that must be maintained. There should be periodic review of the ongoing costs to manage the program in relationship to the policy's costs and alternative affordable housing programs.

There needs to be a balance between predictability in the policy and adaptability to market changes. A 5-year review cadence is similar to the development timeframe for major residential developments, which suggests the affected organizations have a strategic horizon that a 5-year review period aligns with.

FINANCIAL IMPACTS & TRADE-OFFS

A more frequent monitoring and evaluation period would allow for faster reaction to market conditions but has higher administrative costs and increases policy uncertainty for the development community, increasing their perceived costs.

The affordability outcomes of the policy should be compared to other types of affordable housing policies to ensure that this policy continues to be a good value option for regional municipalities.

MONITORING AND EVALUATION RECOMMENDATION

- *Regular review of market assumptions*
- *Regular review of policy outcomes*
- *Regular review of the policy variables in meeting evolving housing needs*
 - *Review whether to move between Tiers by a municipality*
 - *MVRD to review and adjust the Tier definitions*
- *5-year reviews*

BEST PRACTICES

A common shortcoming of government policies is the rigour of the monitoring and evaluation process. Best practice is to include a requirement for monitoring and evaluation in the by-laws that create the inclusionary housing policy framework.

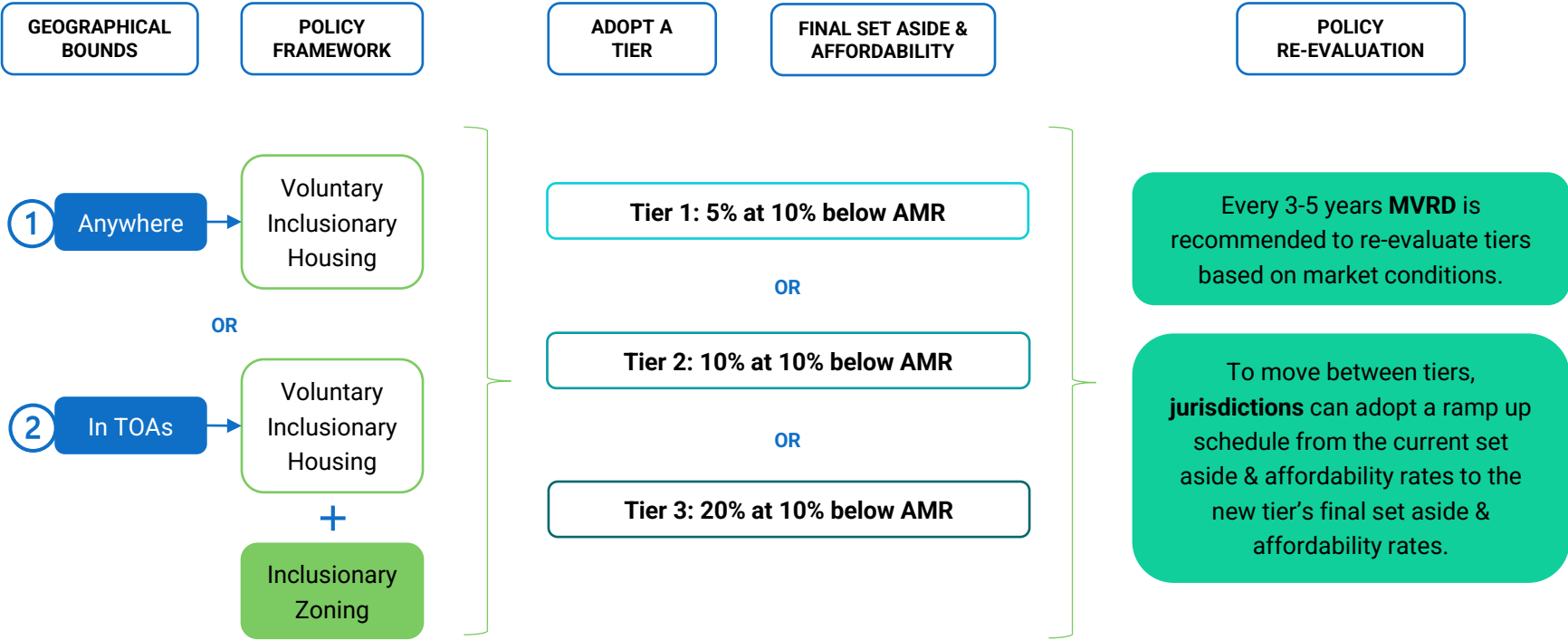
An inclusionary housing redirects a significant amount capital funding to affordable housing and has a very visible impact to new development; comparing the effectiveness of this policy to other types of affordable housing policies is needed to ensure transparency and to build community support for the ongoing operation of the policy.

4 Conclusions

This final section provides a summary of the implementation parameters for the regional model inclusionary housing and inclusionary zoning framework. It also touches on affordable housing opportunities through inclusionary zoning.

Implementation

A tiered approach



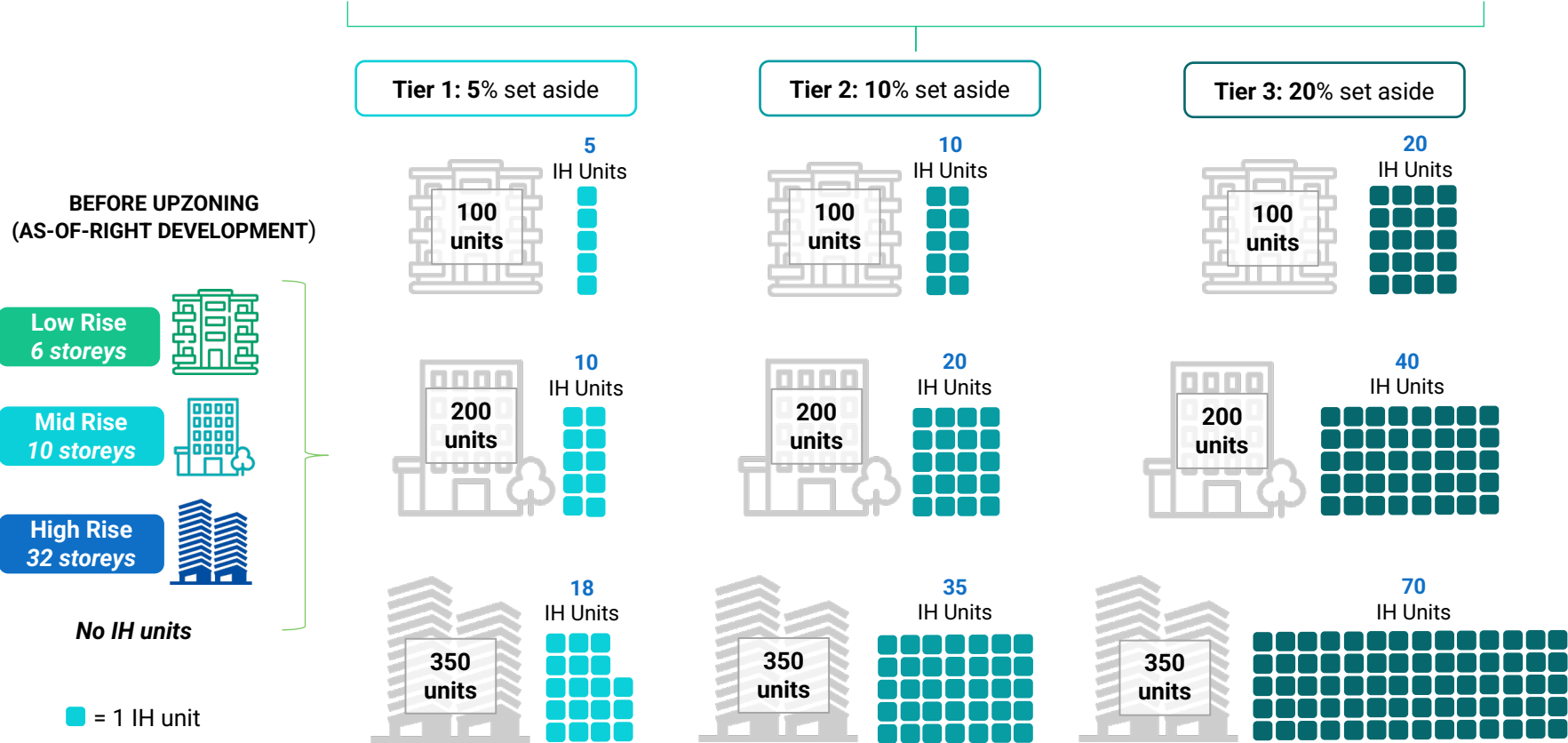
***Note:** in TOAs that adopt inclusionary zoning (with enabling legislation from the Province) the provision of IZ units are mandatory regardless of density uplift. If developments request a density uplift, the voluntary inclusionary housing and inclusionary zoning frameworks are suggested to be synchronized so that the frameworks may operate as one singular framework to be applied to the entire development.

Anywhere else, the inclusionary housing framework applies to the entire building, and is triggered by an upzoning (increase of density) application. At the time of writing this report, the Province has not passed enabling legislation for inclusionary zoning, meaning that only the inclusionary housing component of this framework may be enacted.

Sample IH implementation

The requirement to provide inclusionary housing units is triggered by an upzoning (increase of density). The following scenarios are for illustrative purposes to demonstrate how many units could be achieved through the application of the recommended inclusionary housing tiers, and are based on a 200% density uplift from as-of-right zoning, as considered in the prototypical development scenarios analyzed in this report.

AFTER 200% DENSITY UPLIFT



Sample IZ implementation

High rise scenario

Upon enabling Provincial legislation, inclusionary zoning frameworks could apply to the base density of developments in TOAs. The following scenario illustrates how this inclusionary zoning framework will operate in tandem with an inclusionary housing framework.

The scenario uses a high-rise building in a TOA that is in a jurisdiction that has adopted Tier 2 (10% set aside rate) of the Inclusionary Housing framework and has requested a 200% density uplift from the as-of-right zoning.

In this scenario, the development size would increase from approximately 120 units to 350 units. Developments constructing to the as-of-right zoning will be required to provide 12 inclusionary zoning units. With the 200% density uplift, the requirement increases to a total of 35 inclusionary zoning/inclusionary housing units across the entire development. A similar principle and process would apply to any development in a TOA.

**BEFORE UPZONING
(AS-OF-RIGHT DEVELOPMENT)**



12 IZ Units

AFTER 200% DENSITY UPLIFT



12 IZ Units 23 IH Units

35 IH/IZ units

Operational components

Overview of recommended policy components

The operational components provide considerations for the size and tenure at which developments should be subject to IH and IZ frameworks, potential incentives for these developments along with regulations for opt-out provisions, and recommendations for the ownership and operational management of IH and IZ units.

1 MINIMUM SIZE OF DEVELOPMENT

Developments that are at least:



Total Project Size of 100 total units, or 80,000 sq. ft.

2 REQUIREMENTS BASED ON TENURE

Base Tenure:



Strata developments

3 OPT-OUT



4 INCENTIVES

Density Bonusing

To capture some of the value of increased density, inclusionary housing would apply where density increases are requested, and inclusionary zoning could apply where land has been already upzoned in a TOA.

5 OWNERSHIP & OPERATIONS/MANAGEMENT

The recommendation for unit ownership, operations, and tenant selection is to have a policy that allows for qualified organizations (for example, non-profit housing operators that are approved by the municipality to operate affordable housing units) to perform any of the functions.

Additionally, the recommendation is to include a provision for **units to be sold below market rate to non-profit organizations for ongoing ownership, management, and operations.**

Affordability components

Overview of recommended policy components

The affordability components provide considerations for the number, depth of affordability, period of affordability, size, and type of IH and IZ units.

1 SET ASIDE RATE

Voluntary Tier	Unit Set Aside
Tier 1	5%
Tier 2	10%
Tier 3	20%

2 DEPTH OF AFFORDABILITY

Voluntary Tier	Depth of Affordability
Tier 1	10% below AMR
Tier 2	10% below AMR
Tier 3	10% below AMR

3 PERIOD OF AFFORDABILITY

Length of Affordability for Units Created:



Life of the Building

4 SIZE AND TYPE OF UNITS

The inclusionary housing and inclusionary zoning frameworks are recommended to have unit types and sizes in a **proportional** mix to that of the market units and sizes.

Based on community feedback, it is recommended that this policy provision be customized to fit the operational needs of the affordable housing provider.

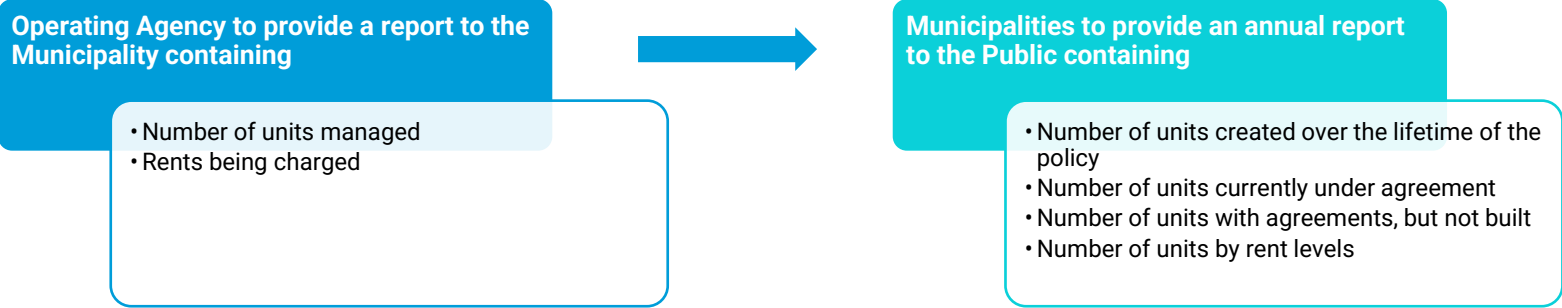
Oversight and review components

Overview of recommended policy components

The oversight and review components provide considerations for the ongoing management of the IH and IZ policy and the affordable units created under its framework.

1 Reporting Requirements

Reporting should occur annually:



2 Monitoring and Evaluation

Monitoring and evaluation requirements would involve a regular review of market assumptions, policy outcomes, and policy variables in order to meet evolving housing needs.

As a part of this process, MVRD would perform reviews to adjust the Tier definitions while individual municipalities would review whether to move between Tiers. It is recommended for there to be a **5-year review process**.

Conclusions

This study puts forward an inclusionary housing model framework that would support Metro Vancouver and the communities within it to reach its objectives for improved affordable housing options moving forward, including the Metro 2050 regional target that 15% of all new units near transit be affordable rental housing units.

The goals of the recommended inclusionary housing model framework are to 1) provide a consistent framework of policies that member jurisdictions, whether they have pre-existing inclusionary housing policies or not, can voluntarily adopt or “opt-in” to, and 2) to support municipalities to implement the tool in the most effective way.

A region-wide framework for inclusionary housing will increase the effectiveness of existing IH policies in member jurisdictions by providing an opportunity to streamline requirements and create a consistent approach across the region, which will help developers and residents better understand the requirements for inclusionary housing and create opportunities to scale up delivery of IH in the region.

With the recent changes to provincial legislation, member jurisdictions are required to provide housing needs reports that estimate housing needs for 20 years. Concurrently, BC has adopted a pro-active planning system by requiring 20 years of pre-zoning to ensure that housing needs are met.

This study will be presented to the Province to support the introduction of enabling legislation for inclusionary zoning, to allow member jurisdictions within Metro Vancouver to require inclusionary units be provided as part of as-of-right zoning requirements.

This legislative change will allow communities to leverage the regional model of inclusionary housing to implement inclusionary zoning that capture the additional value created by moving to a pro-active planning system in BC that will rely more heavily on pre-zoning.

As a result of these initiatives and upon Provincial adoption of inclusionary zoning legislation, Metro Vancouver will promote a comprehensive, region-wide, and consistent inclusionary housing and inclusionary zoning framework that will encourage and enable member jurisdictions to meet the various housing targets as part of a forward-looking planning regime.



E5 ATTACHMENT 2



Inclusionary Housing Policy Review

FINAL REPORT AND REGIONAL MODEL POLICY FRAMEWORK

Jessica Hayes
Acting Program Manager, Housing Policy and Planning, Metro Vancouver Housing
Regional Planning Committee Regular Meeting, March 8, 2024

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INCLUSIONARY HOUSING DEFINED

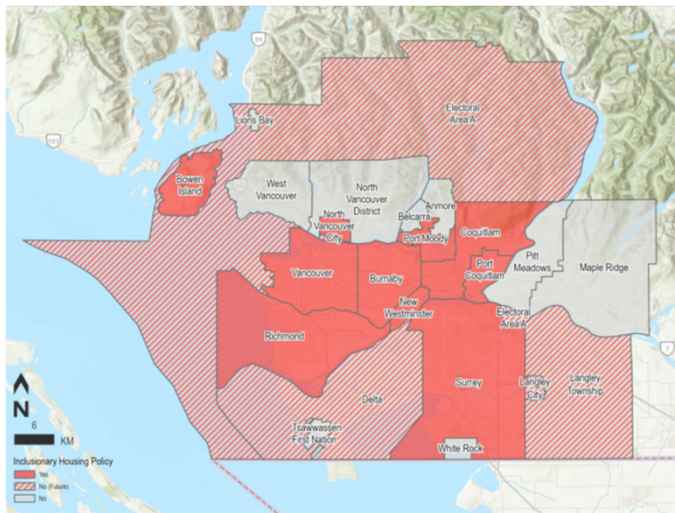
- **Inclusionary Housing:** Voluntary, incentive-based provision of affordable housing units in a development.
 - Typically in exchange for additional density
- **Inclusionary Zoning:** Mandatory zoning regulation that requires a set amount of affordable housing in a development.
 - Not currently possible in BC context.



Summary of Existing Programs: Overview



Metro Vancouver Member Jurisdictions with Inclusionary Housing or Similar Policies

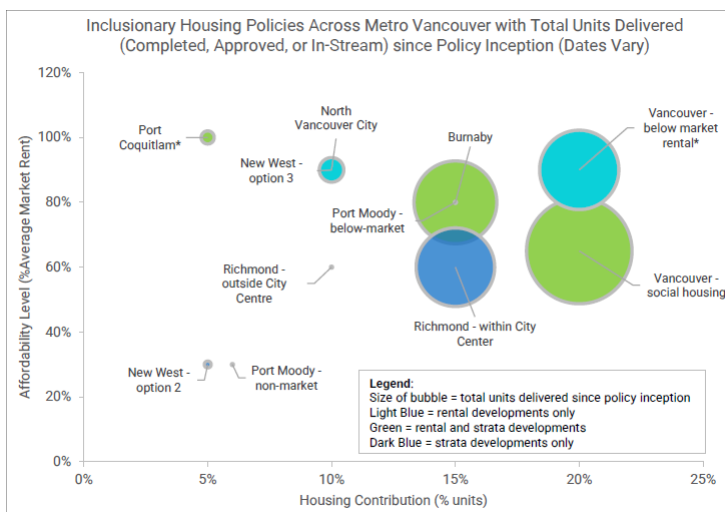


- 8 member jurisdictions have adopted inclusionary housing policies
- 3 member jurisdictions have similar incentive / density bonus policies which achieve inclusionary units
- 4 member jurisdictions have identified inclusionary housing as a future action

Summary of Existing Programs: Units Delivered





Scale of Units Delivered via Inclusionary Housing Policies in Metro Vancouver



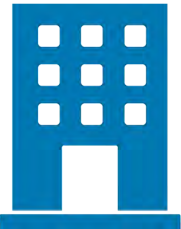
- Important tool for delivering affordable housing in the region to date.
- Approximately 9,200 inclusionary housing units have been delivered (approved or completed) since policy inception (dates vary).
- **Opportunity** to scale up to meet housing targets.

Economic Analysis Methodology & Key Findings

Upzoning creates additional revenue and costs. In strong markets there is residual value that can support inclusionary housing.

BEFORE UPZONING
(as-of-right development)




LAND VALUE

PROFIT MARGIN

SOFT COST

HARD COST

AFTER UPZONING



VALUE OF UPZONING

LAND VALUE

PROFIT MARGIN

SOFT COST



HARD COST

Inclusionary Housing

Key findings:

- Higher priced markets strongly support up to 10% or 20% inclusionary housing
- Moderate priced markets can support up to 10% inclusionary housing
- Lower priced markets may be challenged to support inclusionary housing at this time

Regional Model Policy Framework: Key Recommendation #1

Set-Aside Percentages

Recommendation: Adopt tiered inclusionary unit set aside rates, based on the local housing market.

Rationale:

- Highest tier (20%) is aligned with some existing policies in Metro Vancouver.
- Phase-in period provides the development community time to adjust.

Tier 1: 5% at 10% below AMR

OR

Tier 2: 10% at 10% below AMR

OR

Tier 3: 20% at 10% below AMR

Regional Model Policy Framework: Key Recommendation #2



Ownership and Management of Inclusionary Housing Units

Recommendation: IH units should be owned or operated by a non-profit or qualifying agency.

Rationale:

- Ensures that the affordable units are secured.
- Lessens burden on municipalities for monitoring.
- Affordability will likely deepen over time.

	Vancouver HILs 2023	Maximum Rent / Mortgage Payment	IH Unit Purchase Price
Bachelor	\$ 58,000	\$ 1,450	\$ 207,850
1 Bedroom	\$ 58,000	\$ 1,450	\$ 207,850
2 Bedroom	\$ 72,000	\$ 1,800	\$ 258,020
3 Bedroom	\$ 86,000	\$ 2,150	\$ 308,190
4+ Bedroom	\$ 107,500	\$ 2,688	\$ 385,230

Regional Model Policy Framework: Key Recommendation #3

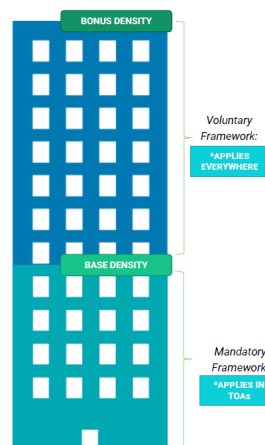


Mandatory Inclusionary Zoning (e.g. in TOAs, pre-zoned areas)

Recommendation: Apply a mandatory set aside rate to newly increased base densities in TOAs.

Rationale:

- Ensures that a portion of the increased land value is captured for affordable housing when these areas are upzoned.





Thank you!
Questions?



Regional Population Projections

Updates based on the 2021 census and new assumptions of immigration

Sinisa Vukicevic, PhD
Program Manager, Planning Analytics, Regional Planning and Housing Services
Regional Planning Committee | March 2024

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THE IMPORTANCE OF POPULATION PROJECTIONS

- Critical for estimating future demand for land, housing, jobs, and utilities (water, sewer and transit)
- Can be short-term (i.e. housing needs 5-10 years), medium-term (Metro 2050), or long-term (Utilities = 100+ years)
- Longer-term projections = higher uncertainty
- Increasingly more challenging with big fluctuations and uncertainties like affordability challenges, Covid, climate impacts, low immigration rates followed by high immigration targets



Scenario Planning



ESTIMATING GROWTH

Impacts of not being right

Over-estimate

- Increases in cost and scope or overbuild for regional and local infrastructure
- Increased cost of public transportation

Under-estimate

- Worsen existing infrastructure and service deficit (e.g. schools, health care systems, child-care facilities, transit)



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PROJECTIONS AND TARGETS

What makes them different?

	Projections	Targets
What they are?	Forecast / Prediction	Vision / Aspiration
Why they exist?	Estimate future growth	Put growth in the right places
How they are created?	Statistical modelling	Consensus goal-setting
Where they apply?	Region and sub-regions	Urban Centres & FTDA's
What they apply to?	Population, Housing & Employment	Housing & Employment
How they work together?	n/a – Targets are not an input	An “ideal” distribution of projected growth

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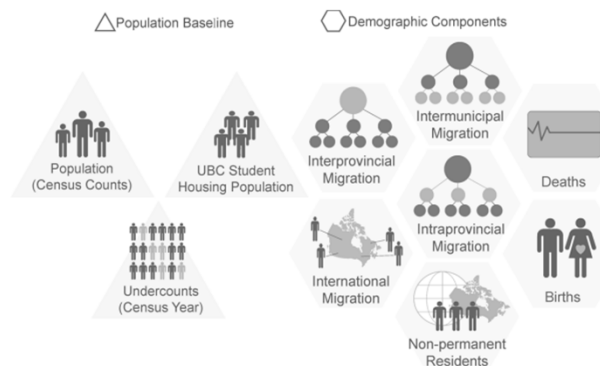
UPDATE OF POPULATION PROJECTIONS

- New Census (2021 data and Census undercounts)
- Immigration (Federal Immigration Levels Plan)
 - Plan announced after M2050 was adopted – impact on immigration from 2024-2026
 - Assumptions of higher immigration levels for future growth
- New fertility data (1989 to 2022)
- Comparative analysis
 - BC STATS, Statistics Canada

METRO VANCOUVER MODEL ASSUMPTIONS

Regional and Municipal Population Projections

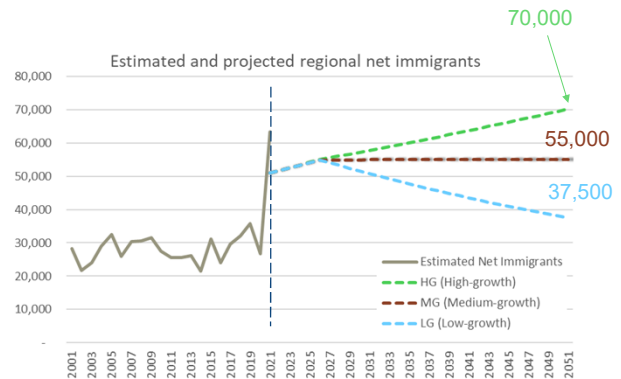
- Age-cohort component model
- Natural increase to reach zero by late 2030's
- 55,000 net new immigrants annually from 2026-2046 (higher than historic, but lower than current)
- Non-Permanent Residents gradual decrease after 2027
- Intra-provincial migration (big driver)
- Interprovincial migration (minor contributor)



ASSUMPTIONS OF NET IMMIGRATION

Three Scenarios, Regional Scale

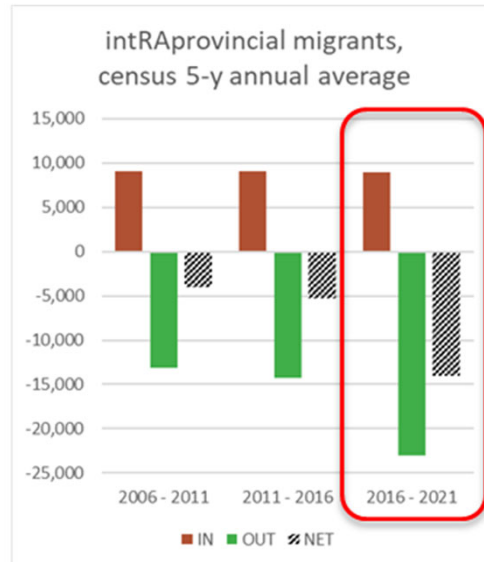
- Short term (2024 to 2026)
 - Assume 11% of national new immigrants come to the region
- Long term (post 2026)
 - **High-growth (HG):** increase by 2051 (proportion of projected national totals produced by Statistics Canada)
 - **Medium-growth (MG):** hold constant
 - **Low-growth (LG):** decrease, close to an historical average by 2051



Source: Statistics Canada, Metro Vancouver

NET INTRAPROVINCIAL MIGRATION

- The number of migrants moving from Metro Vancouver to other parts of the province has significantly increased.
- For 2006-2016, the regional intraprovincial migration was a net outflow of about 5,000 / yr
- For 2016-2021, saw a net outflow of about 15,000 / yr



INTERMUNICIPAL MIGRATION

2006-2011, 2011-2016, 2016-2021

- An increasing number of MV residents are moving between cities
- Net intermunicipal flows are dominated by eastward movement



Net intermunicipal migration flows exceeding 1,000. Arrow widths correspond to the magnitude of the flows, standardized across census periods

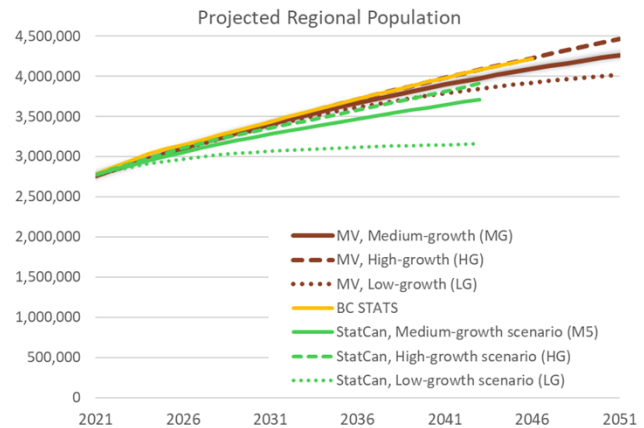
COMPARISON

Statistics Canada / BC Stats / Metro Vancouver

	Statistics Canada (10 Scenarios)	BC Stats	MV
Estimates	53% of BC's totals	MV	MV
Time	2021 to 2043	2021 to 2046	2021 to 2051
As of	Aug 2022	Feb 2024	Feb 2024

BC Stats projects higher and faster population growth: MV region is expected to reach 4 million by 2042.

- 2 years earlier than MV's MG scenario
- Same as MV's HG scenario
- 8 years earlier than MV's LG scenario



Source: Statistics Canada, BC STATS, Metro Vancouver

MUNICIPAL PROJECTIONS

Population Change *Between 2021 and 2046*

Change (in %) from
MV's MG to BC Stats

- The total growth estimated by BC Stats over next 25 years is around 1.44 million, 8% up compared to MV's MG
- Projected regional and municipal growth (by BC Stats or MV) are above historical averages
- BC Stats estimates Port Moody's growth is expected to be 1.7 times MV's estimates ($\Delta\%$ is 69%)

	2001-to-2021, BC Stats	2016-to-2021, BC Stats	as %	2021-to-2046, BC STATS	2021-to-2046, BC STATS	2021-to-2046, MV MG	2021-to-2046, MV MG
	20-y avg change	5-y avg change	Δ	total growth	25-y average	total growth	25-y average
Metro Vancouver	35,168	38,915	8%	1,442,363	57,695	1,331,183	53,247
Township of Langley	2,286	2,658	5%	90,268	3,611	85,740	3,430
City of Langley	206	331	31%	18,431	737	14,036	561
City of Surrey	12,548	14,175	19%	424,336	16,973	356,327	14,253
City of White Rock	122	135	-8%	7,809	312	8,463	339
City of Delta	592	1,184	2%	39,004	1,560	38,233	1,529
City of Richmond	2,329	2,089	21%	97,523	3,901	80,607	3,224
City of Vancouver	6,275	6,634	-5%	274,420	10,977	287,394	11,496
City of Burnaby	2,979	3,557	3%	130,029	5,201	126,098	5,044
City of New Westminster	1,334	1,828	-19%	46,161	1,846	57,058	2,282
City of Coquitlam	1,853	1,798	9%	95,598	3,824	87,962	3,518
City of Port Coquitlam	547	526	42%	25,992	1,040	18,253	730
City of Port Moody	531	106	69%	23,125	925	13,677	547
District of North Vancouver	296	336	25%	31,395	1,256	25,095	1,004
City of North Vancouver	700	931	-8%	32,398	1,296	35,170	1,407
District of West Vancouver	120	240	9%	12,996	520	11,916	477
Bowen Island Municipality	52	56	-7%	1,696	68	1,824	73
City of Pitt Meadows	235	114	32%	9,115	365	6,925	277
City of Maple Ridge	1,411	1,555	14%	50,914	2,037	44,851	1,794

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COLLABORATION IS CRITICAL

Lost opportunity if not aligned:

- Metro 2050: 4 year process to achieve consensus on strong housing policies, targets and monitoring tools
- Local governments have detailed contexts and data
- TransLink (TAZ), Utilities (Sewerage areas), municipal partners: capital plans heavily impacted

Ongoing discussions on assumptions and areas of uncertainty / RPAC Subcommittee



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Thank You

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To: Regional Planning Committee

From: Carla Stewart, Senior Planner, Regional Planning and Housing Services

Date: February 8, 2024 Meeting Date: March 8, 2024

Subject: **Regional Food System Strategy Update – Scope of Work and Engagement (Phase 2)**

RECOMMENDATION

That the Regional Planning Committee receive for information the report dated February 8, 2024, titled “Regional Food System Strategy Update – Scope of Work and Engagement (Phase 2)”.

EXECUTIVE SUMMARY

Since endorsing its first *Regional Food System Strategy* (RFSS) in 2011, Metro Vancouver and its member jurisdictions have collectively worked to support a sustainable, resilient and healthy food system. These efforts focused on continuing to protect agricultural land and food production and increase local food security in the face of advancing climate stability, changing socio-economic circumstances, and regional development pressures. During preparation of the *Climate 2050 Agriculture Roadmap*, endorsed by the MVRD Board in 2023, an update to the *Regional Food System Strategy* was identified in order to address on going policy gaps including:

- impact of global emergencies and on-going climate change;
- high reliance on imported food;
- social equity, reconciliation, high cost of food; and
- wasted food and food circularity.

The update to the RFSS, identified in the *Board Strategic Plan (2022 – 2026)* as a priority action, is intended to connect with all segments and sectors of the region’s food system, understand the issues, challenges and successes each sector has experienced over the past 13 years, develop a shared vision and goals, and establish actions and a strategic direction to move forward.

This report presents the project scope of work including policy context, objectives, and engagement plan and timelines to the Regional Planning Committee for information.

PURPOSE

To provide the Regional Planning Committee with the scope of work and engagement plan for the update to the *Regional Food System Strategy*.

BACKGROUND

The update to the *Regional Food System Strategy* (Reference 1) supports the MVRD Board vision of embracing a livable and resilient region by contributing to protecting the environment, building economic prosperity, and taking climate action through collaboration, innovation and providing sustainable regional services. Both the *Board Strategic Plan (2022-2026)* (Reference 2) and *Climate 2050 Agriculture Roadmap* (Reference 3) identify updating the RFSS as a priority action item. To further support this project, a full list of all relevant policies identified in the *Board Strategic Plan*

(2022 – 2026), the *Climate 2050 Agriculture Roadmap*, and *Metro 2050* (Reference 4) is provided in Attachment 1. The project is also a 2024 Work Plan item for the Regional Planning Committee.

REGIONAL FOOD SYSTEMS – METRO VANCOUVER’S POLICY CONTEXT

In 2008, the MVRD Board approved the Metro Vancouver Sustainability Framework, which identified preparing a food system strategy as a priority action. Metro Vancouver, with input and direction from the Agricultural Advisory Committee, collaborated with various government agencies, educational institutions, private businesses and community organizations to prepare the first RFSS for the region, which was endorsed by the MVRD Board in 2011. With direct input from member jurisdictions, the MVRD Board also endorsed the *Regional Food System Action Plan* in 2016, intended to act as a reference guide for local government and summarize the collective, regional work still required to support the RFSS vision of a sustainable, resilient and healthy food system (Reference 5).

The RFSS was prepared to help guide Metro Vancouver’s roles and actionable priorities and to support four main desired outcomes, including:

- increase actively farmed land;
- improve regional food security;
- reduce energy use in the food system; and
- promote community and regional economic development.

Complete Food System

The RFSS was also intended to support a long-term and resilient food production and distribution system in the face of peak oil, advancing climate stability, changing socio-economic circumstances and regional development pressures.

A complete food system, as defined in Metro Vancouver’s RFSS and illustrated in Figure 1, encapsulates all the processes involved in keeping humans fed including:

- growing and harvesting food,
- processing, packaging, transporting and distributing food products,
- preparing and marketing food, and, most meaningfully, and
- consuming food.

Food systems also include the management of food and packaging waste, and recovering the nutrients that are discarded when unused food and food scraps are discarded.

Other Related Projects

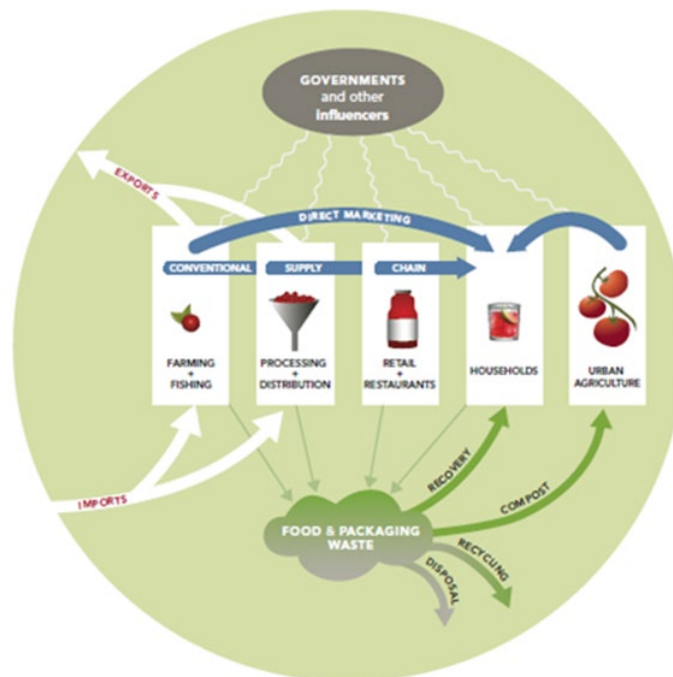
Since 2011, Metro Vancouver has advanced projects that align and support the RFSS (Attachment 2). During the preparation of the *Climate 2050 Agriculture Roadmap*, endorsed by the MVRD Board in 2023, several policy gaps were identified as needing to be addressed that were more appropriate to include in an update to the RFSS including:

- impact of global emergencies;
- high reliance on imported food;
- climate change impacts on agricultural sector;
- social equity and reconciliation;

- food waste and food circularity;
- inflation and high cost of food; and
- overall food system resilience.

These issues, as well as those identified during the proposed engagement process, will help inform the update to the RFSS.

Figure 1: A Complete Food System



REGIONAL POLICY CONTEXT

Metro Vancouver’s policies that support a healthy regional food system are reflected and bolstered by plans, strategies, and projects at the local level (Attachment 3). While member jurisdictions often look to Metro Vancouver to support their local and community-based food system work, many member jurisdictions are also leading the way with their own food system plans, strategies and projects. This work will add important considerations to the update of the RFSS by providing the opportunity for Metro Vancouver to align its policies and programs with some of the innovative work already underway at the local level.

PROJECT OBJECTIVES

Metro Vancouver’s regional food system is a complex, dynamic, multi-jurisdictional, multi-sector economic and societal function that is regularly impacted by local, regional, provincial, national and international regulations, decision making and events. Metro Vancouver plays a pivotal role in supporting the function of this region’s complete food system and its regional-level challenges by providing a forum for collaboration and creating opportunities for dialogue and engagement as a bridge between and across multiple sectors.

Metro Vancouver’s work also helps to increase the capacity of member jurisdictions and creates a venue where the multiple sectors comprising the local food system can convene to discuss complex topics. Metro Vancouver is also a direct supplier of drinking water and manages solid waste, which are two significant components to a functioning and healthy food system. These roles are therefore reflected in the overall objectives of this project.

The update to the RFSS seeks to:

1. Connect with all segments and sectors of the region’s food system, including member jurisdictions, local First Nations, agricultural producers, food processors, academic institutions, health authorities, food industry associations, and social service and faith-based food-focused agencies;
2. Through a variety of mechanisms, understand the issues, challenges and successes each food system sector has experienced since the first RFSS was completed in 2011.
3. Develop a shared vision;
4. Develop shared goals and actions;
5. Obtain public feedback on issues and actions; and
6. Create a strategic direction for moving forward with action implementation.

PROPOSED PROCESS AND ENGAGEMENT

The project has been separated into three phases, each including multiple tasks.

Phase 1: Background Preparation (Completed)

Before an update to the RFSS could be considered, a considerable amount of background and organizational work was needed. This work, detailed in the staff report dated August 15, 2023, titled “Regional Food System Strategy Update – Scope of Work” (Reference 6), included:

1. Developing an understanding of what other jurisdictions have accomplished since the RFSS was first endorsed;
2. Gaining insights into how the regional food system has evolved over the past several years;
3. Auditing the 2011 RFSS to identify relevant issues still needing to be addressed; and
4. Identifying stakeholders and partners that could be invited to engage in the Strategy update.

Upland Agricultural Consulting was retained by Metro Vancouver to undertake this phase of work, which included the following:

Task 1 - Literature Review (September – October 2023)

- A comprehensive literature review confirmed that food systems operate under a complex and dynamic legislative framework governed by a multitude of policies and regulatory influences that lack cohesion and integration under one governing body;
- Many of the issues identified in the 2011 *Regional Food System Strategy* remain relevant today. Issues needing to be addressed in the update project include: 1) the impact of global emergencies on local food; 2) the increasing social equity barriers to food; 3) food waste and lack of circularity; 4) the impacts of climate change; 5) Indigenous food security; and 6) inflation and the rising costs of food.

Task 2 - Regional Food System Audit (October 2023)

- An audit of actions in the 2011 *Regional Food System Strategy* and the *Regional Food System Action Plan* (2016) was completed.
- Urgent gaps that should be addressed in the Strategy update project were identified as: food system resilience, climate change adaptation, food equity and reconciliation, and food waste.

Task 3 - Engagement Strategy Preparation (November-December 2023)

- A draft engagement strategy for Phase 2 of the project was prepared. This strategy recommends: establishing a technical advisory committee; undertaking subject matter interviews; hosting workshops and presentations; and providing multiple opportunities for partners and stakeholders to adequately communicate and discuss their respective food system challenges in a joint forum.
- This draft engagement strategy was used to prepare the project engagement plan provided in this report.

Task 4 - Stakeholder and Partner Identification (December 2023)

- A list of possible food system stakeholders, representatives and partners that may be interested in participating was prepared.
- An information-sharing and decision-making structure to manage the engagement process was also recommended.

Phase 2: Engagement (Current)

The current phase of work to update the RFSS will involve engaging with a variety of key partners and stakeholders, including gathering input from member jurisdictions, First Nations communities, the general public, and key stakeholders representing various sectors of the region's food system. This phase of work is proposed to follow the general structure detailed below:

Step 1 - Launch Project (February – April 2024)

- Invite local First Nations to participate in the project, including hosting a learning circle dialogue;
- Retain an engagement consultant;
- Create and convene a Project Advisory Committee;
- Finalize and initiate a communications strategy, launch the project website; and
- Launch project internally and to member jurisdictions via advisory committee presentations.

Step 2 - 'Confirm and Gather' Engagement (April - July 2024)

- Launch project to targeted sector groups and the general public
 - > Coordinate with Existing Metro Vancouver Campaigns (e.g., Love Food Hate Waste, Solid Waste Management Plan Update);
- Host in-person and virtual engagement events with the following subject matter experts: agricultural producers; food processors; food waste; urban agriculture; community food security; public health; food distribution; emergency management; transportation and logistics; land use; economic development; local First Nations; and member jurisdiction, Provincial and Federal government staff;
- Member jurisdiction presentations
 - > Local Agricultural Advisory Committees and other identified relevant food system-focused committees

Step 3 - ‘Brainstorm and Solve’ Engagement (September – December 2024)

- Organize ‘Confirm and Gather’ engagement results
- Prepare updated vision, goals, actions
- Host ‘All Sector’ food system forum

Phase 3: Document Preparation (Next Steps)

The future phase of work will involve compiling all the content gathered during the engagement stage and using it to update the Regional Food System Strategy. This phase of work is proposed to follow the general structure detailed below:

Step 1 – Prepare Draft (January – March 2025)

- Organize and evaluate all engagement content
- Update Strategy content
- Prepare updated Draft RFSS
- Run final review and edit phase of Draft RFSS

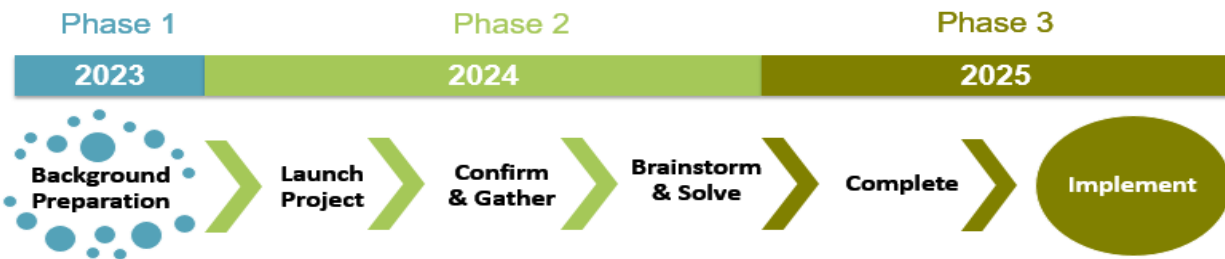
Step 2 – Complete Project (April – May 2025)

- Present final draft to Agricultural Advisory Committee, Regional Planning Committee, member jurisdictions and advisory committees

TIMELINE

Figure 2 provides an overview of the RFSS update timeline, illustrating the main phases, tasks and expected timelines for the project. Given the complex nature of food systems and the extensive list of partners and stakeholders that may wish to be involved in the project, overall timelines may be adjusted to accommodate engagement, particularly at the request of local First Nations.

Figure 2 – Project Timeline



ALTERNATIVES

This is an information report. No alternatives are presented.

FINANCIAL IMPLICATIONS

The Board-approved 2024 Regional Planning budget includes \$60,000 for the *Regional Food System Strategy* update project. These funds are intended to support retaining a consultant to manage a majority of the engagement activities in 2024. It is anticipated that additional budget may be required to support First Nations’ participation and complete the project in 2025.

CONCLUSION

The need to update Metro Vancouver’s *Regional Food System Strategy* has been identified in the *Board Strategic Plan 2022 – 2026* and *Climate 2050 Agriculture Roadmap*. This update will build on the strengths of the existing RFSS completed in 2011, engage with a many partners and stakeholders, including member jurisdictions and local First Nations, and focus on identifying common issues, actions and implementation solutions to continue to support a healthy, sustainable food system. Given the complex nature of food systems, Regional Planning staff will be coordinating and collaborating across all Metro Vancouver departments, including: Indigenous Relations, Solid Waste Services, Invest Vancouver, Water Services, Liquid Waste Services, and Regional Parks and Environment.

ATTACHMENTS

1. Regional Food Systems – Metro Vancouver’s Policy Context
2. Metro Vancouver Regional Food System Related Projects
3. Regional Food Systems – Local Policy Context

REFERENCES

1. [Regional Food System Strategy \(2011\)](#)
2. [Metro Vancouver Board Strategic Plan 2022 – 2026](#)
3. [Climate 2050 Agriculture Roadmap](#)
4. [Metro 2050](#)
5. [Regional Food System Action Plan \(2016\)](#)
6. [Regional Planning Committee Report dated August 15, 2023 titled “Regional Food System Strategy Update – Scope of Work”](#)

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Regional Food Systems - Metro Vancouver's Policy Context

The following Metro Vancouver policies support the regional food system:

- [Metro Vancouver Board Strategic Plan 2022-2026](#)
 - *Overall Strategic Actions*
 - > Facilitate collaboration with member jurisdictions to create efficiencies and improve alignment between local government policies and actions with those of Metro Vancouver.
 - > Advance initiatives aligned with a transformation to a circular economy.
 - > Prioritize climate action (greenhouse gas reduction and resilience to impacts) in all services, projects, and initiatives.
 - > Enhance understanding of Indigenous knowledge to help inform policies and goals on ecosystem preservation and adaptation measures.
 - *Water Services*
 - > Integrate climate change mitigation and adaptation measures within water utility operations to reduce greenhouse gases and respond to the effects of the changing climate.
 - > Enhance public understanding of the water system and appreciation of drinking water as a precious resource through education, communication, and engagement.
 - > Work collaboratively with members to reduce peak day and annual per-capita water demand.
 - *Liquid Waste Services*
 - > Work with First Nations and senior levels of government on collaborative environmental management initiatives.
 - > Enhance the role of new source controls and incentives to prevent the release of contaminants into the liquid waste system, while collaborating with members, partner organizations, and product producers.
 - > Expand public awareness of the contribution of liquid waste management to human and environmental health.
 - *Solid Waste Services*
 - > Work with members, the provincial government, and the Federal Government on strategies to reduce single-use items and other disposable consumer products.
 - > Continue to develop programs and related communication campaigns that increase diversion rates of materials that can be reused, repurposed, or recycled.
 - > Work with the private sector to innovate in the provision of recycling solutions, including micro-solutions.
 - > Assess Metro Vancouver's role in processing organics and wood.
 - > Identify future disposal alternatives and develop analysis for each, providing life cycle and full cost analysis, including GHG emission estimates.
 - > Leverage the National Zero Waste Council and the Zero Waste Conference to promote the importance of waste prevention and the value of transitioning to a circular economy.

- > Facilitate cross-sector collaboration to design waste out of products and packaging, and to harmonize policies across Canadian jurisdictions that will both reduce waste and create opportunities of scale in remanufacturing opportunities.
- *Regional Parks*
 - > Manage built and natural assets proactively as part of an asset management system to support the provision of safe and well-maintained infrastructure and integrity of ecosystems.
- *Regional Planning*
 - > Work closely with member jurisdictions, TransLink, First Nations, the Province, and other regional agencies and organizations to advance *Metro 2050*’s goals, strategies, and policy actions.
 - > Undertake innovative research that supports the overarching goals in *Metro 2050*, including projects such as: Regional Parking Strategy, Housing and Transportation Cost Burden Study Update, Regional Food System Strategy Update, and Growth Management and Investment Model.
 - > Work with members to protect industrial and employment lands that support economic activities contributing to regional prosperity.
- *Air Quality and Climate Action*
 - > Accelerate emission reductions from all types of vehicles through policies and regulations working in collaboration with regional partners.
 - > Promote transition to clean, renewable energy at the regional and corporate levels in collaboration with energy utilities and other partners.
 - > Continue to develop policies and processes to integrate social equity into all air quality and climate policies.
 - > Continue partnering with and advocating to other governments and agencies to implement initiatives that accelerate GHG emission reductions in priority areas, including: large-scale electrification; regulating health-harming emissions from regionally significant sources; fuel decarbonization in transportation; and incentives and equity-oriented programs to support purchase of low- and zero-carbon technologies by residents and businesses.
- *Metro Vancouver Housing*
 - > Support healthy and engaged communities in Metro Vancouver Housing’s sites.
 - > Enhance tenant programs that build community and foster tenant well-being, with a focus on joy-based healing, investment in social capital, and poverty alleviation.
- *Invest Vancouver*
 - > Provide regional leadership in economic development and investment promotion to enhance regional competitive advantages, complementing and amplifying the local work of member jurisdictions.
 - > Promote strategic investment opportunities in key industries to global investors through presence and profile at events and initiatives within the region and key markets.
 - > Use an evidence-based approach to advocate to decision-makers to increase economic resilience and fortify the regional economy by identifying strengths, addressing barriers, and advancing opportunities.
 - > Engage Indigenous Peoples to advance economic reconciliation and Indigenous prosperity through regional economic development opportunities and partnerships.

- > Continue to identify opportunities and align resource efforts across levels of government to maximize impact for the region.

Metro 2050

Metro Vancouver will:

- *Policy Action 1.3.3* - Collaborate with health authorities, academic institutions, First Nations, and other researchers to share best practices, research, data, and tools that can advance land use policies to:
 - b) meet community social needs and priorities.
- *Policy Action 1.3.4* – Measure and monitor access to community services and amenities, particularly in Urban Centres and Frequent Transit Development Areas.
- *Policy Action 1.3.5* – Advocate to the Federal Government and the Province to ensure that growing communities are served appropriately and in a timely manner with social amenities, health, schools, and educational opportunities, to avoid inequities in service levels between communities in the region.
- *Policy Action 1.4.2* – Accept RCS’s that protect lands with a Rural regional land use designation from urban development and that meet or work towards Action 1.4.3.
- *Policy Action 2.1.1* – Provide regional utility infrastructure to support the region’s economic functions and to support efficient employment and settlement patterns.
- *Policy Action 2.1.2* – Work with the Federal Government, the Province, member jurisdictions, First Nations, and the private sector to advance shared economic prosperity and resilience through Invest Vancouver to attract strategic investment to the region.
- *Policy Action 2.1.4* – Collaborate with the Fraser Valley and Squamish-Lillooet Regional Districts on shared initiatives related to economy, transportation, and other related matters.
- *Policy Action 2.1.7* – Advocate that airport authorities:
 - b) expedite the transition to energy efficient, low, and zero emission modes for goods movement.
- *Policy Action 2.1.8* – Advocate that the Port of Vancouver:
 - b) expedite the transition to energy efficient, low, and zero emission modes for goods movement.
- *Policy Action 2.1.9* – Advocate that the Federal Government and the Province support existing and new industries in the region through such means as investment, procurement strategies, tax incentives, skill development, and small business loan programs.
- *Policy Action 2.2.6* – Advocate to the Federal Government and the Province to coordinate transportation infrastructure and service investments that support efficient movement of goods and people for industrial and employment operations, and considers the Regional Goods Movement Strategy and the Regional Truck Route Network.
- *Policy Action 2.2.7* – Advocate to the Federal Government and the Province to support initiatives and infrastructure investments that:
 - a) introduce more energy efficient, low carbon and zero emissions equipment operations and vehicles.

- c) expedite the transition to energy efficient, low and zero emission mode for goods movement.
- *Policy Action 2.3.5* – Undertake agriculture awareness activities that promote the importance of the agricultural industry, the protection of agricultural land, and the value of local agricultural products and experiences, in partnership with other agencies and organizations.
- *Policy Action 2.3.9* – Advocate to the Province to increase agricultural producers’ knowledge and adoption of innovative practices for advancing agriculture economic development, and resilience to climate change and natural hazard impacts, such as those identified in the regional growth strategy (Table 5).
- *Policy Action 2.3.10* – Advocate to the Province to provide incentives to encourage land management practices that reduce greenhouse gas emissions, improve soil health, protect natural assets, and maintain ecosystem services from agricultural land.
- *Policy Action 2.2.11* – Advocate to the Province for changes to the *Local Government Act* to require that Official Community Plans prioritize the need for agricultural land, similar to how long-term needs are considered for residential, commercial and industrial lands.
- *Policy Action 3.2.2* – Implement the Metro Vancouver Ecological Health Framework, including relevant actions to:
 - b) incorporate natural assets and ecosystem services into Metro Vancouver’s corporate planning, asset management systems and investments, and provide regionally appropriate guidance on methodologies, tools, and decision-making frameworks.
- *Policy Action 3.2.3* – Manage Metro Vancouver assets and collaborate with member jurisdictions, First Nations, and other agencies to:
 - c) identify a regional green infrastructure network that connects ecosystems and builds on existing local networks, while maximizing resilience, biodiversity, and human health benefits.
 - d) prepare Implementation Guidelines to support a regional green infrastructure network to assist with the protection, enhancement, and restoration of ecosystems.
- *Policy Action 3.2.4* – Work with local First Nations to:
 - c) seek other Indigenous stewardship, research, and co-management opportunities.
- *Policy Action 3.2.6* – Advocate to the Federal Government and the Province to:
 - c) update and consolidate provincial invasive species legislation to better support the management of high-risk invasive species.
- *Policy Action 3.3.2* – Work with the Federal Government, the Province, TransLink, member jurisdictions, energy utilities, the private sector, and other stakeholders, as appropriate, to:
 - a) monitor energy consumption, greenhouse gas emissions, and air quality related to land use, buildings, agriculture, waste, transportation, and other emission sources, and consider lifecycle energy and emissions.
- *Policy Action 3.4.2* – Work with the Integrated Partnership for Regional Emergency Management, the Federal Government, the Province, First Nations, TransLink, member jurisdictions, adjacent regional districts, and other stakeholders, as appropriate to:
 - e) support regional flood management approaches, such as the implementation of the Lower Mainland Flood Management Strategy.

- *Policy Action 5.1.8* – Advocate to the Federal Government and the Province, in collaboration with TransLink and member jurisdictions, to evaluate and develop measures to mitigate the potential negative impacts on the region’s Industrial, Agricultural, and Conservation Recreation lands when planning transportation infrastructure, including roadways, railways, and rapid transit systems.
- *Policy Action 5.2.1* – Support implementation of the Regional Goods Movement Strategy and continue to participate in the Greater Vancouver Urban Freight Council.
- *Policy Action 5.2.5* – Advocate to the Federal Government and the Province to support the safe, reliable, and efficient movement of vehicles for passengers, goods, and services through:
 - d) local government funding programs for survey instruments to obtain timely and comprehensive data on the travel patterns of residents, workers, and goods and service vehicles travelling inter- and intra-regionally.

Member jurisdictions will:

- *Policy Action 1.3.7* Adopt Regional Context Statements that:
 - e) support the inclusion of community gardens (at-grade, rooftop, or on balconies), grocery stores and farmer’s markets to support food security, and local production, distribution and consumption of healthy food, in particular where they are easily accessible to housing and transit services
 - h) consider where appropriate, opportunities to incorporate recognition of Indigenous and other cultures into the planning of Urban Centres, FTDA’s, and other local centres.
- *Policy Action 1.4.3* Adopt Regional Context Statements that:
 - b) limit development to a scale, form and density consistent with the intent for Rural land use designation, and that is compatible with on-site sewer servicing.
 - d) prioritize and support agricultural uses within the ALR, and where appropriate, support agricultural uses outside of the ALR.
- *Policy Action 2.3.12* – Adopt Regional Context Statements that:
 - b) consider policies and programs that increase markets and the distribution of local food in urban areas to strengthen the viability of agriculture and increase availability of local food for all residents;
 - c) include policies that protect the supply of agricultural land and strengthen agriculture viability including those that:
 - i) assign appropriate land use designations to protect agricultural land for future generations and discourage land uses on Agricultural lands that do not directly support and strengthen agricultural viability.
 - iii) support climate change adaptation.
 - v) demonstrate support for economic development opportunities for agricultural operations that are farm related uses, benefit from close proximity to farms, enhance primary agricultural production as defined by the Agricultural Land Commission in partnership with other agencies and organizations.
- *Policy Action 2.3.13* In partnership with other agencies and organizations, support agricultural awareness and promote the importance of the agricultural industry, the

importance of protecting agricultural land, and the value of local agricultural products and experiences.

- *Policy Action 3.2.7* – Adopt Regional Context Statements that:
 - b) iv) indicate how the interface between ecosystems and other land uses will be managed to maintain ecological integrity using edge planning, and measures such as physical buffers, or development permit requirements.
 - *Policy Action 3.4.6* – Incorporate climate change and natural hazard risk assessments into planning and location decisions for new municipal utilities, assets, operations, and community services.
 - *Policy Action 3.4.7* – Integrate emergency management, utility planning, and climate change adaptation principles when preparing land use plans, transportation plans, and growth management plans.
 - *Policy Action 4.1.8* – Adopt Regional Context Statements that:
 - c) identify policies and actions that contribute to the following outcomes:
 - vi) increased social connectedness in multi-unit housing.
 - *Policy Action 5.2.6* – Adopt Regional Context Statements that:
 - 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; Major Transit Growth Corridors; Industrial; Employment; and Agricultural lands; ports, airports; and international border crossings.
 - b) identify land use and related policies and actions that support the optimization and safety of goods movement via roads, highways, railways, aviation, short sea shipping, and active transportation.
 - d) identify policies and actions that support the protection of rail rights-of-way, truck routes, and access points to navigable waterways in order to preserve the potential for goods movement.
- [Climate 2050 Agriculture Roadmap](#)
- *Regional Food System Strategy Breakout Box:*
 Since [the preparation of the first Regional Food System Strategy] the Metro Vancouver region has experienced a significant amount of change including:
 - > A considerable increase in region-wide urban growth placing unprecedented pressure on agricultural lands to accommodate non-farm uses, urban transportation overflow, and space for recreational uses;
 - > An increase in food insecurity among vulnerable populations as well as new demographic sectors as a result of a global pandemic, military conflicts, and inflation;
 - > A change to local weather patterns such as heat domes and extended droughts resulting in crop damage and food unavailability. These changes place substantial pressures on the regional food system increasing food insecurity for all residents.
 - > These issues, as well as a gap in the acknowledgement and strengthening of Indigenous food sovereignty, will need to be examined within the broader framework and context of the complete regional food system. To accomplish that effectively, the Regional Food System Strategy will require an audit to determine if its policies are still relevant and are broad enough to address the identified gaps. Of

particular note, the following items should also be explored from a food system point of view:

- Examine the Milan Urban Food Policy Pact to determine what regional monitoring frameworks can be implemented to evaluate gaps in policy and resource mobilization and reveal overall food system improvements;
 - Examine the entire food system chain from a regional level to determine where emissions can be reduced and what efficiencies can be achieved;
 - Examine the Food and Agriculture Organization of the UN to determine what sustainability indicators can be applied regionally to Metro Vancouver;
 - Work with First Nations, the BC Government and the Indigenous Advisory Council on Agriculture and Food, to identify opportunities to strengthen Indigenous food systems and increase Indigenous participation in the agriculture and food sectors;
 - Examine how the local agriculture community can diversify, including: new, more resilient crop species; appropriate locations for crops based on soil type and hazard vulnerabilities (e.g., coastal flooding); and new adaptive agricultural management and production models;
 - Establish inter-municipal learning opportunities for staff, administration and council to learn from each other, and understand how municipal interests and activities intersect with food systems planning and decision-making;
 - Determine the content for a step-by-step instructional toolkit to be used by new or young farmers interested in starting a farm operation within Metro Vancouver; and
 - Address the tension that exists between food safety (e.g., health protection that places restrictions on food processing) and food security (e.g., health promotion that can be disconnected from food safety requirements) activities.
- *Strategy 1: Protect Agricultural Land*
 - > *Action 1.1:* Prepare an Agricultural Land Protection and Viability Strategy to identify how to protect and increase the active production of agricultural land within the region including:
 - Identifying the most feasible and beneficial opportunities for regional, inter-governmental and industry collaboration;
 - Supporting and expanding land matching initiatives; and
 - Increasing long term access to farmland for young and new farmers
 - > *Action 1.5:* Work with member jurisdictions, the BC Government, and industry to incentivize, increase the viability of, and prioritize the use of soil-based agriculture in the region
 - > *Action 1.12:* Work with First Nations, the BC Government, member jurisdictions and the agricultural sector to review how regional policy can recognize and support Indigenous food sovereignty throughout the region.
 - *Strategy 2: Support Farmers as Climate Action Leaders*
 - > *Action 2.4:* Update the regional emissions inventory with greenhouse-specific data.
 - > *Action 2.16:* Work with the BC Government, industry, and the agriculture community to develop a pilot study to test the feasibility and logistical requirements for the wide-spread use of zero emission agriculture equipment (e.g., electric tractors).

- > *Action 2.20:* Support and streamline the operation of anaerobic digestion facilities in the region by developing an emission regulation for anaerobic digestion of agricultural and commercial food waste that is simple and maintains existing permitting processes while also ensuring equivalent protections for regional air quality and human health.
- > *Action 2.21:* Support and streamline the operation of anaerobic digestion facilities in the region by developing a multi-stakeholder centralized agricultural waste collection facility in the Metro Vancouver region to support meeting the Provincial Agricultural Environment Management Code of Practice and improve the cost-benefit return on running anaerobic digestors for agricultural producers.
- > *Action 2.24:* Advocate to member jurisdictions and other regional partners to address regional food security, encourage more local food production, and prioritize agricultural practices that reduce emissions or help maintain or sequester carbon.
- *Strategy 3: Support Long-Term Farm Health and Resilience*
 - > *Action 3.3:* Prepare a comprehensive regional high resolution map of ecosystem services locations on agricultural land identifying the highest opportunities for focused stewardship efforts to support the long-term resilience of the agricultural sector. (See also Strategy 3.7)
 - > *Action 3.5:* Estimate the financial value of ecosystem services on agricultural land in the Metro Vancouver region and determine how farmers and land owners can be compensated for setting aside natural areas for the benefit of ecosystem services.
 - > *Action 3.7:* Review and assess options to align with the ongoing work to establish a Regional Green Infrastructure Network to support ecosystem services on agricultural land.
 - > *Action 3.13:* Work with the BC Government, water districts and member jurisdictions to develop a comprehensive analysis of the sub-regional sources of water used by the agricultural sector in Metro Vancouver and the ongoing challenges with accessing that water for agricultural purposes.
 - > *Action 3.14:* Work with the BC Government, water districts and member jurisdictions to provide viable and tangible solutions to ensuring water resources needed by the farming community are provided in a sustainable, consistent, and reliable manner.
 - > *Action 3.15:* Explore innovative sources and new technologies for water reuse (e.g., municipal waste water, agricultural drainage water) and water conservation (e.g., applying mulches to field crops).
 - > *Action 3.17:* Update the agricultural water demand model to incorporate current climate conditions, crop irrigation systems and soil information data to contribute to the discussion of water availability for the agricultural community.
 - > *Action 3.18:* Develop a toolkit on how a circular water economy can be supported within the Metro Vancouver farming community, including new technologies and techniques for water reuse.
 - > *Action 3.20:* Work with member jurisdictions to examine the feasibility and benefits of committing to established reporting frameworks that use measurable targets to determine the effectiveness of adaptation policy for agricultural operations, for example, the:
 - Previous Mexico City Pact; and
 - Milan Urban Food Policy Pact.

- *Strategy 4: Support a Viable, Profitable and Stable Agricultural Sector*
 - > *Action 4.5: Work with the BC Government, member jurisdictions, industry, First Nations and other regional partners to undertake a review of the Regional Food System Strategy to address:*
 - Climate-related food-specific challenges, gaps and opportunities;
 - Local food production vulnerability and longevity within the region;
 - Role of urban agricultural in regional food security;
 - Lack of succession planning and labour shortage and living wage challenges;
 - Indigenous food sovereignty;
 - Impacts of the global COVID-19 pandemic; and
 - Impacts of international conflicts on local agriculture production capacity
 - > *Action 4.6: Work with the BC government, member jurisdictions, and agricultural producers to support pilot projects that focus on diversifying food production in the region to reduce the reliance on food imports (e.g., local citrus fruit production).*
 - > *Action 4.7: Work with the BC Government and member jurisdictions to develop engaging and approachable educational campaigns aimed on connecting consumers more closely with the realities and challenges of producing food in the Metro Vancouver region, including:*
 - How agriculture is affected by climate change;
 - What costs and processes go into producing food (e.g., the farm-to-food cost spectrum);
 - What actions farmers are taking to adapt to significant regional climate issues; and
 - How consumers can be a positive contributor to agricultural resilience through their actions and decision making.
 - > *Action 4.8: Work with member jurisdictions to develop a coordinated regional signage campaign to raise awareness and showcase the location and benefits of locally-grown crops.*
 - > *Action 4.12: Collaborate with agricultural-focused research and innovation entities (e.g., Agri-Food Innovation Council, Agritech BC, Canadian Food Innovation Network) to advance the use of technological innovations into local agricultural production.*

Metro Vancouver Regional Food System Related Projects

The following Metro Vancouver projects, programs, strategies and plans align with the *Regional Food System Strategy*:

- [National Zero Waste Council 2022 – 2025 Strategic Plan](#)
- [Zero Waste Conference](#)
- [Climate 2050 Energy Roadmap](#)
- [Climate 2050 Nature and Ecosystems Roadmap](#)
- [Climate 2050 Human Health and Well-being Roadmap](#) (underway)
- [Climate 2050 Water and Wastewater Infrastructure Roadmap](#) (underway)
- [Clean Air Plan](#)
- [Metro Vancouver Food Recovery Network](#)
- [Good Gardens, Good Communities – Community Gardening Handbook](#)
- [Metro Vancouver Housing 10-Year Plan](#)
- [Regional Parks Plan](#)
- [Food Flows in Metro Vancouver](#) (2019)
- [Regional Parks Natural Resource Management Framework](#) (2020)
- [Regional Parks Land Acquisition 2050 Strategy](#)
- [Liquid Waste Management Plan Update](#) (underway)
- [Solid Waste Management Plan Update](#) (underway)
- [Drinking Water Management Plan Update](#) (underway)
- Evaluation of Current and Projected Agricultural Water Demand within Metro Vancouver Region (underway)
- Agricultural Land Use Inventory (2016, 2022) (underway)
- [Alternative Waste Management Practice for Agricultural Vegetative Debris](#) (2021)
- [10-Year Salmon Enhancement Action Plan](#) (underway)
- Regional Green Infrastructure Network (underway)
- [Agricultural and Industrial Lands Survey](#) (2017)
- [Agricultural Land Soil Investigation](#)
- [Agritech Today, Building for Tomorrow: Findings and Actions to Strengthen the Sector in Metro Vancouver Region](#) (2022)
- Agricultural Emissions Estimator Tool (underway)
- Regional Multi-Hazard Mapping (underway)
- [Climate 2050 Land Use and Urban Form Roadmap](#) (underway)
- [Agricultural Awareness Grants](#) (2008 – 2024)
- [Scoping Ecosystem Services on Agricultural Land in Metro Vancouver](#) (2023)
- [Metro 2050 Climate Policy Enhancements Project](#) (underway)
- Hazard Risk and Vulnerability Blueprint (underway)
- Industrial Lands Labour Force Survey (underway)
- Industrial Land Economic Impact/Value Study – Update (underway)
- [2020 Regional Industrial Lands Inventory: Technical Report](#) (2021)
- [Regional Industrial Land Strategy](#) (2020)
- [Social Equity & Regional Growth Study](#) (2021)
- ALR Landowner Survey (2013)
- [Farm Tax Class Income Threshold Investigation](#) (2015)
- [Love Food Hate Waste Campaign](#)

- [Agriculture Water Demand Model](#) (2013)
- [Property Tax Scenario Analysis For Agricultural and Industrial Lands in the Metro Vancouver Region](#) (2014)
- [Sector Profile: Agritech in Metro Vancouver](#) (2022)

Regional Food Systems – Local Policy Context

The following Metro Vancouver member jurisdiction policies, plans, strategies and projects support the regional food system:

- [Richmond Circular City Strategy](#) (2023)
- [Grown in Pitt Meadows: Agricultural Viability Strategy](#) (2023)
- [Burnaby Food System Strategy](#) (2022)
- [Delta Agriculture Plan](#) (2023)
- [MADE in Delta 2022-2027 Social Action Plan](#) (2021)
- [Tsawwassen First Nation Farm School](#)
- [Parkland in Surrey’s ALR: A Comprehensive Plan for Agriculture](#) (2022)
- [Aldergrove Food System Plan](#) (2023)
- Port Coquitlam; City of Coquitlam; City of Port Moody; Village of Belcarra; Village of Anmore - [Tri-Cities Food Security Action Plan](#) (2021)
- [City of Vancouver Local Systems Food Action Plan](#) (2021)
- District of North Vancouver; City of North Vancouver; District of West Vancouver - [North Shore Community Food Charter](#) (2013)
- [Township of Langley Social Sustainability Strategy](#) (2021-2030)
- [Maple Ridge Food Hub Implementation Plan](#) (2018)
- [Surrey Agriculture Protection and Enhancement Strategy](#) (2013)
- [Vancouver Zero Waste 2040 Strategic Plan/Circular Food Innovation Lab](#) (2022-23)
- [Maple Ridge Agriculture Plan](#) (2009)
- [Township of Langley Food System Study](#) (2018)
- District of North Vancouver [Edible Garden Project](#)
- [Barnston Island Agricultural Viability Study](#) (2019)
- [What Feeds Us: Vancouver Food Strategy](#) (2013)
- [Toward a Resilient Food System for Bowen Island – Agrarian Analysis](#) (2019)
- [Richmond Farming First Strategy](#) (2021)
- Langley Township [Agricultural Viability Strategy](#) (2013)

To: Regional Planning Committee

From: Jonathan Coté, Deputy General Manager, Regional Planning and Housing Development, Regional Planning and Housing Services

Date: February 21, 2024 Meeting Date: March 8, 2024

Subject: **Manager's Report**

RECOMMENDATION

That the Regional Planning Committee receive for information the report dated February 21, 2024, titled "Manager's Report".

REGIONAL PLANNING COMMITTEE 2024 WORK PLAN

The Regional Planning Committee's Work Plan for 2024 is attached to this report (Attachment 1). The status of work program elements is indicated as pending, in progress, ongoing or complete. The listing is updated as needed to include new issues that arise, items requested by the committee, and changes to the schedule.

SMALL HOUSING GENTLE DENSITY LEADERS' SUMMIT

On January 24-25, 2024, Regional Planning staff attended the Small Housing Gentle Density Leaders' Summit. The Summit was an opportunity to learn about and discuss emerging practices in policy and regulation related to the new provincial housing legislation. Some highlights of the Summit included:

A presentation from Heather Peters, Association of Bay Area Governments (ABAG)

- ABAG is a regional planning agency in the San Francisco Bay Area covering 9 counties, 101 cities, and a population of 7.7 million.
- In 2022, the State of California enacted legislation that significantly altered the development standards for accessory dwelling units.
- In response, ABAG played a crucial role as a unified voice and an informal mediator between the region's cities and state legislators.
- ABAG facilitated learning by producing technical guides (Reference 1) and by enabling staff to staff communication among cities. ABAG also hired a part-time consultant that was available to the cities as they responded to this new legislation.

Roundtable discussions with Metro Vancouver member jurisdiction staff

- A number of staff from member jurisdictions who attended the Summit discussed the role of Metro Vancouver and encouraged Metro Vancouver to function as a central repository of information and to facilitate staff to staff learning.

Metro Vancouver staff facilitate staff to staff learning by hosting RPAC meetings and organizing topic-specific meetings as needed. The recent launch of a RPAC SharePoint site is intended to serve

as a central repository of information from both Metro Vancouver and member jurisdictions, and as a forum for staff to staff learning by way of a discussion function.

2024 CMHC RENTAL MARKET REPORT HIGHLIGHTS

On January 31, CMHC released an updated Rental Market Report (Reference 2), with new rental housing information for 2023. Key highlights include:

From 2022 to 2023, the number of purpose-built rental units in the Metro Vancouver region grew by 2.7% (+3,144 units), mainly due to new developments in Vancouver and Surrey.

- This growth was slightly lower than that seen in the year prior (+2.8%; +3,304 units), but still above the 5-year running average.
- Most of the increased purpose-built rental universe was associated with 1-bedroom units (60% of purpose-built units in 2023; same as in 2022).
- The number of 3-bedroom units increased by 15% – from 2,856 units in 2022 to 3,286 units in 2023; however, 3-bedroom units still compose less than 5% of the rental universe (3% in 2023; 2% in 2022).

Despite an increase in the rental universe, the average vacancy rate for both purpose-built rentals and rental condominium apartments in Metro Vancouver was 0.9% in 2023.

- For purpose-built rentals, the vacancy rate remained constant between 2021 to 2022, and 2022 to 2023 – at 0.9%.
- In contrast, over the past year, average vacancy rates for rental condominium apartments decreased by 1.3 percentage points – from 2.2% in 2022 to 0.9% in 2023.
- This is despite a 7.2% increase in condo apartment units (+6,329 units) during the same time.

As vacancy rates have remained very low, rents have been pushed even higher for both purpose-built rentals and rental condominium apartments.

- The average rent for a two-bedroom purpose-built rental increased by 8.6% since 2022, to \$2,181 in 2023.
- In comparison, the average rent for a two-bedroom rental condo apartment increased by 3.0% since 2002, to \$2,580 in 2023.
- The increase in average rent was driven by large increases in rent at the turnover of units.

Due to high rents and low vacancy rates, the average rental turnover rate fell further – from 10.7% in 2022 to 8.1% in 2023, for all bedroom types.

- However, purpose-built rental units that changed tenancy in 2023 saw a 26.6% higher average rent than units that did not turnover.

KICK-OFF WORKSHOP: STREAMLINING THE DELIVERY OF RENTAL HOUSING

At its September 29, 2023 meeting, the Board of Directors of the Metro Vancouver Regional District (MVRD) adopted the following resolution:

That the MVRD Board:

- a) *receive for information the report dated August 14, 2023, titled, "Streamlining the Delivery of Rental Housing Through Pre-Approved Plans and Off-Site Construction"; and*
- b) *direct staff to send correspondence to member jurisdictions, in an effort to identify municipalities interested in joining a project led by the Province to explore pre-approved building plans and off-site construction to streamline the delivery of rental housing.*

On February 1, 2024, Metro Vancouver hosted a kick-off workshop for the following member jurisdiction champions who expressed interest in the initiative:

- Bowen Island Municipality
- City of Burnaby
- City of Delta
- City of Langley
- City of Maple Ridge
- City of New Westminster
- District of North Vancouver
- City of Richmond
- City of Surrey
- City of Vancouver
- City of White Rock

A summary of comments collected via the pre-workshop survey and workshop breakout sessions was circulated to participants following the workshop (Attachment 2). Over the next 18 months, participants will explore the creation and implementation of standardized guidelines and zoning regulations for six-story rental buildings.

PITT MEADOWS AGRICULTURAL VIABILITY STRATEGY

Pitt Meadows endorsed *Grown In Pitt Meadows: Agricultural Viability Strategy* in December 2023, a comprehensive agricultural planning document that identifies opportunities to strengthen agriculture and the agri-food sector in Pitt Meadows while also contributing to its long-term sustainability (Reference 3). The Strategy supports 5 goals:

- Goal 1 – Protect farmland for farming
- Goal 2 – Plan and manage infrastructure assets
- Goal 3 – Support the economic viability of the agriculture and agri-food sector
- Goal 4 – Help the agriculture and agri-food sector adapt to future challenges
- Goal 5 – Help the community support and be proud of agriculture in Pitt Meadows

Funding has already been secured from the Investment Agriculture Foundation to support implementing some of the highest priority actions including agricultural water management for irrigation, drainage and flood management.

ATTACHMENTS

1. Regional Planning Committee 2024 Work Plan
2. What We Heard: Streamlining the Delivery of Rental Housing through Pre-Approved Plans and Off-site Construction

REFERENCES

1. [ABAG Technical Assistance for Local Planning – Housing](#)
2. [CMHC Rental Market Report 2024](#), published January 31, 2024
3. [Grown in Pitt Meadows: Agricultural Viability Strategy](#)
4. [B.C.'s Most Economically Resilient Cities in 2024, BC Business, February 2, 2024](#)
5. [2023 Edition of the NAIOP Cost of Business Survey](#)
6. [Clearer Thinking About Transportation Pricing, Planetizen, February 13, 2024](#)

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Regional Planning Committee 2024 Work Plan

Report Date: February 21, 2024

Priorities

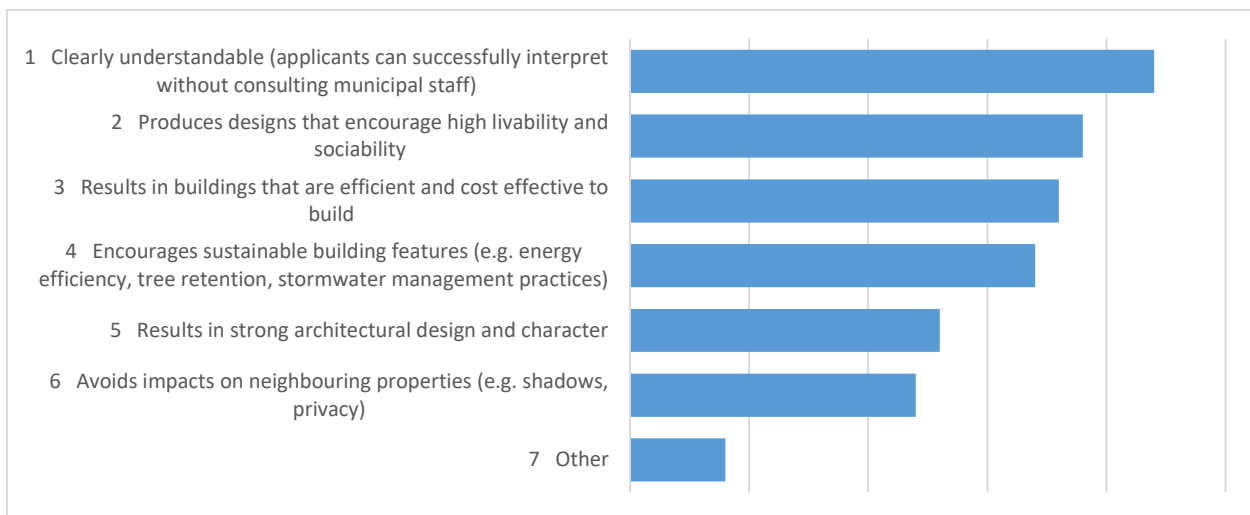
1st Quarter	Status
Where Matters II - Final Report	Pending
Childcare Inventory Report - Update	In Progress
<i>Metro 2050</i> Climate Policy Enhancement Project - Report	In Progress
Regional Multi-Hazard Mapping Project – Final Report	In Progress
Tree Canopy Cover and Impervious Surfaces Update – Final Report	In Progress
Industrial Lands Bring to Market Initiative – Scope of Work	Completed
<i>Metro 2050</i> Urban Centres and Corridors Target Update – Scope of Work	Completed
Regional Food Systems Strategy Update – Scope of Work	In Progress
Inclusionary Housing Policy Review – Final Report and Regional Policy Models	In Progress
What Works: Municipal Measures for Sustaining and Expanding the Supply of Purpose-Built Rental Housing Update	In Progress
Matrix of Municipal Measures for Housing Affordability and Diversity - Update	In Progress
Regional Affordable Housing Strategy Update (Housing 2050) – Scope of Work	Pending
<i>Metro 2050</i> Implementation Guideline Industrial & Employment Lands	Completed
Housing Data Book update – Presentation	Completed
Regional Growth Strategy Amendments, Regional Context Statements, and Sewerage Area Amendments (as applicable)	Ongoing
2nd Quarter	Status
Housing + Transportation Cost Burden Study Update – Final Report	Pending
Agriculture Data Book - Presentation	Pending
Agricultural Land Use Inventory - Update	Pending
Economic Value of Industrial Lands Update – Scope of Work	In Progress
Hazard Risk and Vulnerability Blueprint – Scope of Work	Pending
Regional Green Infrastructure Network - Update	Pending
Projections Update (population, dwelling units and employment) - Report	Pending
Regional Growth Strategy Amendments, Regional Context Statements, and Sewerage Area Amendments (as applicable)	Ongoing
3rd Quarter	Status
Payment for Ecosystem Services on Agricultural Lands - White Paper	Pending
Ecological Health Framework Progress Report	Pending
The Walkability Index Update - Presentation	Pending
Regional Growth Strategy Amendments, Regional Context Statements, and Sewerage Area Amendments (as applicable)	Ongoing
4th Quarter	Status
Regional Food Systems Strategy Engagement - Update	Pending
Economic Value of Industrial Lands Update – Final Report	Pending
Regional Parking Strategy – Final Report	Pending
Regional Affordable Housing Strategy Update (Housing 2050) – Issues and Options Discussion Paper	Pending
Performance measures dashboard - Presentation	Pending
MV extended reality modelling project update – Update	Pending
Regional Growth Strategy Amendments, Regional Context Statements, and Sewerage Area Amendments (as applicable)	Ongoing

What We Heard: Streamlining the Delivery of Rental Housing Through Pre-Approved Plans and Off-Site Construction

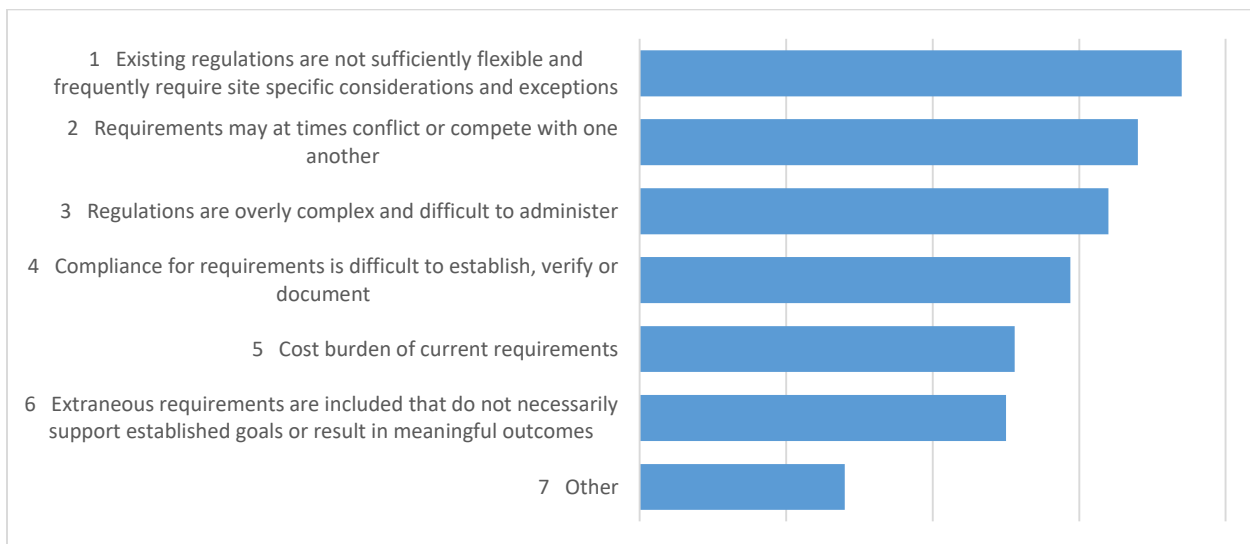
A kick-off workshop was held on February 1, 2024 for local government champions in Metro Vancouver interested in exploring the creation and implementation of standardized guidelines and zoning regulations for six-storey rental buildings (including pre-approved building plans) to facilitate the use of off-site construction methods.

Pre-Workshop Survey Results

In your opinion, what are the most important qualities of effective regulations for six-storey rental buildings?



The most challenging aspects of regulations for six-storey rental buildings as they are currently applied are:



Opportunities and drivers for standardizing regulations (e.g. zoning and guidelines) and creating pre-approved designs for six-storey rental buildings:

- Increased predictability for developers and public
- Streamlining and expediting the approval and construction process; reduced workload for staff
- Opportunity for improved outcomes in terms of livability and sociability
- Reduced need for public hearings

Challenges for standardizing regulations (e.g. zoning and guidelines) and creating pre-approved designs:

- Developing regulations and designs that can address site-specific conditions and local context
- Balancing urban design/livability objectives and financial viability
- Getting buy-in from public and council
- Capacity challenges in local government
- Desire for flexibility from both applicants and staff
- Lack of consistency in zoning and regulations across local governments
- Meeting regulations such as Building Code and Step Code, which also change over time

Breakout Group Feedback Summary

Challenges for developing standardized guidelines and regulations	
Tension between standardization and flexibility	<ul style="list-style-type: none"> • Need standardized regulations that still accommodate flexibility • Every municipality is unique, and site conditions vary dramatically throughout the region (i.e. slopes) • Municipalities in the region are at different points in the Step Code • If regulations are customized too much, they will lose their purpose (i.e. it won't result in time and money saved) • Guidelines need to be able to be adapted to changes in market conditions • We can design templates for the most common situation but acknowledge that there's outliers
Complex regulatory environment	<ul style="list-style-type: none"> • Municipal microregulations create barriers <ul style="list-style-type: none"> ○ i.e. bike storage, parking, trees • Differences between written policy and practice • Lack of common definitions across the region <ul style="list-style-type: none"> ○ i.e. what is included in FAR, setbacks • External regulations are complex and can be hard to meet <ul style="list-style-type: none"> ○ i.e. Building Code, BC Housing/CMHC funding requirements for affordable housing
Balancing competing priorities	<ul style="list-style-type: none"> • Tradeoffs between sustainability, affordability, financial viability, and aesthetic/urban design choices • Tradeoffs in the use of parcel area between the building footprint, green space/recreation space, and surface parking

What could effective standardized designs achieve?	
Livability & sociability	<ul style="list-style-type: none"> • There is opportunity for these standardized designs to set the stage for what livable housing means • Need common standards for livability <ul style="list-style-type: none"> ○ i.e. what amenities are essential
Sustainable building features	<ul style="list-style-type: none"> • Need to account for climate change <ul style="list-style-type: none"> ○ i.e. insulation, air conditioning
Cost effective buildings	<ul style="list-style-type: none"> • How can this model produce affordable & rental housing? • Explore partnerships with senior government for funding, non-profit housing providers managing inclusionary units • To make rental viable, we may want to think about compromises like putting less emphasis on urban design
How to make this project successful	
Identify collective priorities	<ul style="list-style-type: none"> • Need more alignment across the region in terms of definitions and requirements <ul style="list-style-type: none"> ○ i.e. setbacks, parking, amenity requirements • Municipalities in the region need to decide what can be compromised on and what should be prioritized in terms of design requirements
Demonstration project	<ul style="list-style-type: none"> • A real project would help get buy-in and provide proof of concept
Get buy-in from key groups	<ul style="list-style-type: none"> • BC Housing/CMHC <ul style="list-style-type: none"> ○ Standards need to align so that these designs meet funding requirements for use in affordable housing projects • Building industry <ul style="list-style-type: none"> ○ Need to align designs to match available material sizes for efficiency • Politicians <ul style="list-style-type: none"> ○ Support from council is essential • Public buy-in <ul style="list-style-type: none"> ○ Housing made from pre-approved plans has risks of becoming stigmatized as the “six-storey Vancouver Special” ○ Maintaining livability levels will increase community buy-in
Anticipate future trends	<ul style="list-style-type: none"> • Building Code <ul style="list-style-type: none"> ○ Prepare for major changes are coming to the Building Code like single egress buildings • Help grow the prefabricated construction industry locally