



METRO VANCOUVER REGIONAL PLANNING COMMITTEE OCTOBER 8, 2021

- ▶ Surrey Board of Trade
Development & Land
Use Team
- ▶ Economic Benefits of
South Campbell Heights
- ▶ Questions

DEVELOPMENT & LAND USE TEAM

Surrey Board of Trade Criteria for Commercial & Residential Development Projects

Reputation, history of Proponent

Economic Benefits of the Project

New Member and Business Growth

Enhanced Livability

Community Appropriate

Surrey Board of Trade Wants Surrey's Campbell Heights South Employment Lands Application to be Approved by Metro Vancouver

- The proposed development of South Campbell Heights in Surrey is important to the Metro Vancouver region because of industrial land creation, new jobs and businesses as well as international co-location opportunities. This benefits all cities in our region.

FACTS

Surrey Campbell Heights South Employment Lands application:

- ▶ Over 8.5 million square feet of building area
- ▶ 618 acres in Surrey's Local Area Plan
- ▶ 418 acres designated for employment lands
- ▶ 200 acres of the 600 or 35% is set aside for a conservation area. One of the highest ratios in all of Canada.
- ▶ Up to 20,000 jobs being created
- ▶ Tax revenue for the city 17-18 million per year that can be reinvested into Surrey and into the region.
- ▶ There are currently 135 businesses and companies identified that have expressed interest in moving into these employment lands when they are available.

OPPORTUNITIES:

Economic Benefits of South Campbell Heights

- ▶ Surrey's population growth and need for employment lands
Population growth of 11% between the 2011 and 2016 census compared to 7% for Metro Vancouver
- ▶ Growing employment lands as Surrey and the region grows – Surrey has a population of close to 600,000
- ▶ Surrey will surpass Vancouver's population by 2041
- ▶ Opportunity for families to work, live, and play without commuting to other regions

OPPORTUNITIES:

Economic Benefits of South Campbell Heights

- ▶ Expedite the approval of developing Campbell Heights
- ▶ Work with developers in creating a vision that satisfies government and private industry visions
- ▶ Ensure that regulatory burden is reduced

Human Capital

- ▶ 1/3 of Surrey's population is under 19, 40% under the age of 30 – the workforce is here
- ▶ There are hundreds of new businesses opening every month in Surrey
- ▶ Surrey's immigration – 600,000 immigrants over 3 years, 400,000 international students over 3 years.

Surrey is highest recipient of international students and newcomers to Canada

OPPORTUNITIES:

Economic Benefits of South Campbell Heights

- ▶ Environmental Protection in the Campbell Heights area
- ▶ Metro Vancouver Regional Prosperity Service
- ▶ There are hundreds of new businesses opening every month in Surrey
- ▶ A regional strategy to growth is needed with a lead developer crafting the strategy

CONCLUSION

- ▶ Having the opportunity to provide an additional 300-400 acres of employment land through the Campbell Heights South Land Use Plan, while protecting the Little Campbell Creek watershed, is important for the City of Surrey and Metro Vancouver region. This is imperative to the region's growth and competitiveness.

QUESTIONS?



Christy Juteau, RPBio
David Anderson, Centre Director

christy.juteau@arocho.ca
6 Oct 2021

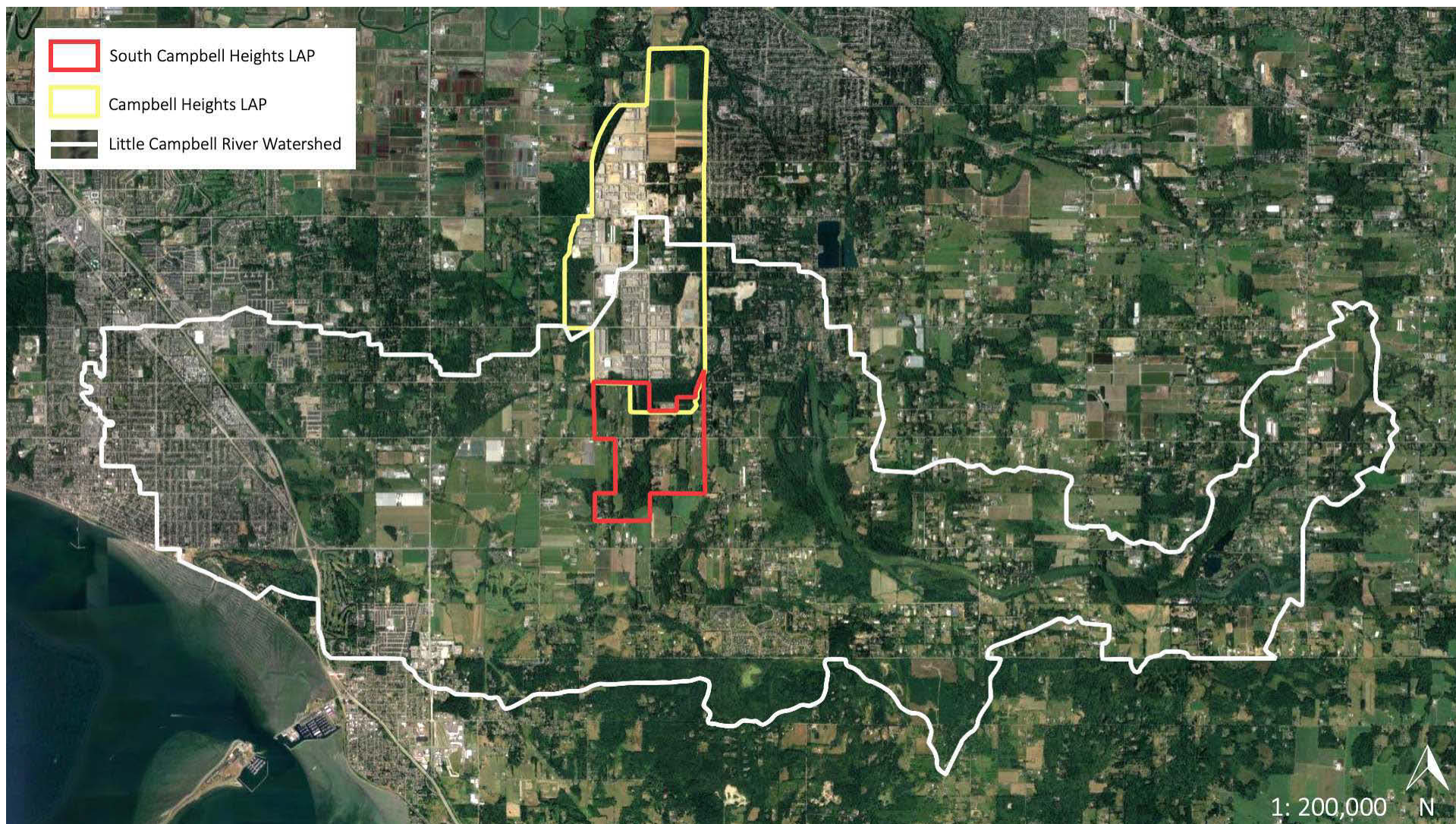


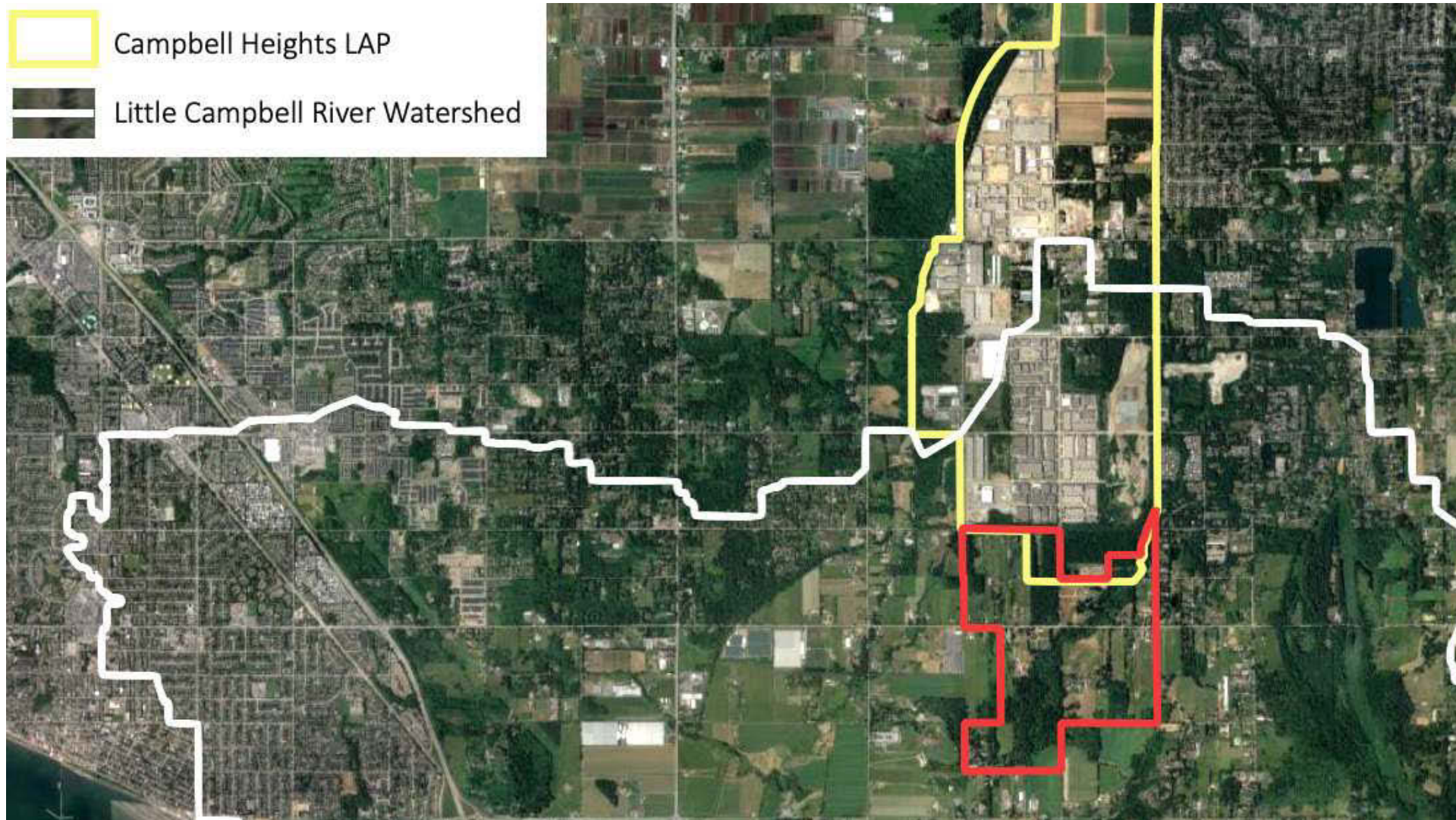
BROOKSDALE IS...



INSPIRING...	5,000 visitors
EDUCATING...	2,000 children
SERVING...	40 families on low income
PROVIDING...	20,000 meals
TRAINING...	25 interns
COMPLETING...	20 conservation projects
FACILITATING...	40 eco workshops
PROVIDING...	700 people with weekly vegetables

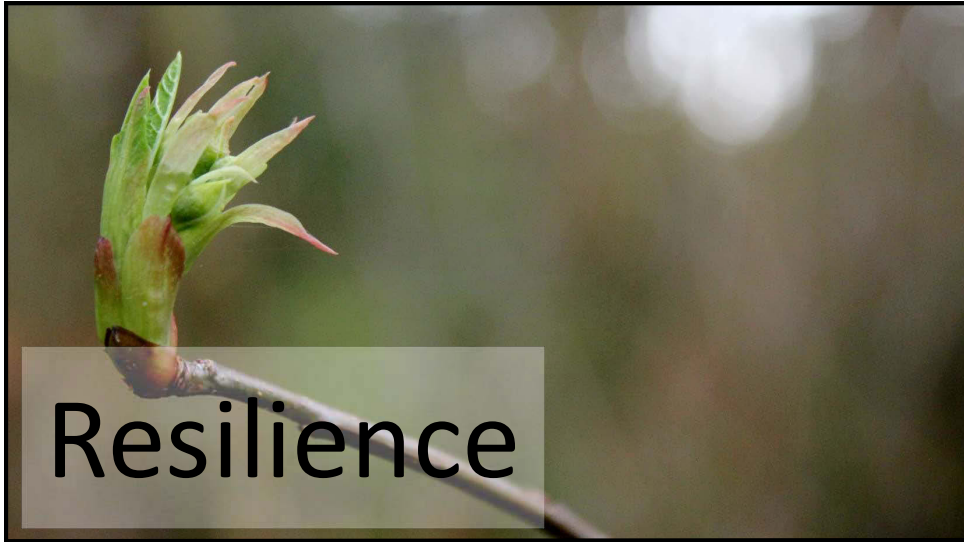




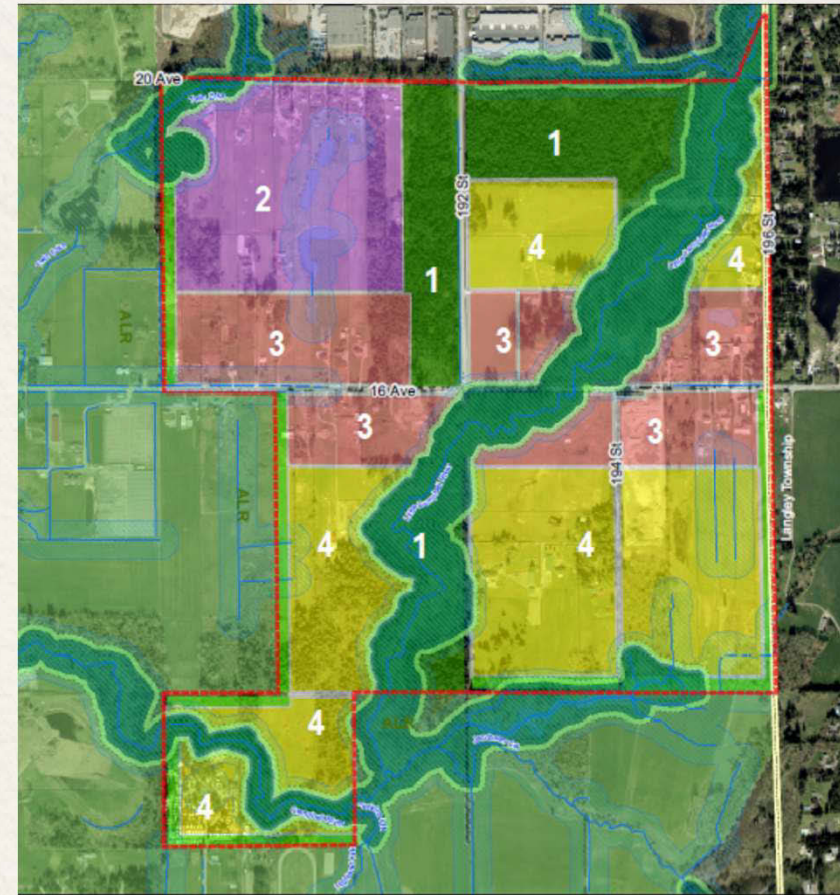
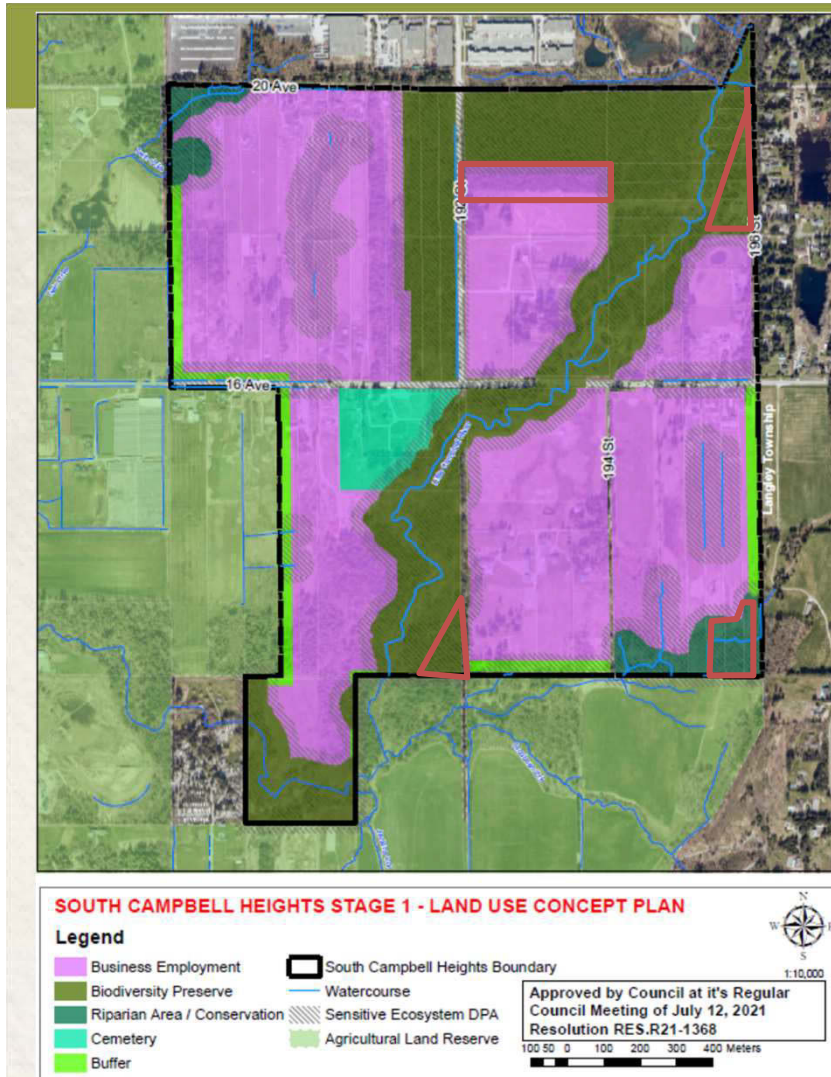


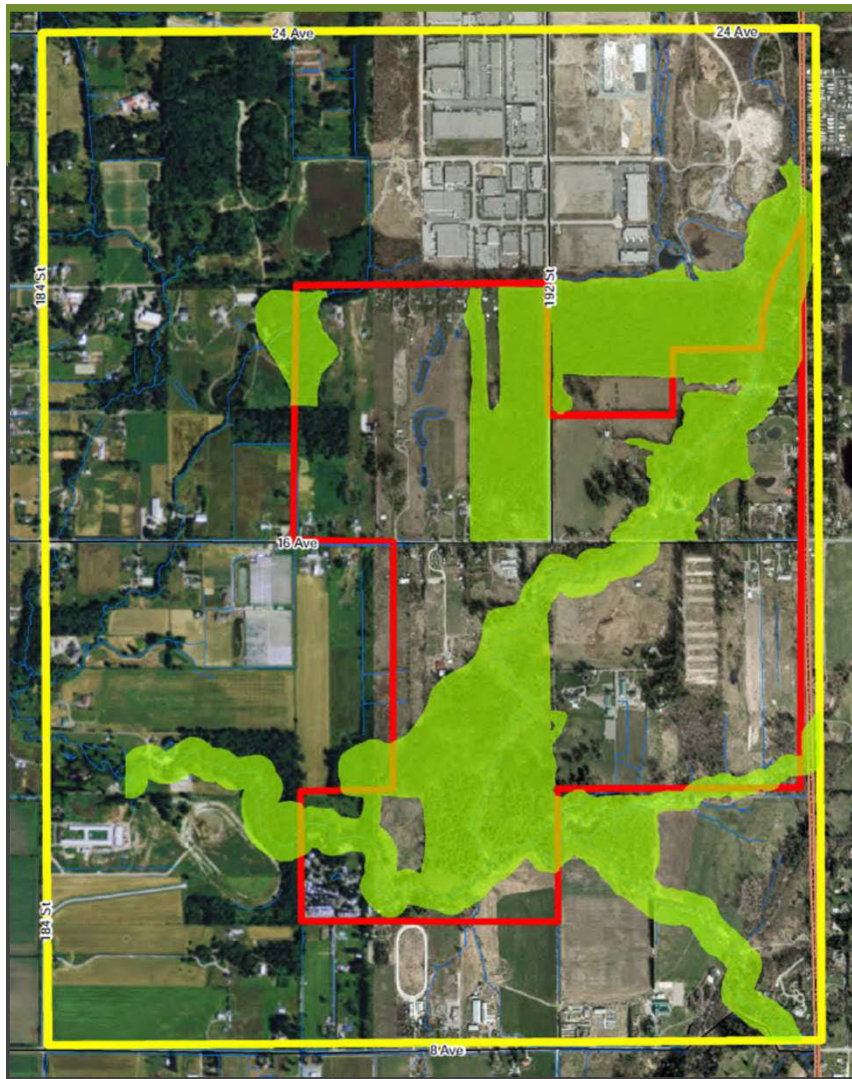
TATALU – Little Campbell River





Resilience - forests



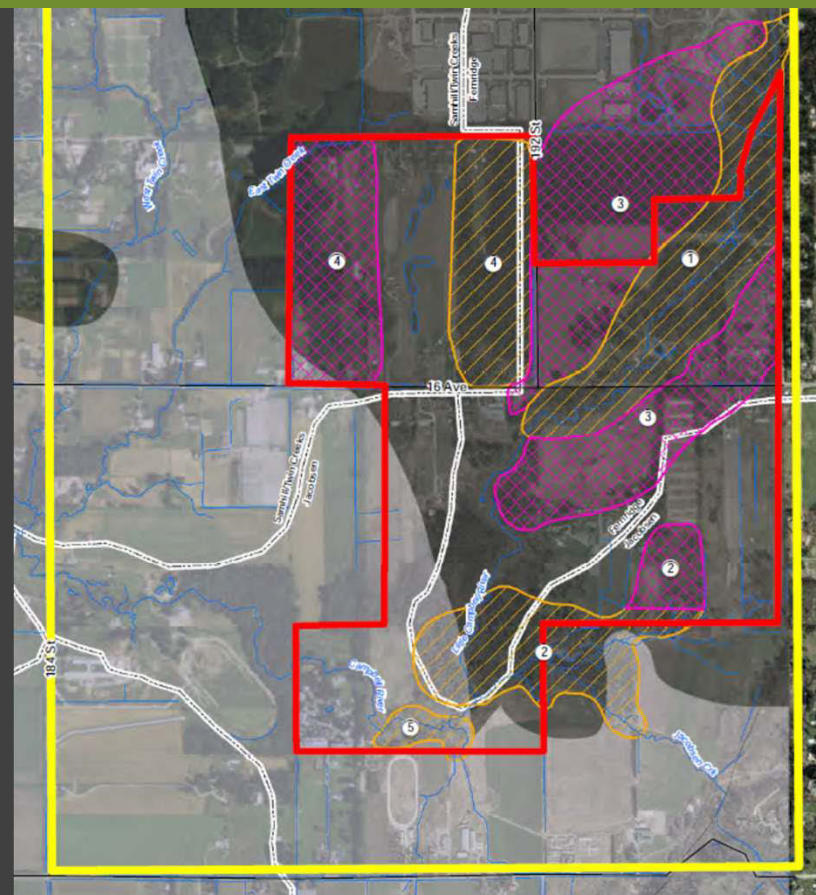
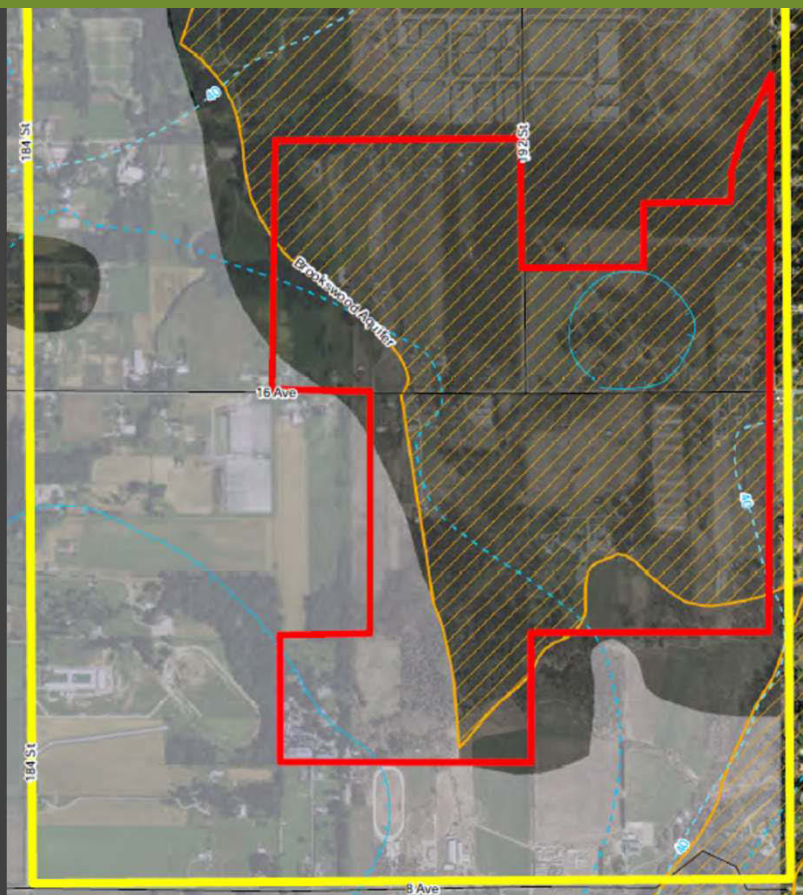


Forest Cover

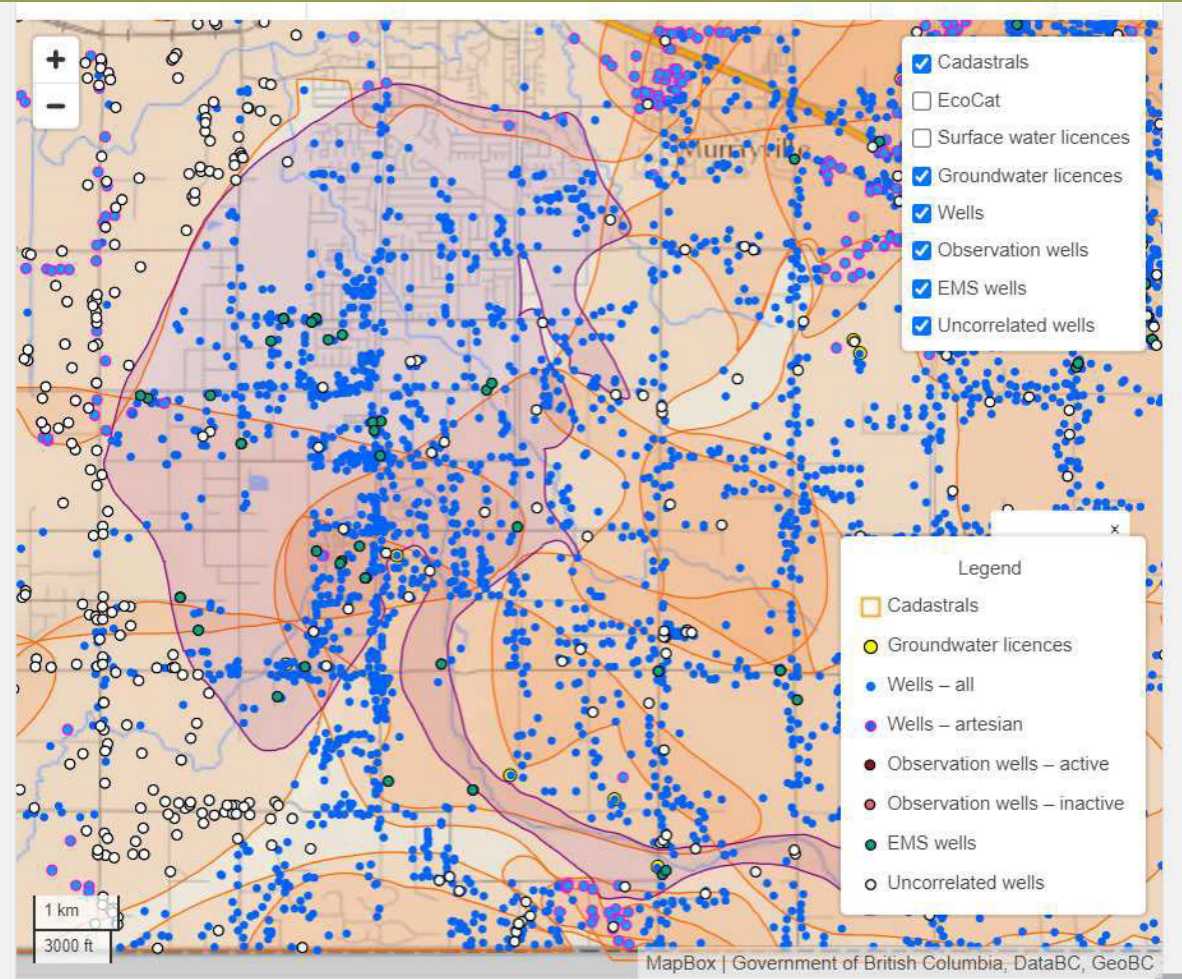
CANADA
A ROCHA
Environmental Stewardship



Aquifer Protection – Critical Recharge Areas



Resilience - aquifer



Reconciliation



“This plan goes against what
we’ve been working towards”
- Chief Harley Chappell

Environmental Protection



CANADA
A ROCHA
Environmental Stewardship

*Inspiring Hope.
Caring for Creation.*



South Campbell Heights Local Area Plan: Ecological Value Map



Protecting Agriculture



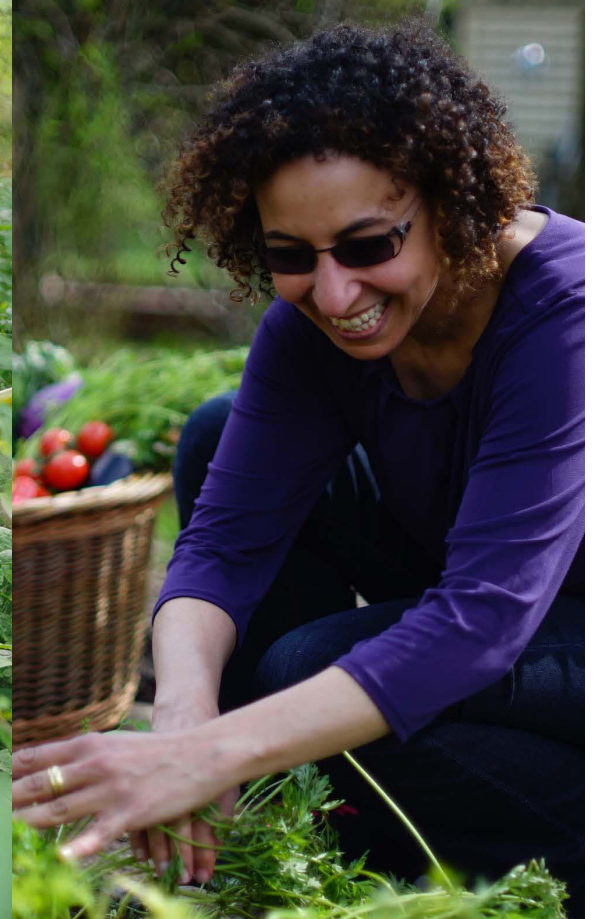
Recommendation



Recommend that the current LAP
proposal is not worth the risk

Thank you

CANADA
A ROCHA
Environmental Stewardship





Ecological Concerns: Proposed Metro 2040 Amendment for South Campbell Heights



- *The Madrone Environmental Report Listed 28 Potential Rare Ecosystems in the Study Area:*
- *Including several types that are associated wetlands, marshlands and creeks*



“The Hubs and Corridors have many trees over a meter in diameter and > 100 years old, which are relatively rare in the lower mainland” Madrone Environmental Report

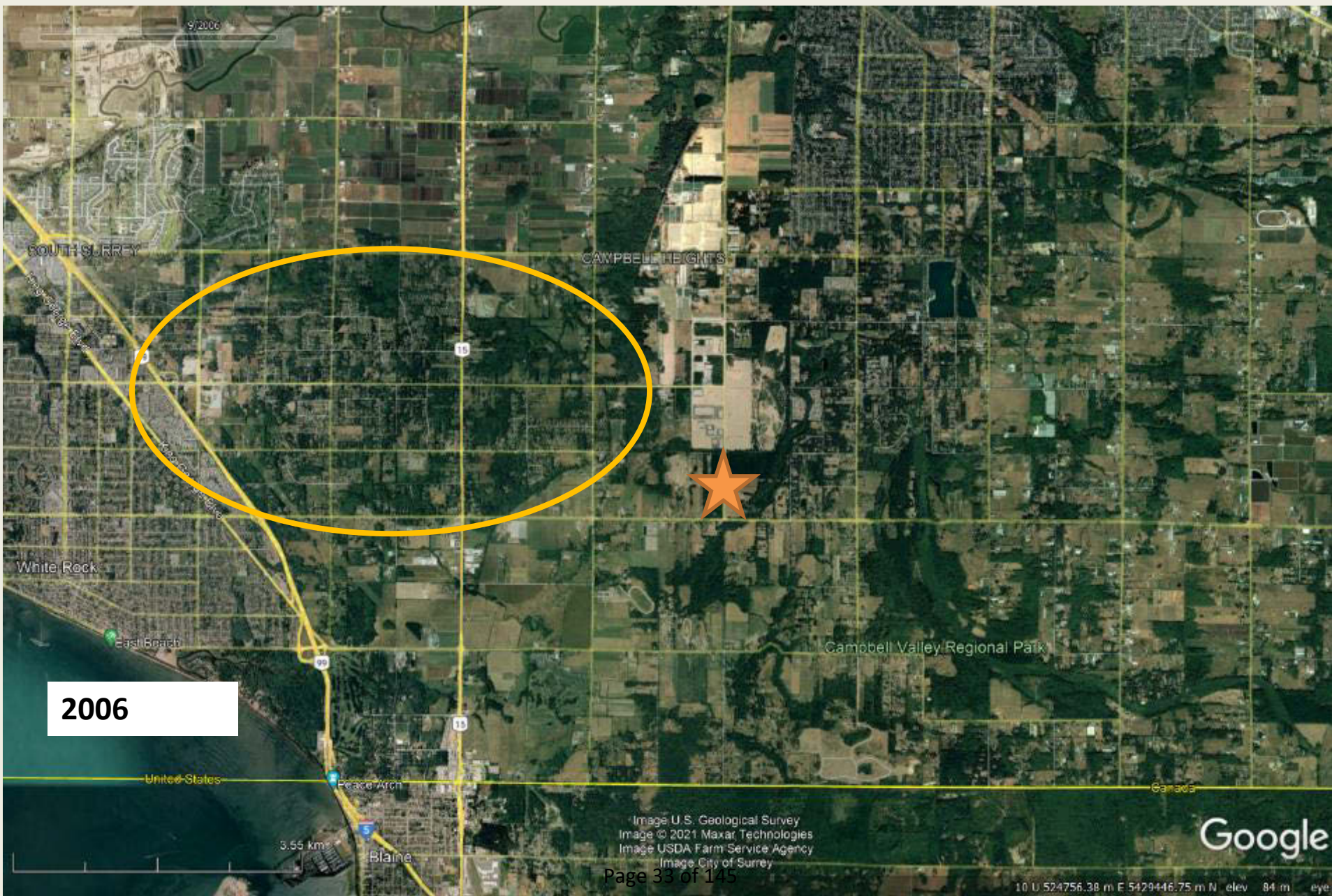


- *Species At Risk: the study area is potentially home to 22 taxa of endangered wildlife.*
 - *Not included in this number, the study area is also home to many fungi and invertebrates, some of them also rare.*
- Madrone Environmental Report*

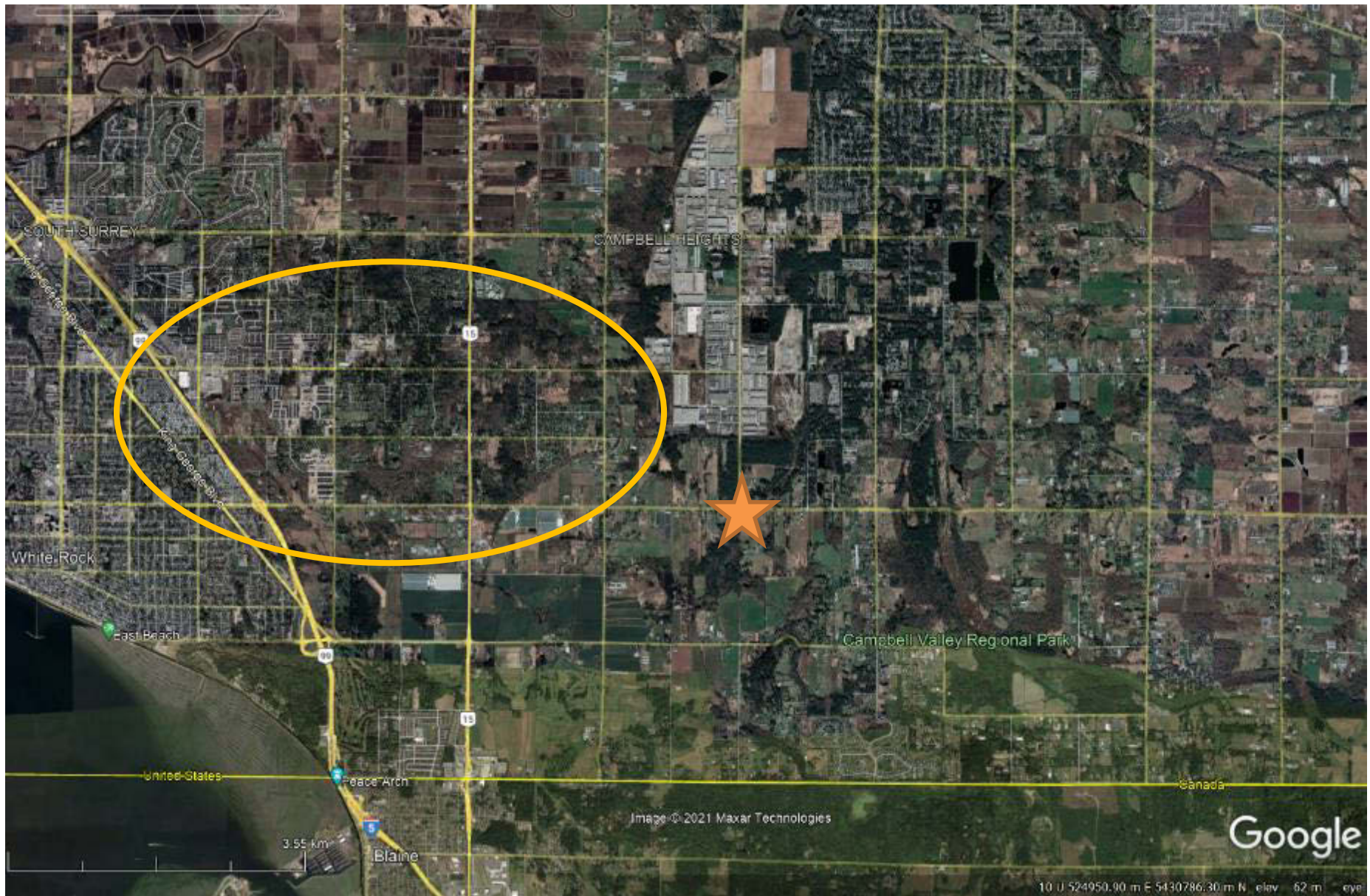




- ***Species at Risk Found in the Special Study Area: Barn Owl***
- ***Federally: Threatened***
- ***Provincially: Red listed***



2006







- ***Species at Risk Found in the Special Study Area: Barn Swallow***
- ***Federally: Threatened***
- ***Provincially: Red listed***

Aerial Insectivores

160
MILLION
AERIAL INSECTIVORES
BIRDS LOST
SINCE 1970

-32%
POPULATION
LOSS IN AERIAL
INSECTIVORES
SINCE 1970



2 IN 5

BARN SWALLOWS
LOST SINCE 1970



Courtesy of the Cornell Lab of Ornithology. Source: Science, 2019

Barn Swallow by Chris Bohrer / Macaulay Library, Western Klamath River by Bob Wick/Bureau of Land Management



***Species at Risk Found
in the Special Study
Area: Western Toad
Federally: Special
Concern***

- ***Western Toad – two documented breeding ponds < 1 km from the study area***



- ***Species at Risk Found in the Special Study Area: Northern Red-legged Frog***
- ***Federally: Special Concern***
- ***Provincially: Blue listed***



***Species at Risk Found
in the Special Study
Area: Salish Sucker
Federally: Threatened
Provincially: Red Listed***

- ***The Salish Sucker travels upstream through this part of the river***



- *Species at Risk > 3 km from the Special Study Area: Oregon Forestsnail*
- *Federally: Endangered*
- *Provincially: Red Listed*

Rare Ecosystems in the Special Study Area: Red Alder/Slough Sledge



Rare Ecosystems in the Special Study Area: Grand Fir/Three-Leafed Foamflower



Three-leafed Foamflower

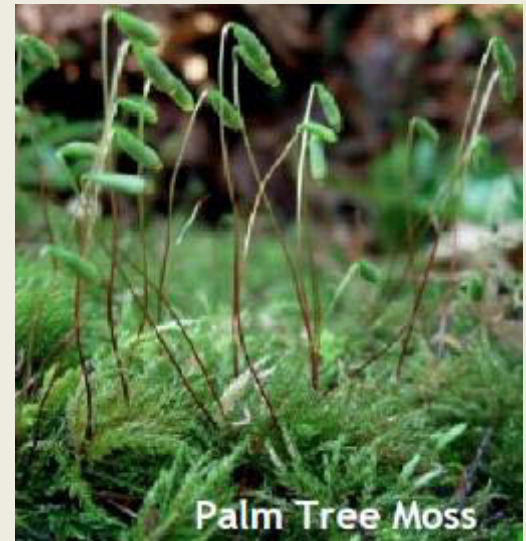


Western Yew

Rare Ecosystems in the Special Study Area: Grand Fir/Dull Oregon-grape



Dull Oregon-grape



Palm Tree Moss

Comments in opposition to the
Land Use Designation Amendment
Request from the city of Surrey -
South Campbell Heights.

By
Friends Of Hazelmere Campbell
Valley
Chair, Sarah Rush MSC.Rd

2021 Report lacks consistency with recommendations from the 2018 report.

Application turned down in 2018 for many reasons, not just the Residential component.

In 2018 concerns were raised about development below 16th and recommendation that this part of Hazelmere should remain Rural.

Also, that moving the UCB would fuel speculation and land prices in Rural areas, not just in Hazelmere.

Special study overlay indicates more studies before development.

However, 2021 application still proposes rezoning South of 16th

This is out of line with the rest of the UCB along 16th in Surrey and TOL.

Creates an awkward protrusion of Industrial into ALR, this will surely impact surrounding ALR lands.

The area South of 16TH was identified as being suitable for types of commercial and industrial development within the Rural designation.

The road network south of 16th Ave “is incomplete and fragmented”

Therefore the area below 16th should remain rural.

Continued discussion has fueled Speculation

AlR land sold as “investment property”

Arson attack on a property which did not support the proposal

Investors not renewing leases for business creating jobs and revenue for Surrey until they know the outcome of the application.

Pricing pushing out locals who want to work and build a thriving community

Cash rich international investors and BC numbered companies buying properties to hold. How does that help a rural community, or any community in fact?.

Speculation in the area



Rural designation appropriate

- Uses within the Rural Designation which would also align the area with Metro 2040 goals have not been properly, nor fully explored

Surrey now says it is committed to doing additional study's later - after the fact is too late for studies, these need to be done BEFORE rezoning. Why did Surrey not undertake further studies after 2018?

► Planning committee and Board members are being asked to make a historic planning decision without all the relevant facts about the area.



There are still too many unanswered questions?

- ▶ “Questions remain about the broader Aquifer protection and potential infiltration in neighboring communities”
(Page 6 Oct 8 report)
- ▶ “Any expansion into the UCB will have impacts on the areas resilience to climate change and will contribute to increased greenhouse gas emissions”
- ▶ “Environmental impacts have *largely* been addressed” ?
- ▶ “There is significant environmental impacts when this scale of land use is occurring, despite mitigating effects”.

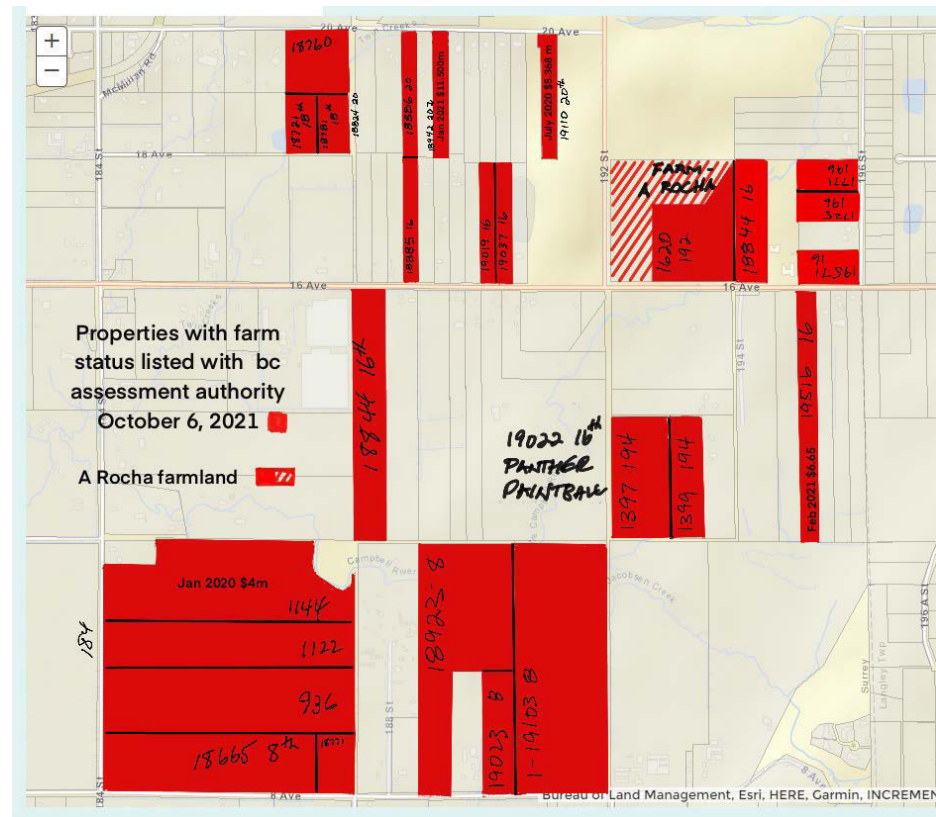
Page 8

Amount of farmland in use has been downplayed

Here is a map of properties with farm status.

Vs

“one property is currently used for agricultural production “

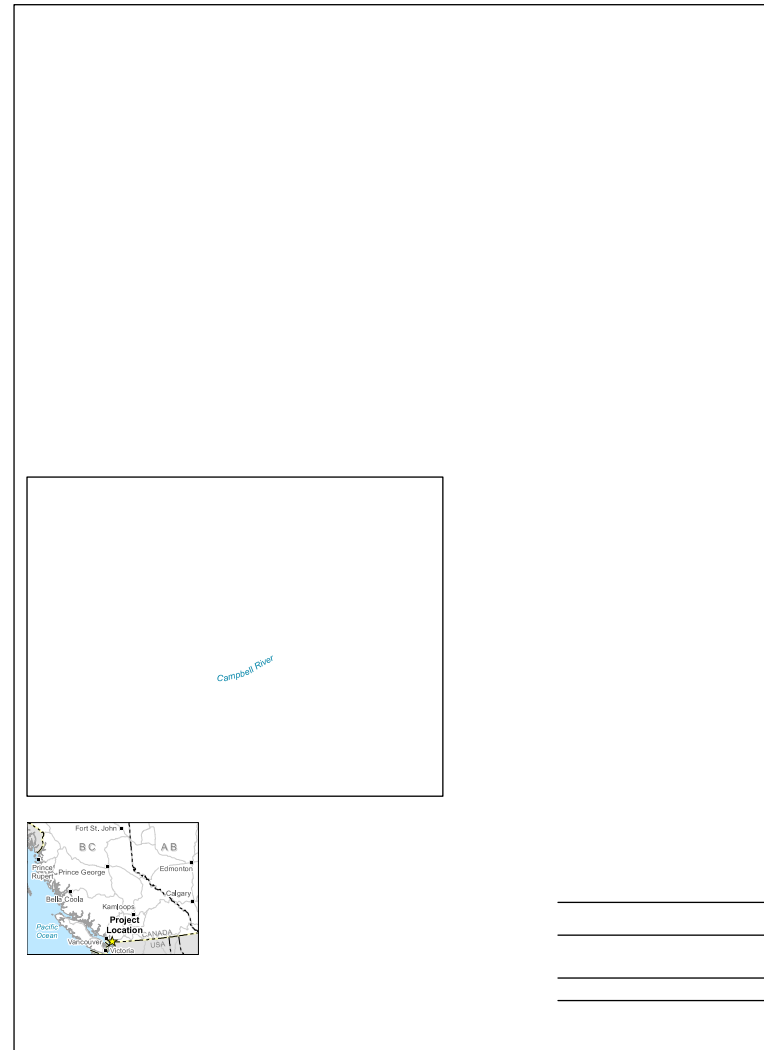
Page 2 of Metro planning report dated October 8th

Archeological significance of the area not mentioned

This is a site map of archaeological
site DG rq3

Madrone Survey states the “area
boundaries enclose an area of high
archaeological potential due to its
proximity to site DgRq3”.

Page 105



Road network overstated

- ▶ Proponents keep describing 16th as a “Mayor Road”
- ▶ Reality - “Most roads in the area are two lane roads with a rural cross-section, that have the potential of not accommodating the additional commercial vehicles/traffic”. This includes 16th.

What is our message?

- ▶ It is not just about whether or not there is a need for employment lands in the region, the consideration should be is this land suitable for this type of development?
- ▶ The underlying geology, the characteristics and unique biodiverse nature of the special study area make this land unsuitable for this type of development and not enough studies have been done to prove otherwise.
- ▶ What should Surrey and the Region be doing?

Use existing Industrial Lands better before sprawling to green sites

- ▶ Surrey is converting already zoned and serviced Industrial lands to residential at the same time it seeks to go into Green field sites to provide “much needed” employment lands ?
- ▶ The Colliers Industrial Lands Intensification Analysis from 2021 is about maximizing Industrial land to avoid inefficient and wasteful development. Shouldn't we be doing that first?
- ▶ Surrey has many “brown field” sites in need of regeneration that are already serviced and near major transportation routes.
- ▶ The UCB is there for a reason.

Results vs Good intentions

- ▶ We have to think forward and project the results of this rezoning, intended or otherwise.
- ▶ We need to think beyond good intentions of providing jobs and warehouse space.
- ▶ We have to fully understand the possible impacts of Industrial development on 600 acres of richly biodiverse, irreplaceable Salmon habitat, forest and the watershed.
- ▶ Think about the fact you will condone the Mayor of Surrey breaking an election promise.

Mayor
MacCullum
actually made a
campaign
promise to
uphold the UCB
in this area

- ▶ “Yes I support Metro Vancouver’s decision. In fact, our opposition to the development proposal was featured on our campaign website when it was first published and our position will not change.”
- ▶ “Yes I strongly believe in the Urban Containment Boundary and the ALR”.
- ▶ “Yes, my Smart Development Strategy includes preserving nature and my whole coalition has agreed to it. We would support a regional park in the special study area”.

Typed on behalf of Doug McCallum by
John Cameron, Campaign Manger Oct 14th 2018

Please reject this application

Thank you for your time and consideration.

Sarah Rush RD, Chair Friends of Hazelmere Campbell Valley.

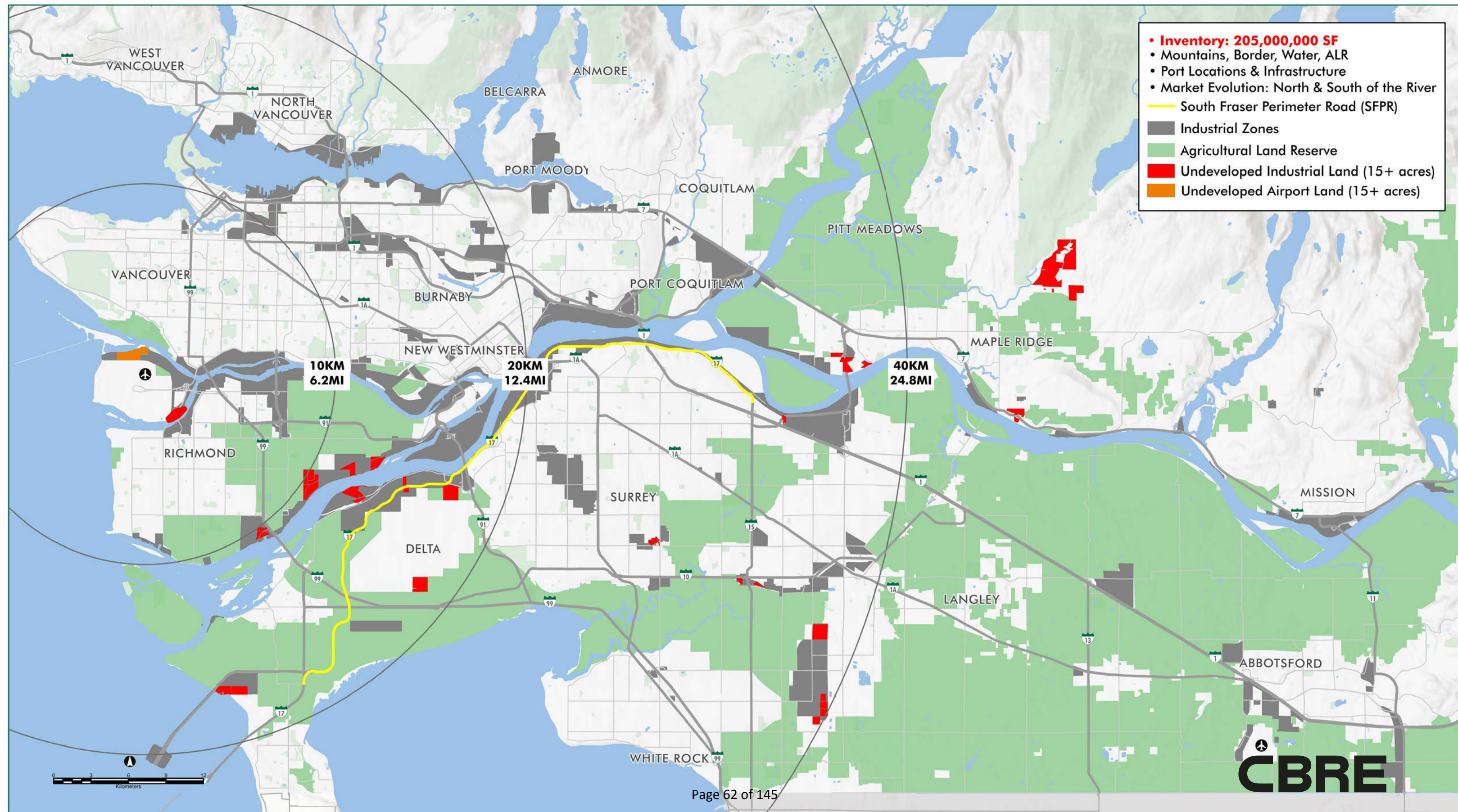


METRO VANCOUVER INDUSTRIAL MARKET OVERVIEW

OCTOBER 2021

CBRE

2 METRO VANCOUVER INDUSTRIAL - WE ARE LAND CONSTRAINED



3 METRO VANCOUVER - MARKET HIGHLIGHTS

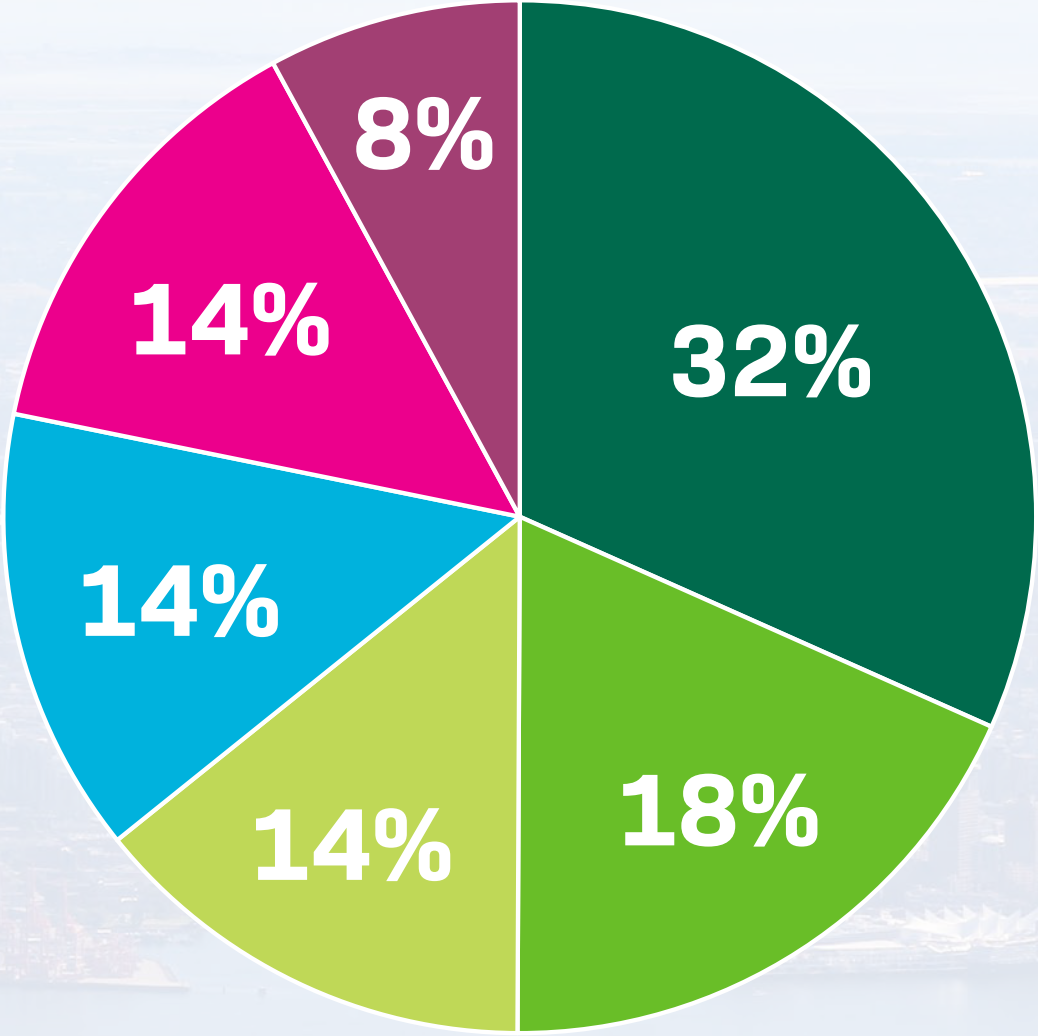
Q3 2021 STATISTICS

0.6%
VACANCY RATE
LOWEST IN NORTH AMERICAN
MARKETS > 150 MSF

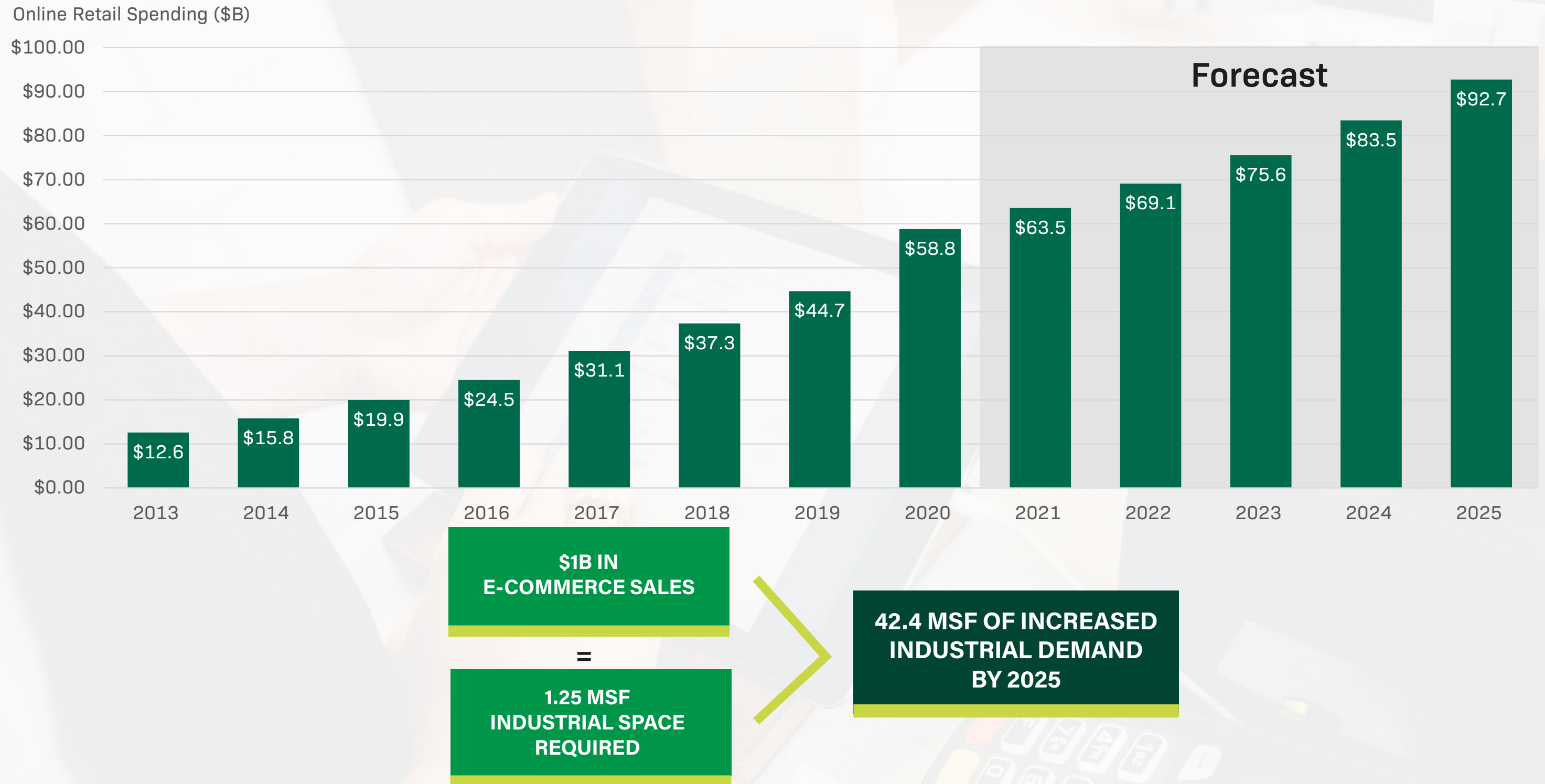
31.5 MSF
INVENTORY INCREASE
SINCE 2011

DEMAND OUTPACED
SUPPLY BY OVER
8 MSF

TENANTS IN THE MARKET

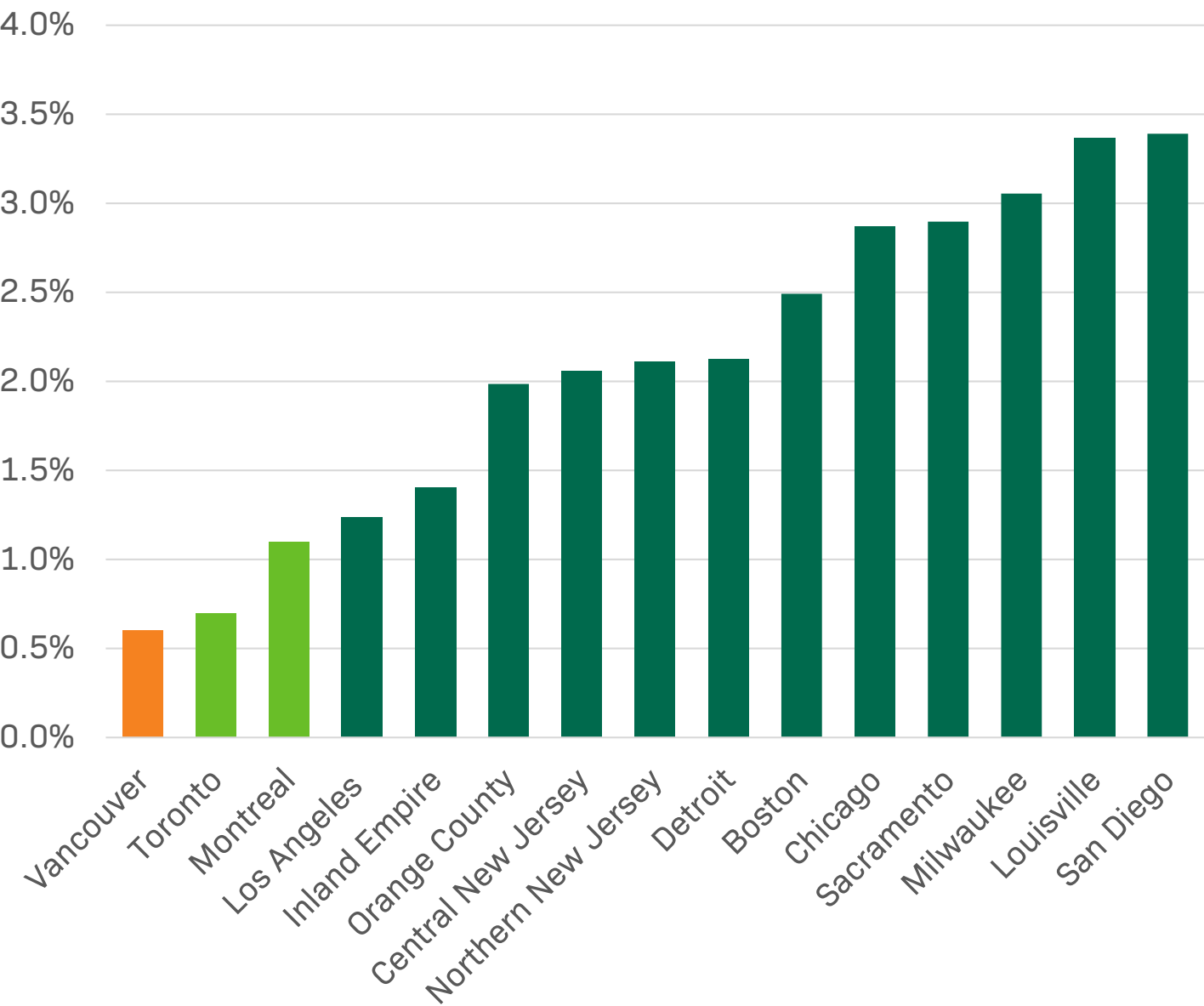


4 CANADIAN INDUSTRIAL ECOMMERCE DEMAND

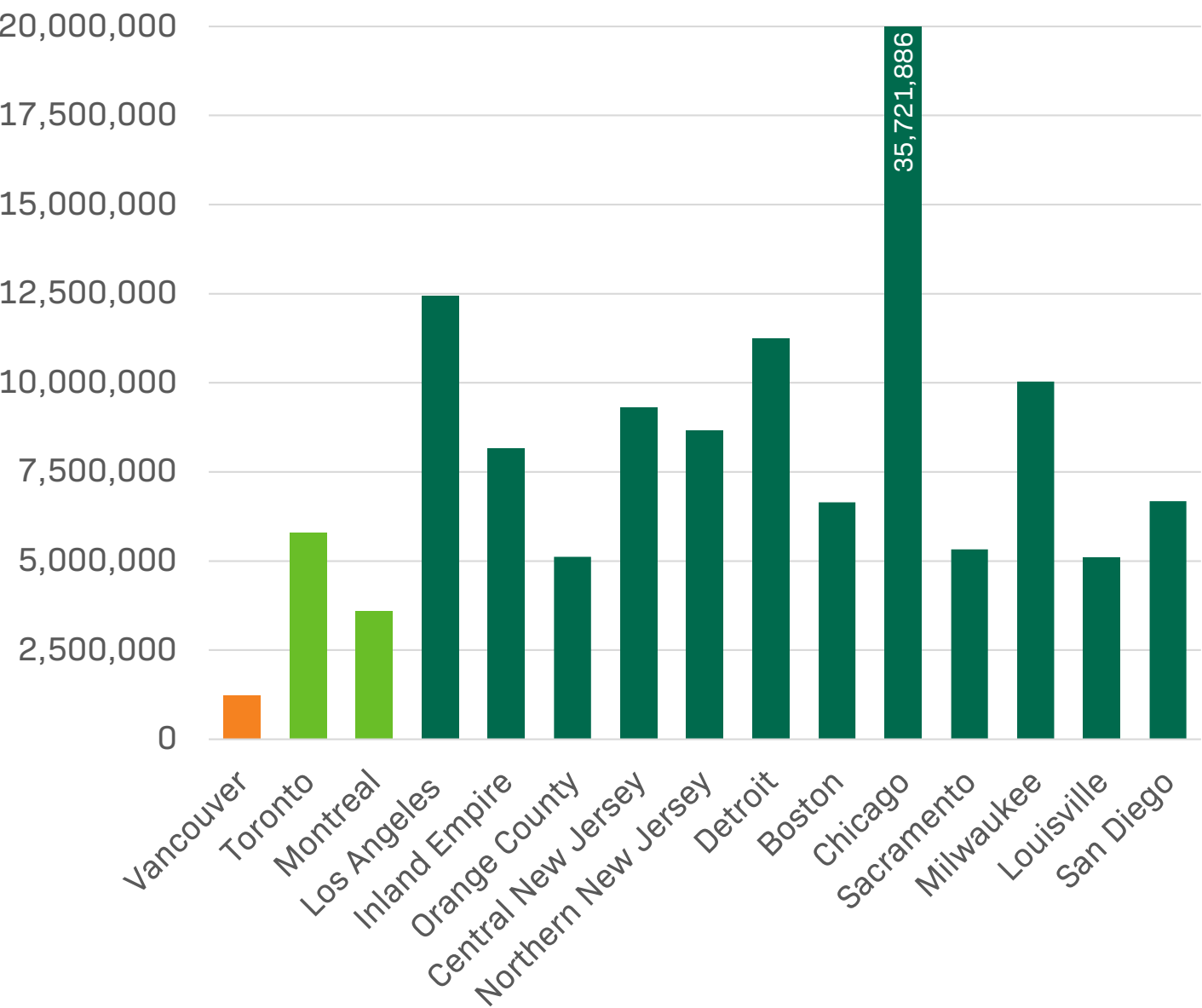


5 HOW DO WE STACK UP - VACANT INVENTORY

Vacancy Rate



Available Sq. Ft.



For markets with total inventory > 150 MSF

Source: CBRE, Q2 2021

VACANCY

- Historic low and lowest in North America, limiting growth for existing companies and providing new entrants to the market limited locations to establish in Metro Vancouver. Therefore, having a negative impact on the economy and job creation

INDUSTRIAL LAND INVENTORY

- Addition of land to the industrial inventory is better suited by expanding existing industrial/business parks as the infrastructure, transit, and proximity to established businesses already exist

DEMAND

- Dramatically low existing inventory of sites of 15+ acres and our current supply of all industrial lands will not get us to 2030. With the shift in consumer habits, food production growth, increases in supply chain inventory levels will see demand continue to outpace supply

South Campbell Heights LAP

Raj S. Hundal B.Sc. D.M.D. Ph.D.

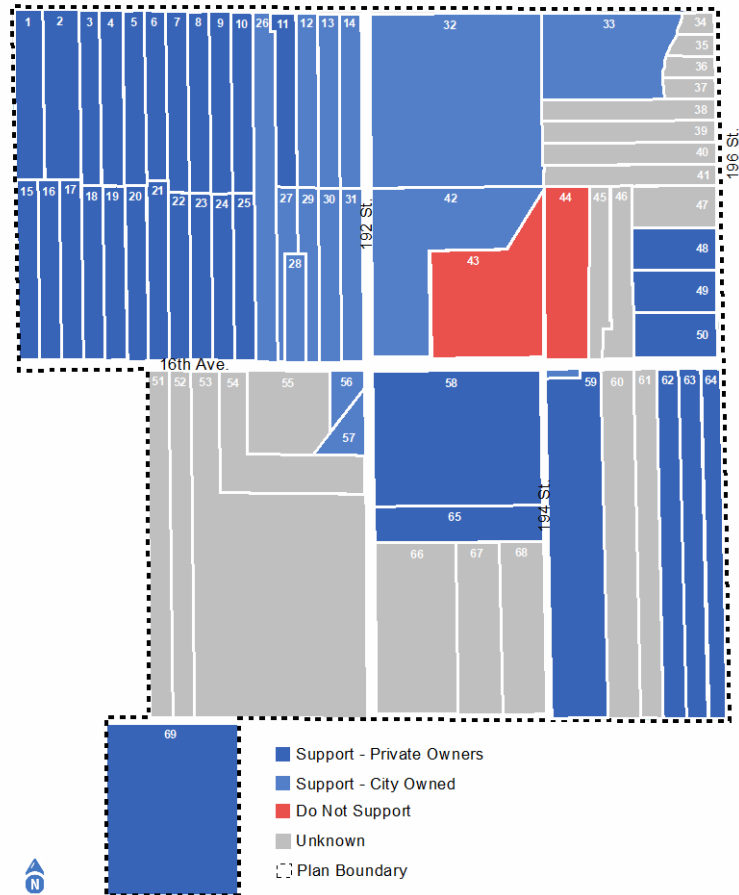
An Owner's Perspective



South Campbell Heights LAP

- Major support amongst land owners on 16th and 20th Avenue
- Local support from business and stakeholders
- Addresses industrial land shortage
- Creation of employment infrastructure and economic growth for industry and the City of Surrey

SCH - Map of Owner Support



67% Support

67% of the owners representing 32 of the privately owned lots, and the 15 City owned lots identified that they support the proposed plan.

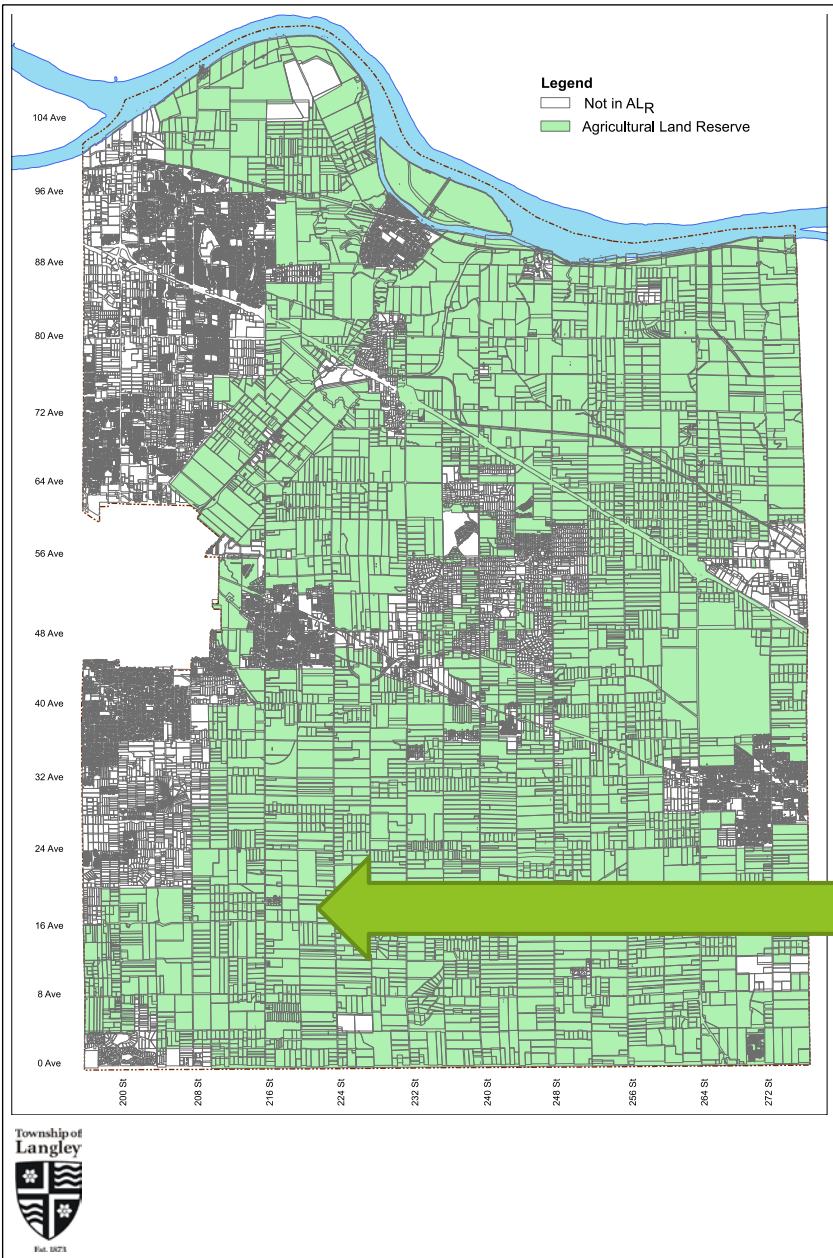
3% Do Not Support

3% of the owners or 2 of the privately owned lots identified that they do not support the proposed plan.

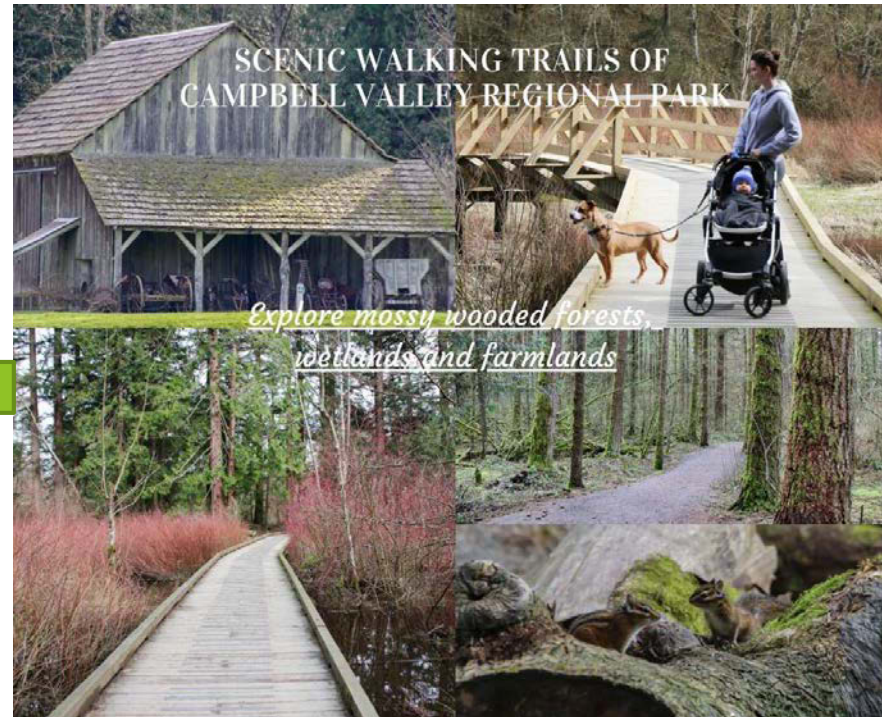
30% Unknown*

30% of the owners or 21 of the privately owned lots preferences are unknown.
**May have indicated support/non-support through survey, but survey results are not tracked by property address.*

- 94% of responses received from Owner group in South Campbell Heights were in support of the proposed RGS amendment



- Campbell Valley Regional Park and THOUSANDS of acres East of 200th Street are protected in the ALR (from Surrey to Abbotsford)
- South Campbell Heights LAP is NOT in ALR and represents land not used for rural purposes (poor soil quality)



Current Home Sites - a realistic perspective



Most homes in the area are in non-rural roles, and contribute little environmental value



Many areas have garbage dumped e.g. bags of trash, dumped furniture



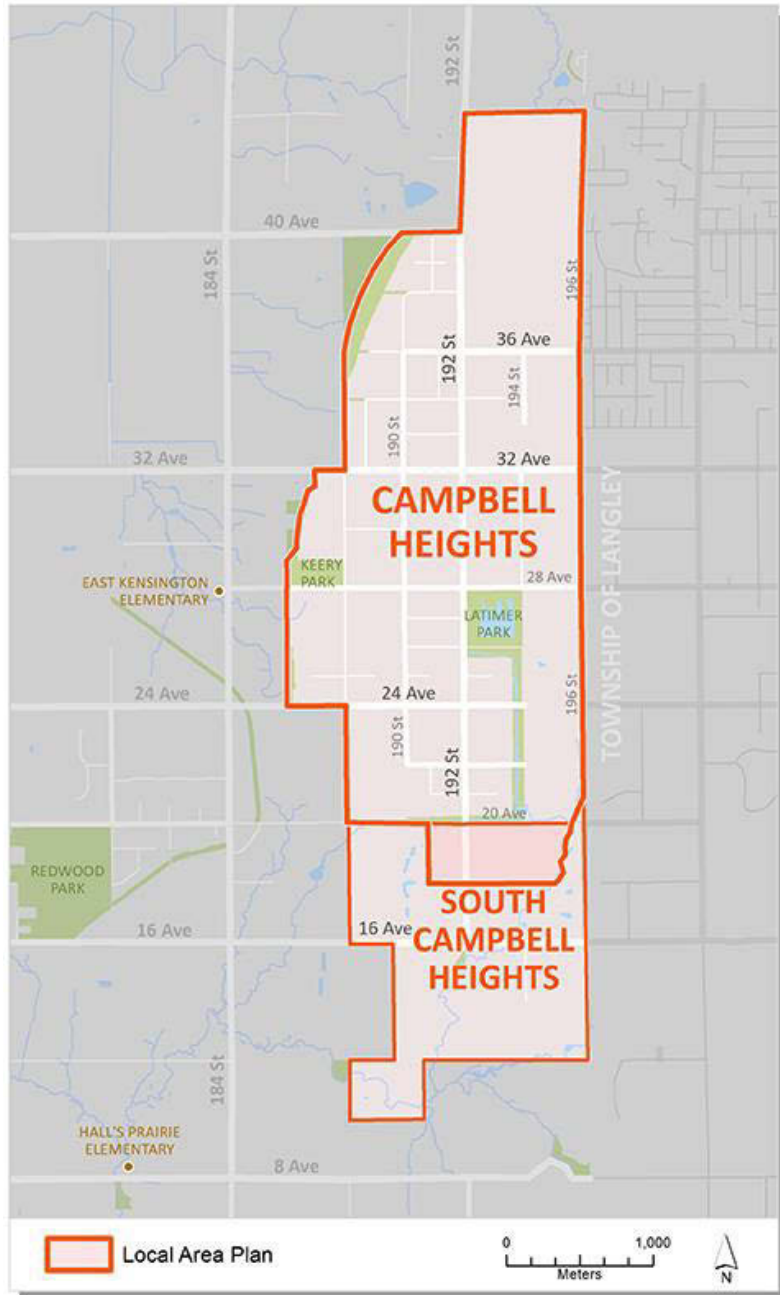
This is a true representation of many of the sites in this area.
Non-Rural land usage that contributes little environmental significance



Satellite image of properties in this area show sites being used for storage, debris/disposal and illegal rental units

Industrial Land Use =
Employment Infrastructure

NOT Industrial Revolution
Level Pollution

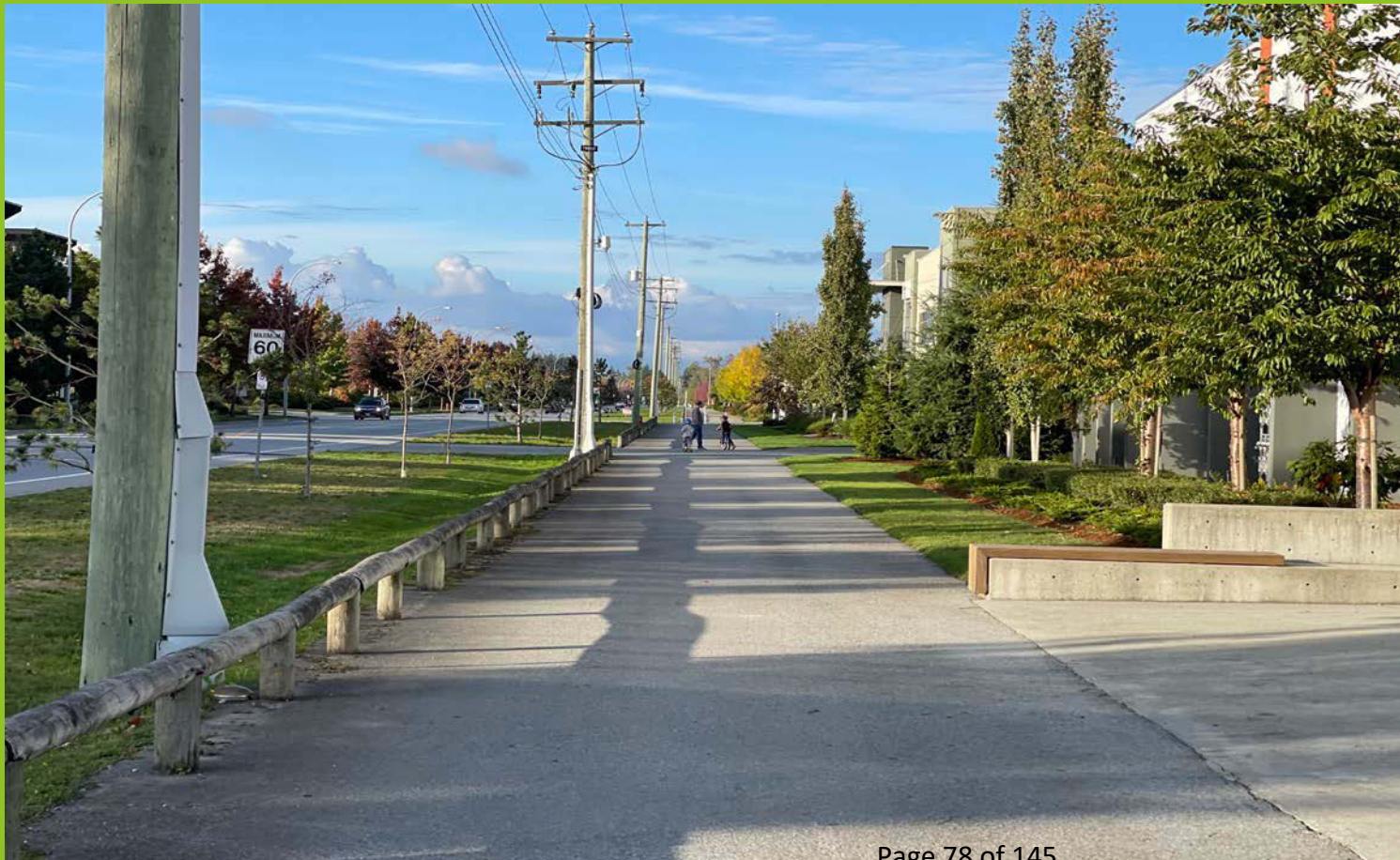


- ▶ South Campbell Heights would be a natural extension of North Campbell Heights
- ▶ 20th Avenue separates the two areas

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The sun is visible at the top center, creating a bright lens flare and illuminating the scene. The sky is blue with some light clouds. Overlaid on the right side of the image is a large, semi-transparent green geometric shape composed of several overlapping triangles and polygons. The text "North Campbell Heights - an example of smart development" is written in a bright green, sans-serif font, centered over the image.

North Campbell Heights - an example of smart development

Bike paths, walking trails and well maintained landscape make this area useful to the whole community





Smart development does work





16th Avenue and 192 Street -
a major connection between
Surrey, Langley, Abbotsford
and the United States

South Campbell Heights - Land Use Designation Amendment Request

| Regional Planning Advisory Committee



October 8, 2021

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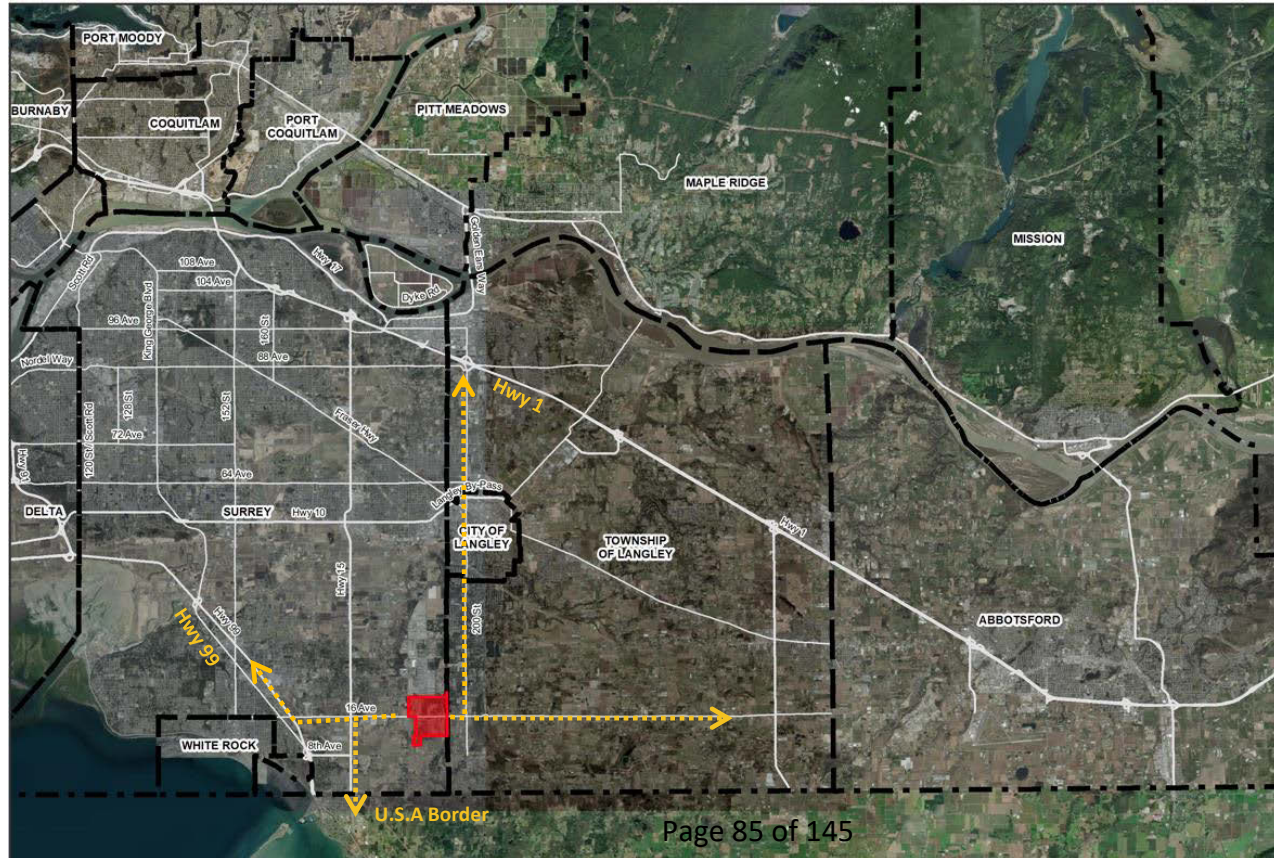
An aerial photograph of a landscape. The top half shows a golf course with green fairways and a winding path. A dense forest of tall evergreen trees runs vertically through the center. The bottom half shows a cluster of industrial buildings with large, flat roofs and parking lots. A road runs vertically through the center, separating the forest from the buildings.

Presentation Overview

- Regional & Site Context
- Market Context
- Planning Process
- Revised Plan
- Next Steps

Site Context

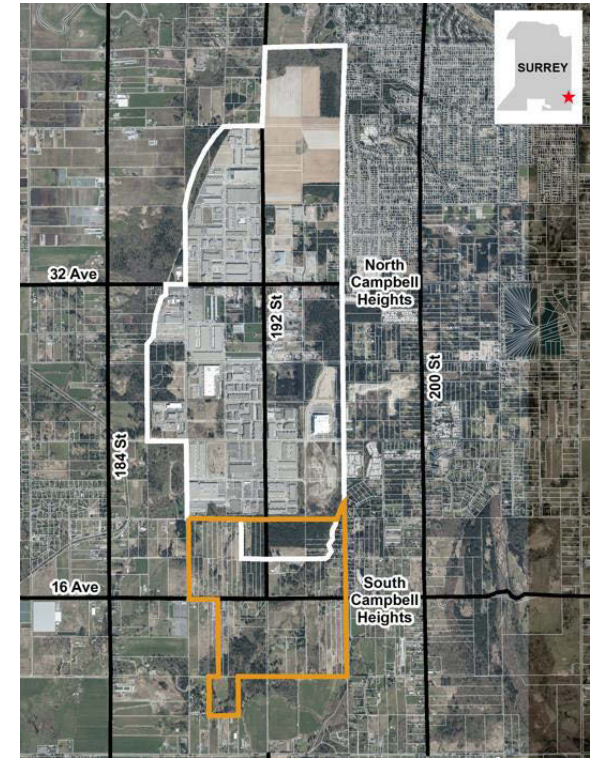
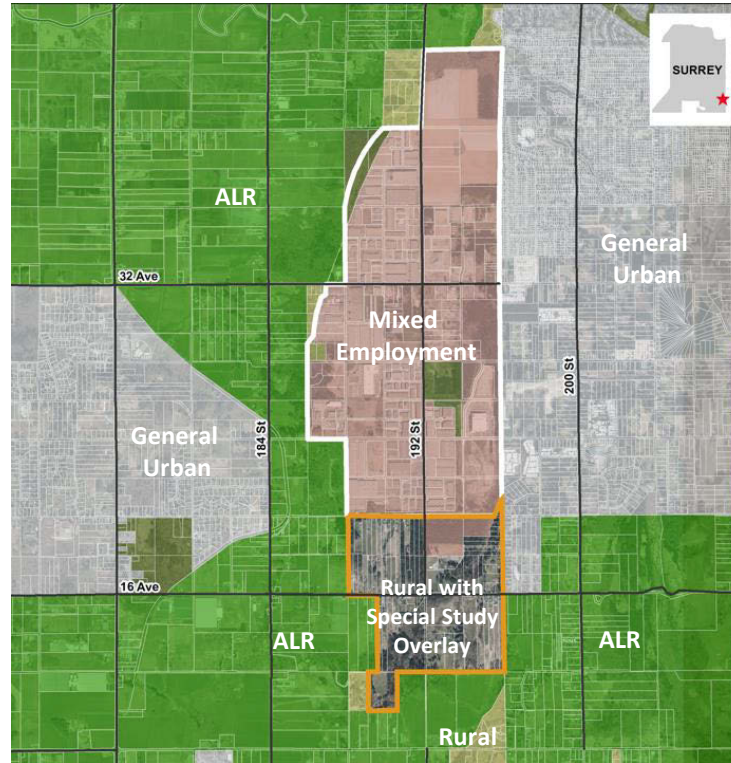
Site Context



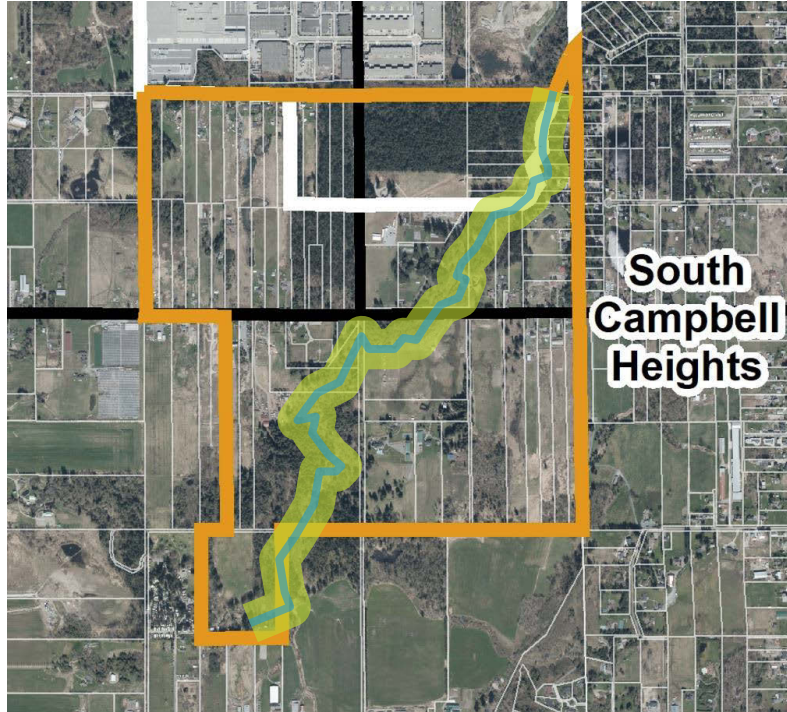
Site Context

Proposal:

- Type 3 Minor RGS Amendment
- Existing: Rural (with Special Study Overlay and Mixed Employment
- To Mixed Employment and Conservation & Recreation



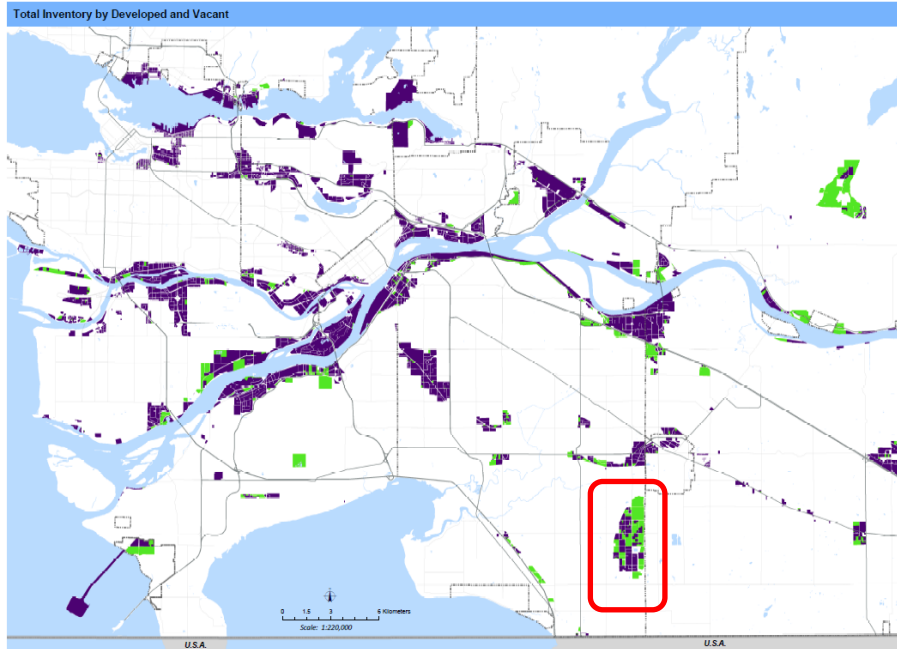
Site Context



- Adjacent to Campbell Heights Industrial area-designated Mixed Employment
- Little Campbell River diagonally through plan area
- City-owned lots along 192 St. & northern plan
- Large lot-rural uses
- One-lot for agricultural production and environmental stewardship
- Other areas with previous gravel extraction operation

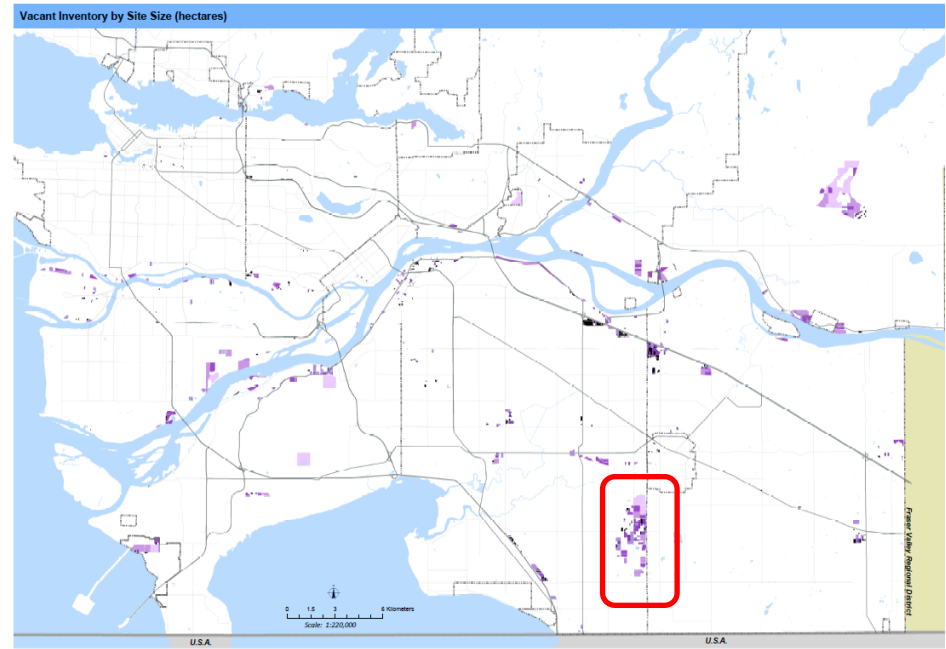
Market Context

Regional Industrial Land Supply



Industrial Land Status

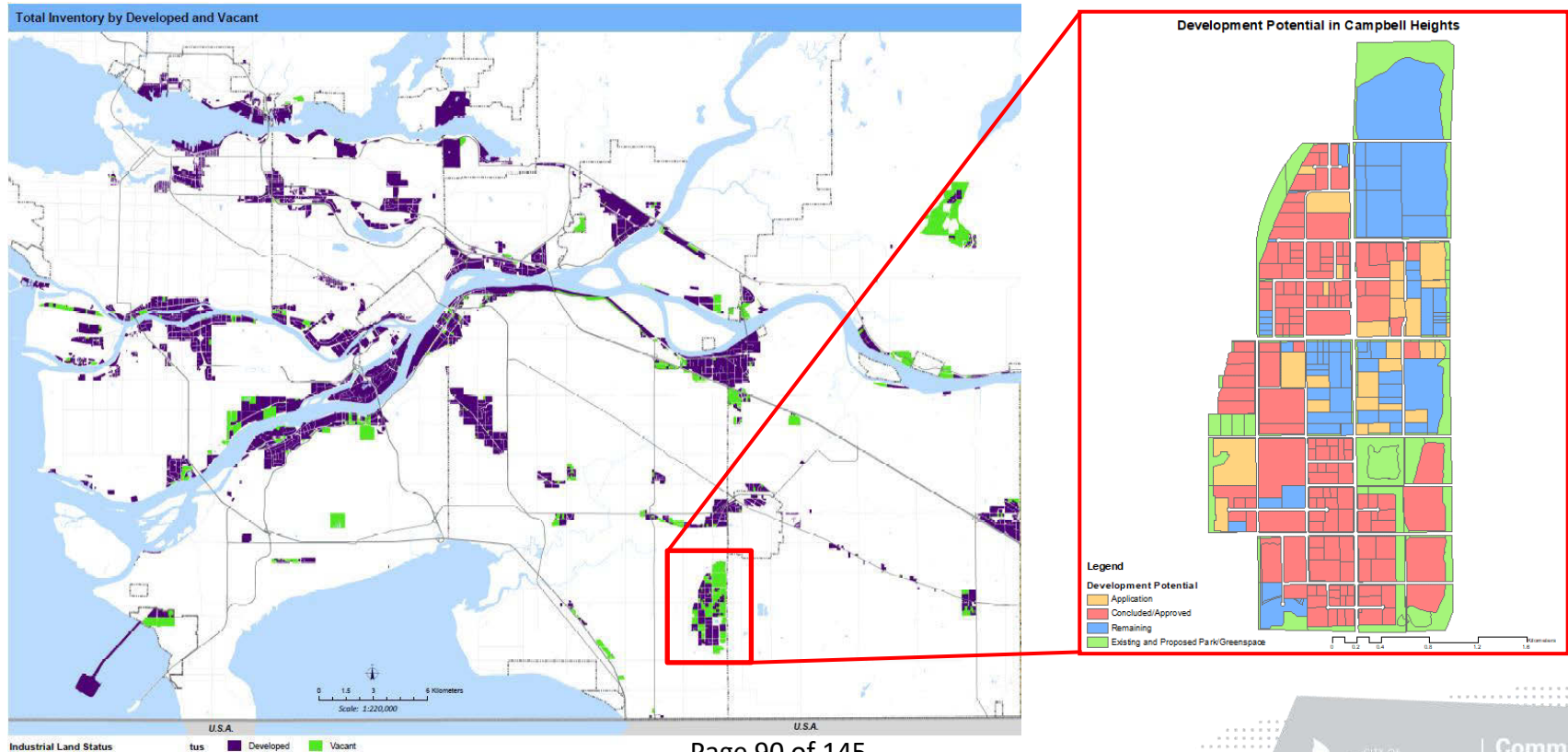
Developed Vacant



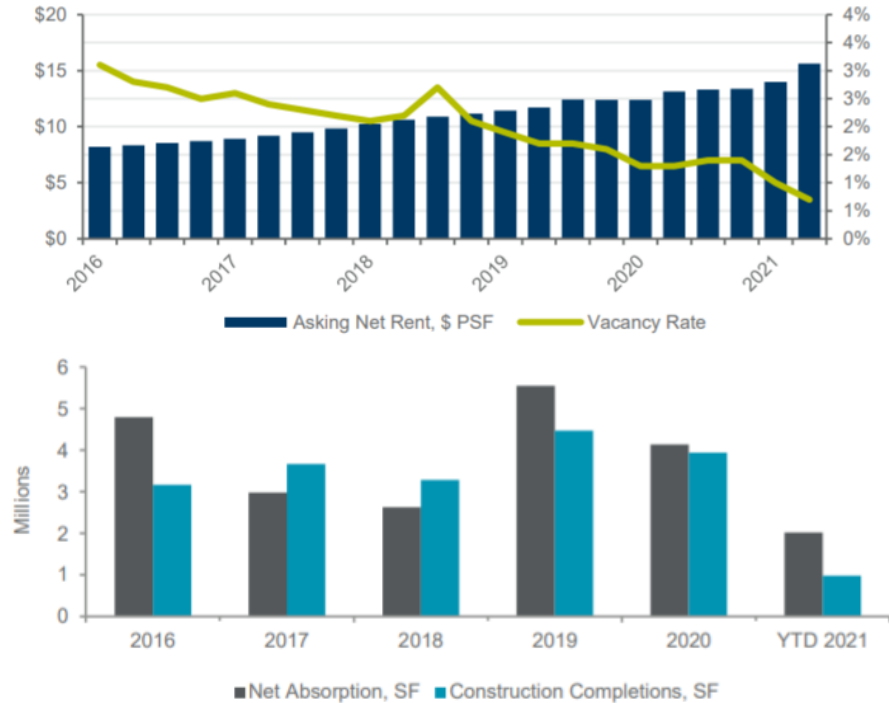
Vacant Site Size

less than 1 hectare
1 hectare to 1.9 hectares
2 hectares to 4.9 hectares
5 hectares to 9.9 hectares
10 hectares to 19.9 hectares
20 hectares and over

Market Context: Land Demand & Absorption



Market Context: vacancy and absorption



Vacancy rate continues to fall

- 0.7% – Metro (Q2, 2021)
- 0.2% – Surrey (Q2, 2021)

Demand > Supply (2:1 ratio)

- **YTD Absorption: 2,024,997 sf**
 - 66% South of Fraser
- **YTD New Supply: 976,313 sf**
 - 76% South of Fraser
- **Avg. Net Rent: \$15.62 /sf (MV)**

Market Context: addressing regional challenge

NEWS Top Stories Local COVID-19 Opinion World Canada Politics More


Custom Order Your F-150
Custom Order Your F-150. Built For You. By You.
Ford Canada
[Shop Now](#)

Business

Amazon Canada hikes front-line worker pay and plans to hire 15,000 more people

[f](#) [in](#) [t](#) [e](#) [r](#)

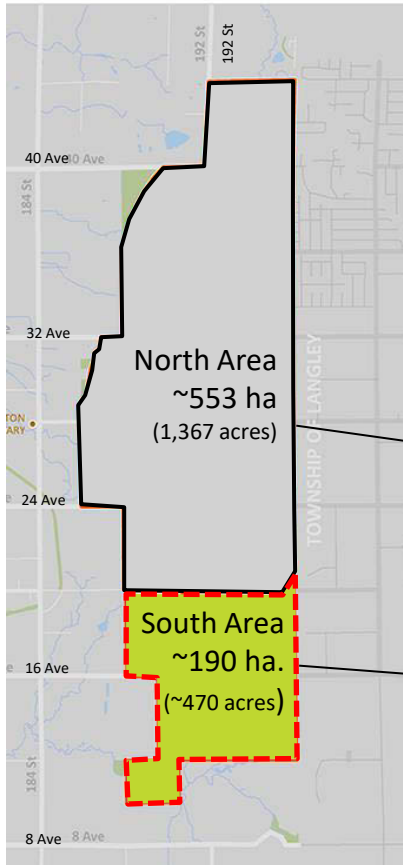
E-commerce giant raises front-line worker salary to up to \$21.65 an hour
CBC News · Posted: Sep 13, 2021 8:39 AM ET | Last Updated: 4 hours ago



Amazon is increasing how much it pays its front-line workers and is planning a hiring spree. (Jakub Kaczmarczyk/EPA)

- Demand expected to remain high.
- Land supply is at an all time low.
- **Surrey plays a key role in supply**
 - ~22% of overall supply
 - ~29% of available/vacant land
 - Leading municipal absorption
 - Leading municipal completions
 - Leading municipal construction
- **SCH Plan presents opportunity to address this regional challenge.**
 - New supply of business employment

Development Capacity



Summary

- First envisioned as employment lands in 1980
- Total area approx. 723 ha (~1,787 acres)

Development Capacity

North Campbell Heights

- Undeveloped land (*remaining*): ~187 ha. (~462.4 acres)
- + 6-8 years of growth capacity
- @ capacity around to 2029

South Campbell Heights

- Undeveloped land: ~190 ha. (~470 acres)
- + 6-8 years of growth capacity (once serviced)

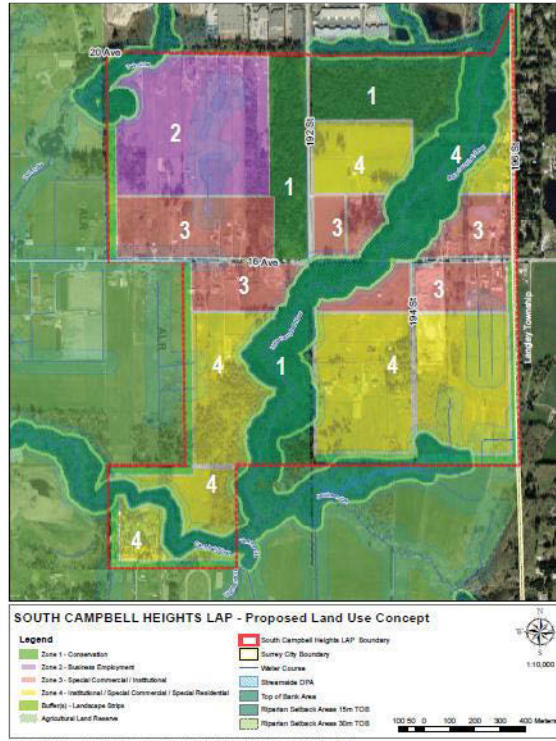
South Campbell Heights Plan

PLAN PROCESS & SUMMARY

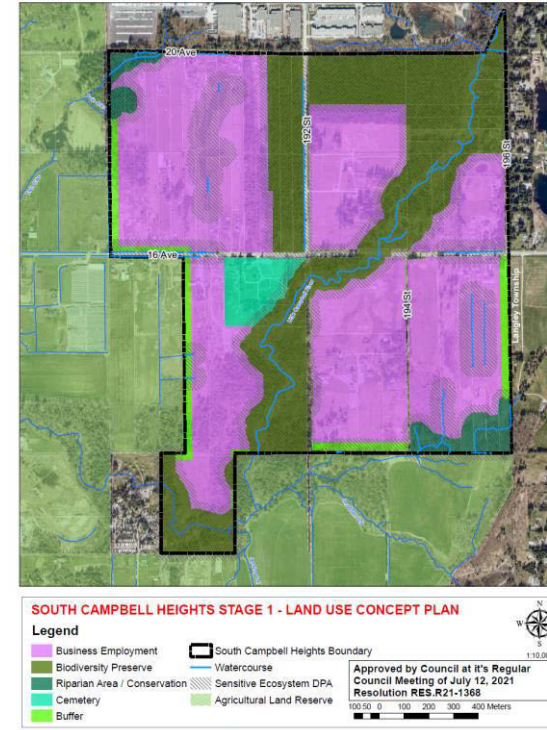
Planning To-Date

- Sept 2014: Plan Initiated
 - July 2017: Stage 1 Plan Approved
 - OCP Amendment (3rd reading), Nov 2017
 - Jan 2018: RGS Referral to Metro
 - Referral back, May 2018.
-
- July 2021: Updated Stage 1 Plan Approved
 - OCP Amendment (3rd reading), July 2021
 - July 2021: RGS Referral to Metro

Revised Land Use Plan



Original Plan (2018)



Updated Plan (2021)



Intent of the revised SCH Plan

To increase the regional **supply of employment land** and provide regionally significant employment opportunities, while **protecting sensitive ecosystems**.

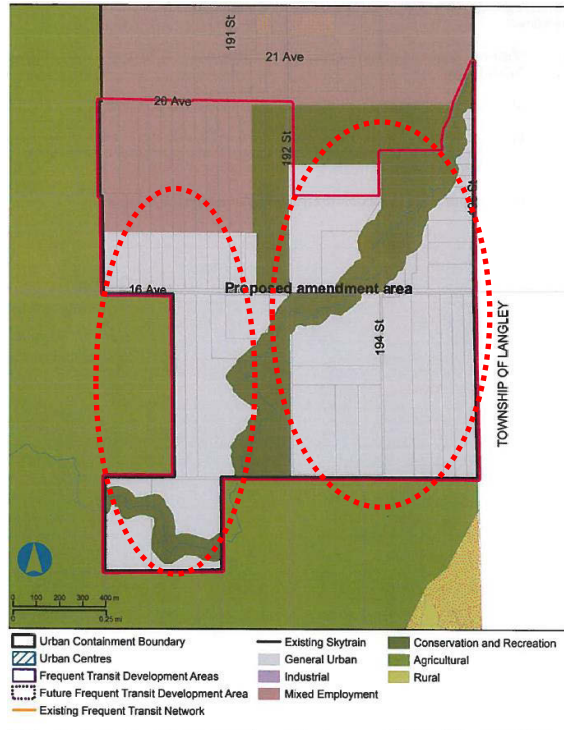


Revised SCH Plan

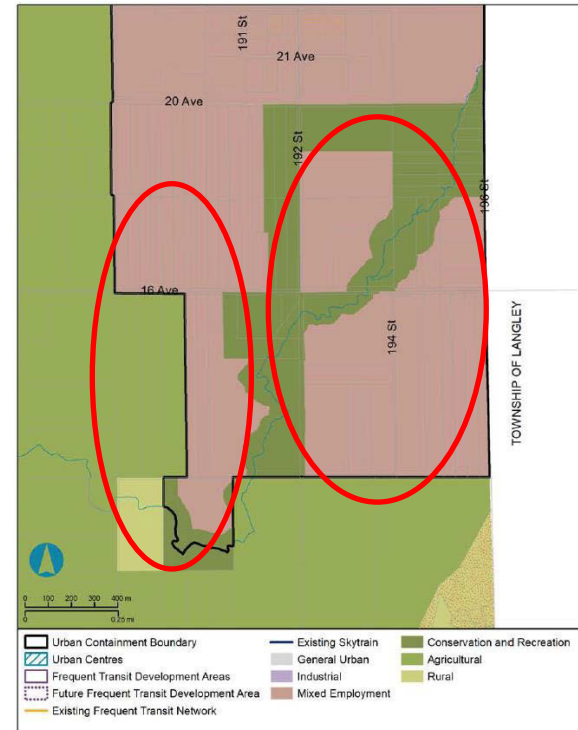
Addressing constrained employment land supply

- Focus on creating more business employment opportunities
- Increases inventory of employment land
 - **Add 160.8 ha to Mixed Employment**
 - **Approximately 2/3 of plan area**

Revised Plan- Mixed Employment Designation Areas



Original Plan (2018)



Updated Plan (2021)

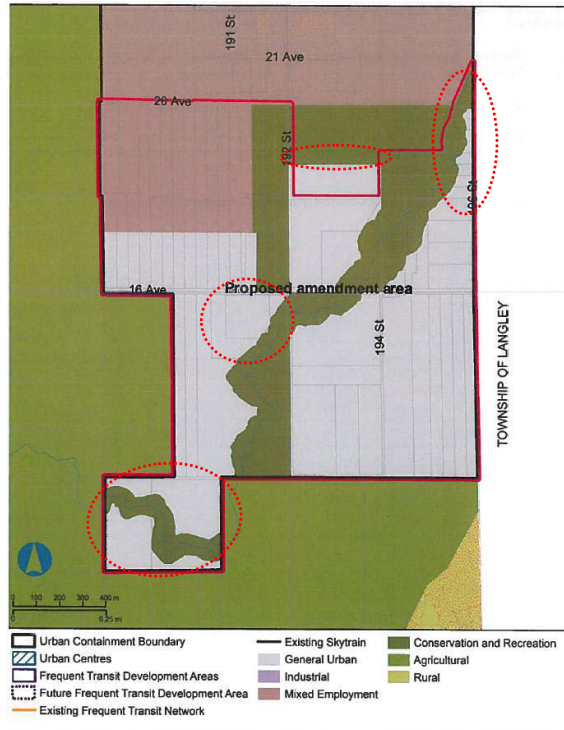


Revised SCH Plan

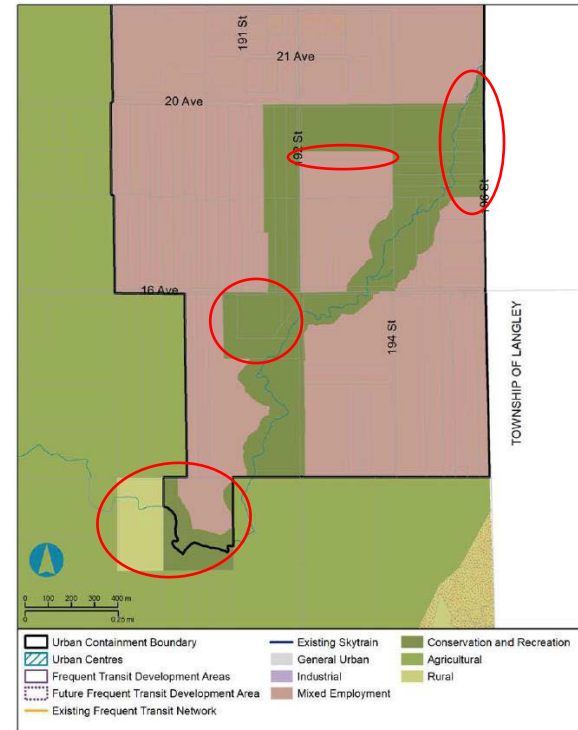
Protect Sensitive Ecosystems

- Plan identifies ecologically-sensitive locations to be protected through land use plan and Conservation & Recreation Designation
 - Add **68.9 ha land to Regional Conservation & Recreation** Designation
 - Approximately 1/3 of the plan area

Revised Plan-Conservation & Recreation Designation Areas



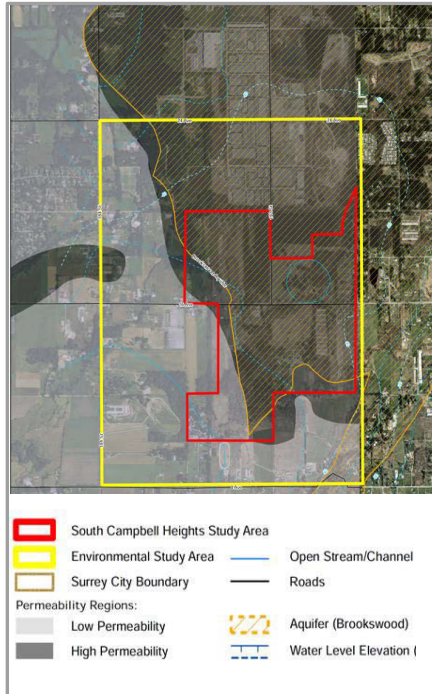
Original Plan (2018)



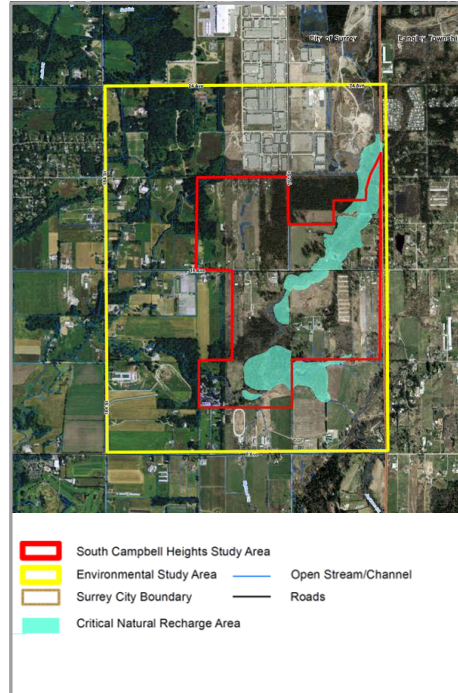
Updated Plan (2021)

Critical Recharge Areas to be Protected with Con Rec Designation

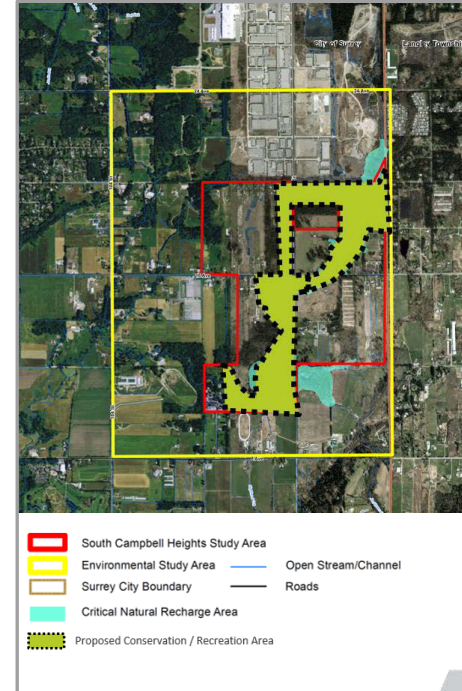
Aquifer Area



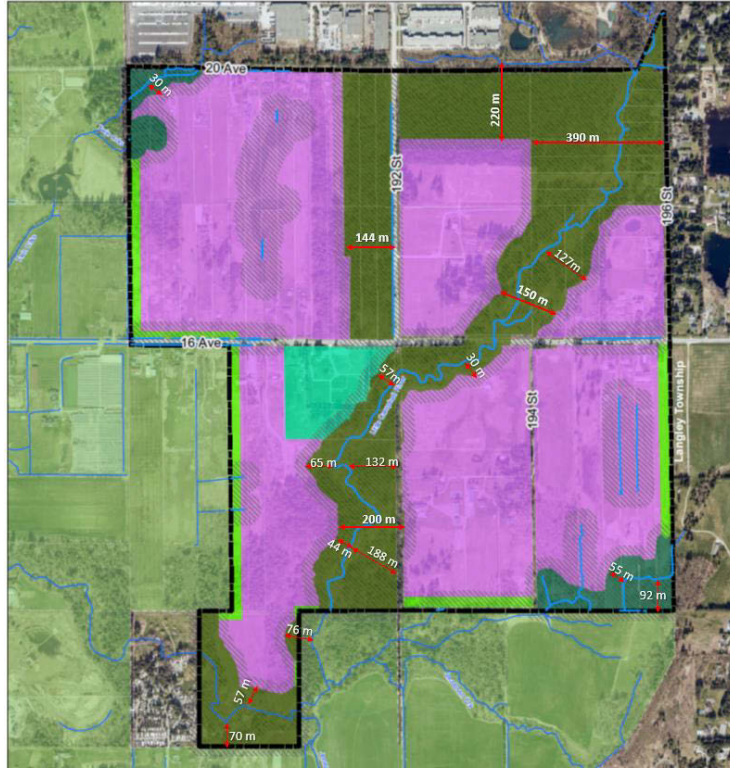
Critical Recharge Areas



Proposed Con/Rec Area (2021)



Tools for Protection of Riparian and Biodiversity Preserve



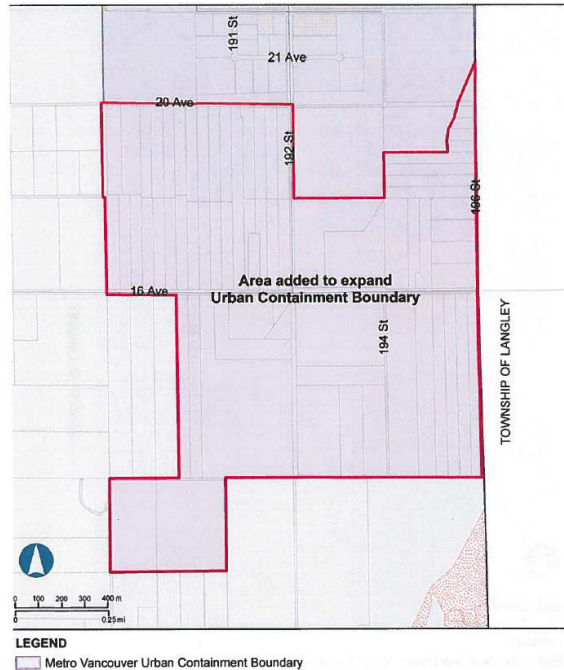
Regional and OCP Designation:

- The Riparian setback area for the Little Campbell River ranges from a minimum 60m to over 400 m in total width.
- The Biodiversity Preserve Corridor width ranges from a 144 metres to 220 metres

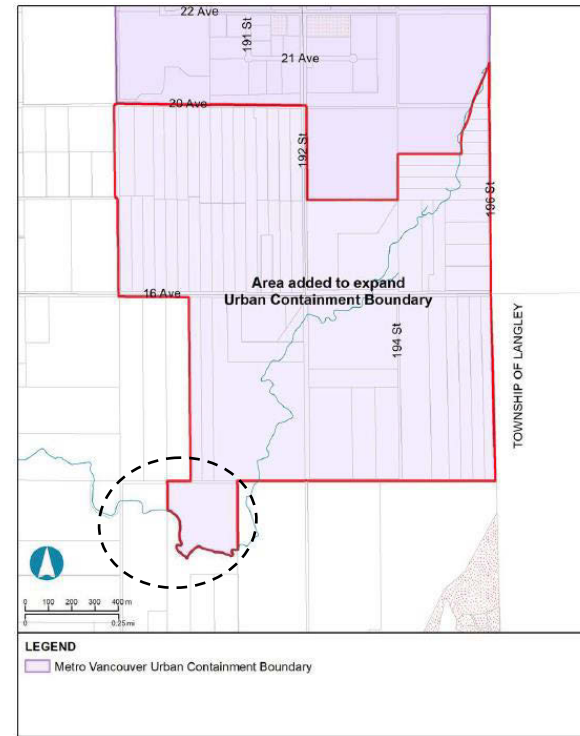
Development Process:

- Other stream setbacks based on Surrey's Zoning Bylaw, typically no less than 30 metres from TOB for Class A and A0 Streams and 15 metres for Class B Streams
- Additional land subject to Surrey's OCP Sensitive Ecosystem Development Permit Regulations
- Additional buffers identified along the ALR edges

Revised Urban Containment Boundary Extension Area



Original Plan (2018)



Updated Plan (2021)

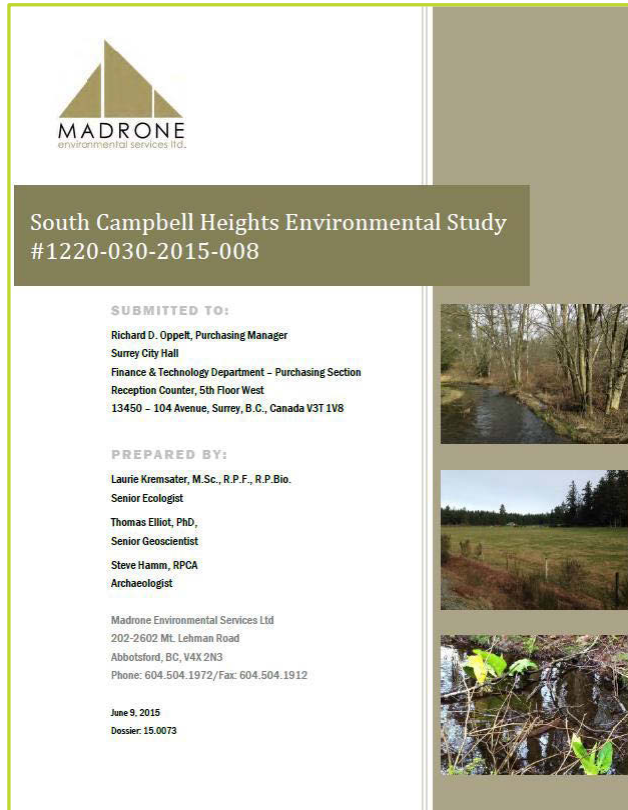
Next Steps



Stage 2 – Plan Process

Additional Studies

- Environmental Update
 - Current regulations, **wetlands, species at risk** etc.)
- Engineering Studies
 - Transportation, Sanitary, Water, **Drainage**



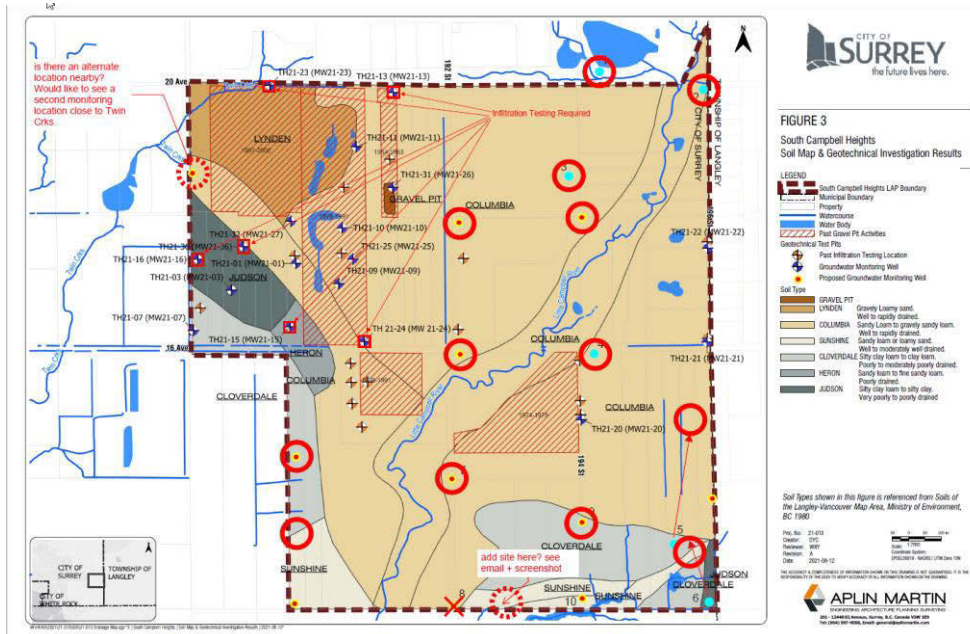
Environmental Study Update

Environmental Analysis (2015)

- Surface & Groundwater Hydrology (Aquifer)
- Terrestrial Ecosystems Vegetation
- Large Trees
- Greenways (Hubs/Corridors)
- Fish and Riparian Areas
- Wildlife
- Archaeology

Additional Work

- Updated Watercourse Assessment
- Wetland Inventory
- Species at Risk Guide & Regulations



Drainage Review

- Detailed hydrogeological assessment currently underway.
- Drainage strategy will be based upon this assessment, as well as the recommendations of the Little Campbell River Integrated Stormwater Scoping Study.
- Drainage infrastructure design will be based on the City of Surrey's latest Design Criteria.



Stage 2 – Plan Process

- Study results to inform adjustments to Land Use Plan as required
- Implementation
 - Financial, design requirements, policies
- Additional engagement
 - Report back to stakeholders

Questions/Comments

2022-2026 Financial Plan Overview

Jerry W. Dobrovolny

Commissioner/Chief
Administrative Officer

Dean Rear

General Manager, Financial
Services/ Chief Financial
Officer



2022 – 2026 FINANCIAL PLAN OVERVIEW

Board direction from April workshop

Short-term Relief for Households

- Leverage supported tools to create short-term action plan (1-2 years)
- Fully evaluate 30 Year amortization for NSWWTP

Maintain Current Goals and Objectives

- Continue work on strategic and long-range plans
- Optimize capital plan timing and identify deferment opportunities
- Evaluate effects of more restrictive lawn watering regulations
- Explore demand side management options for liquid waste

Realize New Opportunities

- Partner on projects to increase affordable housing
- Reduce GHGs
- Help drive economic recovery

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ATTACHMENT 1



2022 – 2026 FINANCIAL PLAN OVERVIEW

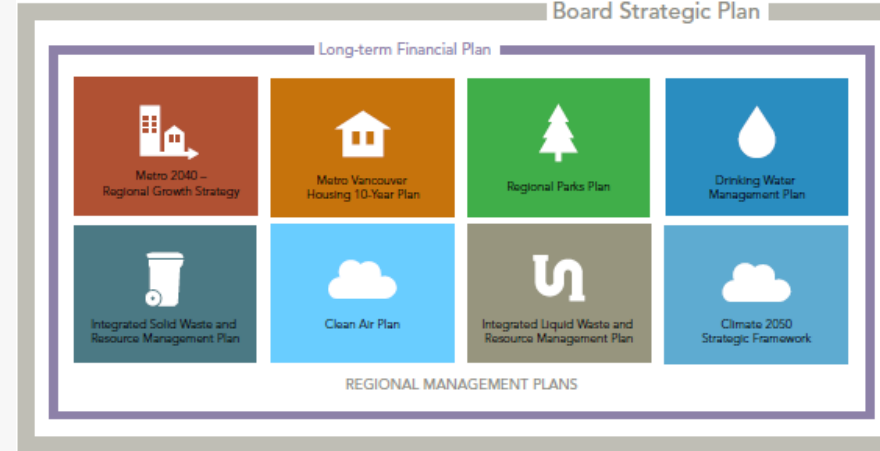
2022 Budget – Bottom Line

6.4%	Prior Projection for 2022 Budget
\$38	Increase for the average household in 2022 (Water: \$6, Liquid Waste: \$25, Solid Waste: \$4, MVRD: \$3)
\$612	Average annual costs for all Metro Vancouver services
3.5%	Proposed 2022 Budget
\$21	Increase for the average household in 2022 (Water: \$4, Liquid Waste: \$8, Solid Waste: \$3, MVRD: \$6)
\$595	Average annual costs for all Metro Vancouver services

2022 – 2026 FINANCIAL PLAN OVERVIEW

2022 Budget - Addressing Board Priorities

- Implementing the Clean Air Plan to meet 2030 climate targets and improve air quality
- Incentivizing Inflow and Infiltration reductions
- Accelerated investment in affordable housing
- Integrating land use and transportation planning
- Accelerated action on Regional Economic Prosperity
- Improving seismic resiliency of the water system
- Advancing long term water source supply capacity



2022 – 2026 FINANCIAL PLAN OVERVIEW

2022 Budget – Addressing Organizational Needs

- Support services for capital program delivery
- Indigenous relations
 - Internal requests for support have tripled
- Project Delivery and improved project management
- Asset management



TOOLBOX

Use of Reserves

Reduce Pay
as-you-go

Capital Plan
Deferrals

Continuous
Improvement

Demand Side
Management

Debt Amortization

USE OF RESERVES

Reliance on Annual Surpluses

- Applied annual surplus in excess of operating reserves minimums to reduce upward pressure on levies and tax requisition
 - \$8M for 2022
 - In accordance with the *Operating, Statutory and Discretionary Reserves Policy*
- Impact is one time only
 - Pressure intensifies on future levies and tax requisitions

REDUCING PAY AS YOU GO

Policy Variance

- Contributions to capital funding from the Operating budget
- Reduced by \$11M from prior year
- Easy to cut, difficult to add back
- Long term impact is more borrowing
 - Interest costs
 - Rate risks

CAPITAL PLAN DEFERRALS

Project Review

- Review of over 300 projects
- In the prior cycle, over \$400 million in capital expenditures deferred
- This cycle, a further \$450 million of capital expenditures have been deferred

CONTINUOUS IMPROVEMENT

Overview

Initiative	Outcomes
LIWWTP Effluent Heat Recovery	\$415k / year increase in revenue from Renewable Natural Gas. 1,000 t / year regional reduction in GHG emissions.
In-House Developed Effluent Mixing Models	\$150k / year reduction relative to cost for modelling performed by Consultants
Increased in-house Project Management and Field Quality Control / Assurance	\$2M / year reduction relative to outsourced engineering work by Consultants
Project Management Framework	Improved project performance, project oversight and transparency.
Project Controls insourcing/optimization of project support for HVRC projects	\$750,000 Cost Avoidance, Operating

CONTINUOUS IMPROVEMENT

Overview

Initiative	Outcomes
Ozone optimization at Coquitlam Water Treatment Plant	\$230k / year reduction in electricity and oxygen costs; Reduced greenhouse gas emissions by 17,200 kg CO ₂ e per year
Automation of Statutory Financial Statements	\$120,000 in annual staff time savings and reduced audit fees.
Short-Term Financing and Cash Management	\$2,000,000 in annual interest cost savings, mitigate liquidity risk and optimize cash position.
New recycling depot funding model	Allows for recycling depots at all Metro Vancouver recycling and waste centres while supporting municipalities with depots and reducing municipal costs by over \$1m / year
New organics management contracts	\$2m / year regional cost reduction while maximizing organics system resiliency

DEMAND SIDE MANAGEMENT

- Continued Emphasis on Water Conservation
 - Necessary to delay need for growth infrastructure
 - Continue practice of water rate increase being applied to high season
- Liquid Waste – Develop Wet Weather Billing
 - Incentivize Inflow and Infiltration reductions at the member level
 - Manage system capacity
 - Delay need for additional infrastructure



DEBT AMORTIZATION

- Board direction to maintain policy of 15 year debt amortization
- Recommendation for 30-year amortization term for the North Shore's share of the North Shore Wastewater Treatment Plant Project as requested



North Shore Wastewater Treatment Plant

OVERALL HOUSEHOLD IMPACT 2022 - 2026

	2021	2022	2023	2024	2025	2026
Water District	\$171	\$175	\$183	\$200	\$221	\$244
Liquid Waste	\$273	\$281	\$324	\$379	\$452	\$543
Solid Waste	\$60	\$63	\$65	\$68	\$71	\$74
Regional District	\$70	\$76	\$85	\$88	\$89	\$91
Total Household Impact	\$574	\$595	\$657	\$735	\$833	\$952
% Change		3.5%	10.4%	11.8%	13.3%	14.3%
<i>Prior Year Forecast</i>		\$612	\$656	\$710	\$784	
<i>Prior Year % Change</i>		6.4%	7.3%	8.5%	10.4%	

FUTURE FINANCIAL PLANNING

- One year budget that utilizes MV fiscal strength to minimize overall impact for 2022
- Continue to work on resolving challenging fiscal issues
 - Forthcoming major projects
 - Revenue stream such as DCC's
 - Economic uncertainties

PROCESS AND TIMELINE

Apr 8

Board Budget
Workshop

May 8

Council of
Councils

June/July

Proposed capital
plan for input *

October

Recommended
financial plan *

Oct 20

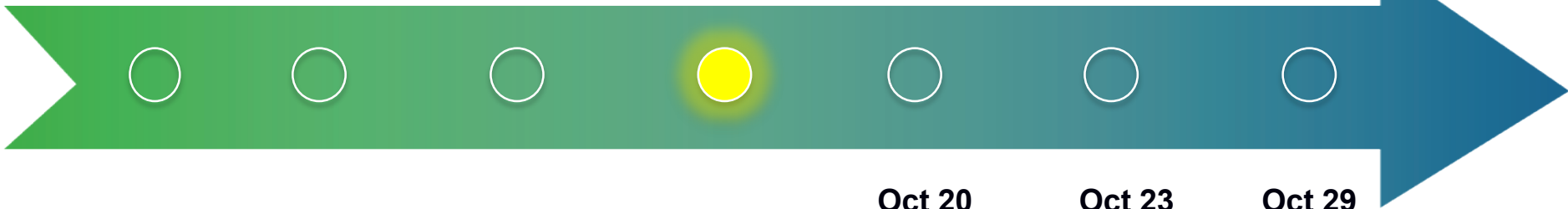
Board Budget
Workshop

Oct 23

Council of
Councils

Oct 29

Board
meeting



*10 Standing Committees and 3 Advisory Committees (RAAC, RFAC, REAC)

An aerial photograph of Vancouver, British Columbia, Canada. The image shows the city's skyline with numerous high-rise buildings, including the Vancouver Convention Centre and the Vancouver Tower. The city is situated on a peninsula, with the Burrard Inlet to the east and the False Creek to the west. The foreground shows a residential area with houses and trees. A large, semi-transparent dark blue rectangle is overlaid on the center of the image, containing the text "Financial Plan Overview" in white. The sky is blue with scattered white clouds.

Financial Plan Overview

METRO VANCOUVER OPERATING BUDGET

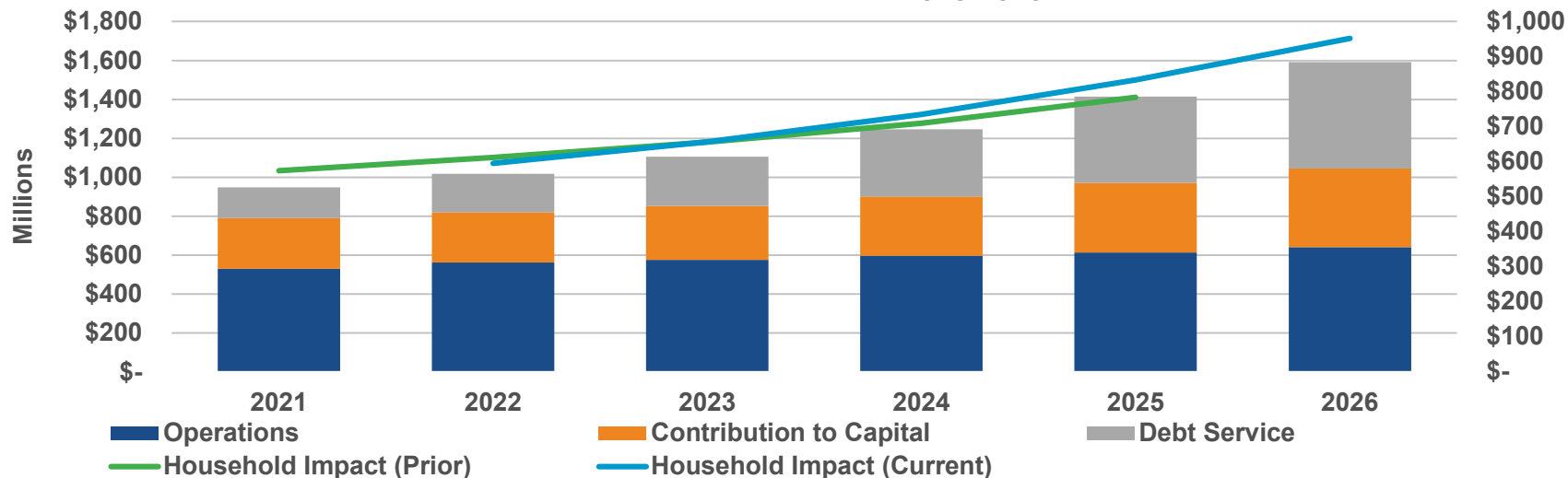
Expenditures

Overview:

- 2021 Operating Budget: \$947.9M
- 2022 Operating Budget: \$1,017.9M (7.4%)
- About 1% higher than previously projected for 2022

Drivers:

- Increase in Operations averages 3.8% over 5 years
- Debt servicing reflective of the capital program, but favorable rates
- Easing contribution to Capital in 2022 - Refocusing in 2023-2026



METRO VANCOUVER OPERATING BUDGET

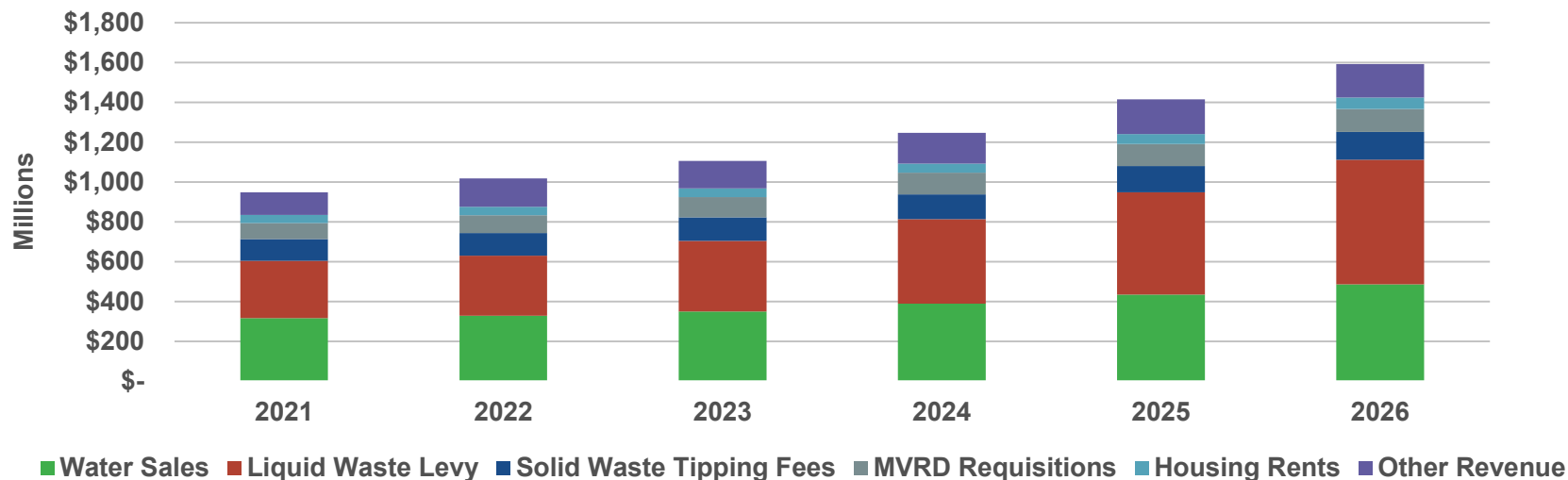
Revenues

Overview:

- Primary funding sources – water sales, sewer levy, tipping fees, rents, MVRD requisition
- Relative stability for primary sources

Drivers:

- Significant use of reserves in 2022 to minimize HHI
- Anticipated water DCC revenue received and applied starting 2024, downward pressure on water rate
- Assumed partner funding for upcoming major capital projects, downward pressure on levies/rates



METRO VANCOUVER CAPITAL PLAN

KEY REGIONAL PROJECTS UNDERWAY



Kingston Gardens



Surrey Recycling & Drop Off



North Shore WWTP



Second Narrows Water Tunnel



Annacis Expansion



Widgeon Park

- Regional infrastructure investment drives the financial plan and ratepayer impact
- Though there are challenging projects, many have positive financial outcomes
 - Kennedy Newton Water Transmission Main
 - AIWWTP Cogen Power Backup

METRO VANCOUVER CAPITAL PLAN

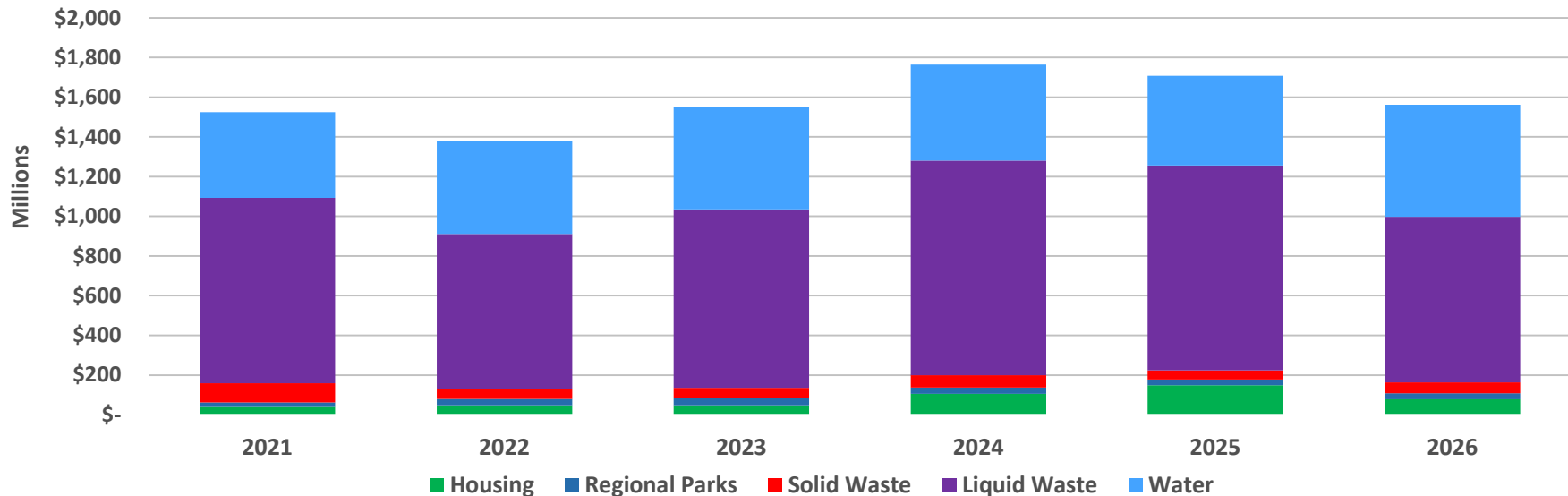
Expenditures

Overview:

- 2020 capital cashflow \$1.52B
- 2021 capital cashflow \$1.38B

Drivers:

- Capital projects in progress carried forward
- \$450M deferred from previous 5 year cashflow
- Reflects risks and scope changes where known





Questions

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Together we make our region strong



Metro 2040 Amendment Request from City of Surrey

SOUTH CAMPBELL HEIGHTS

Sean Galloway

DIRECTOR, REGIONAL PLANNING AND ELECTORAL AREA SERVICES

Regional Planning Committee, October 8, 2021

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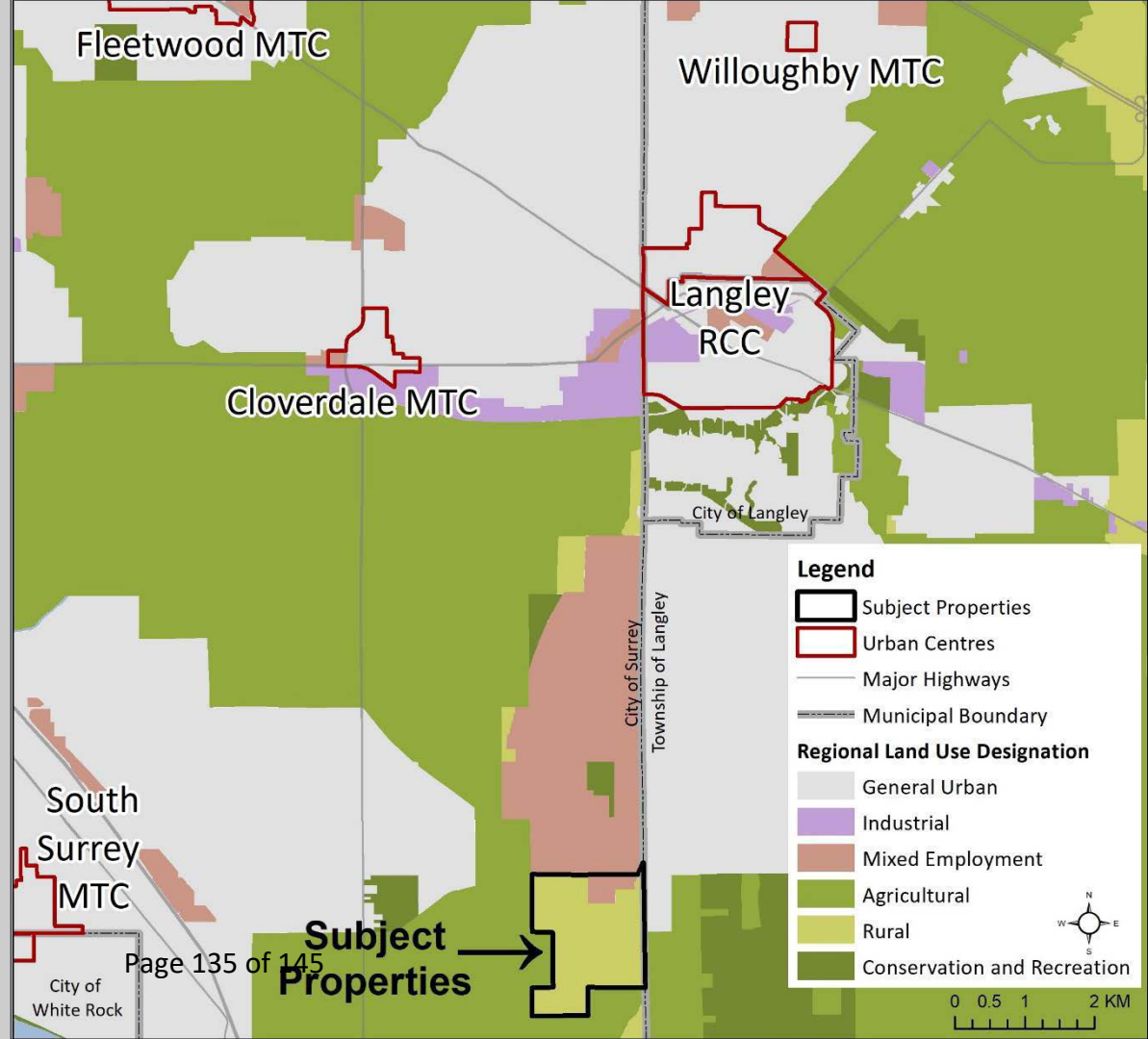
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OUTLINE

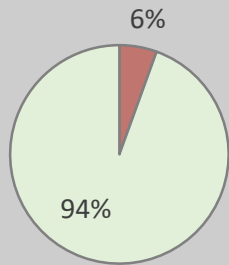
1. 2018 amendment request
2. 2021 amendment request
3. *Metro 2040* consistency



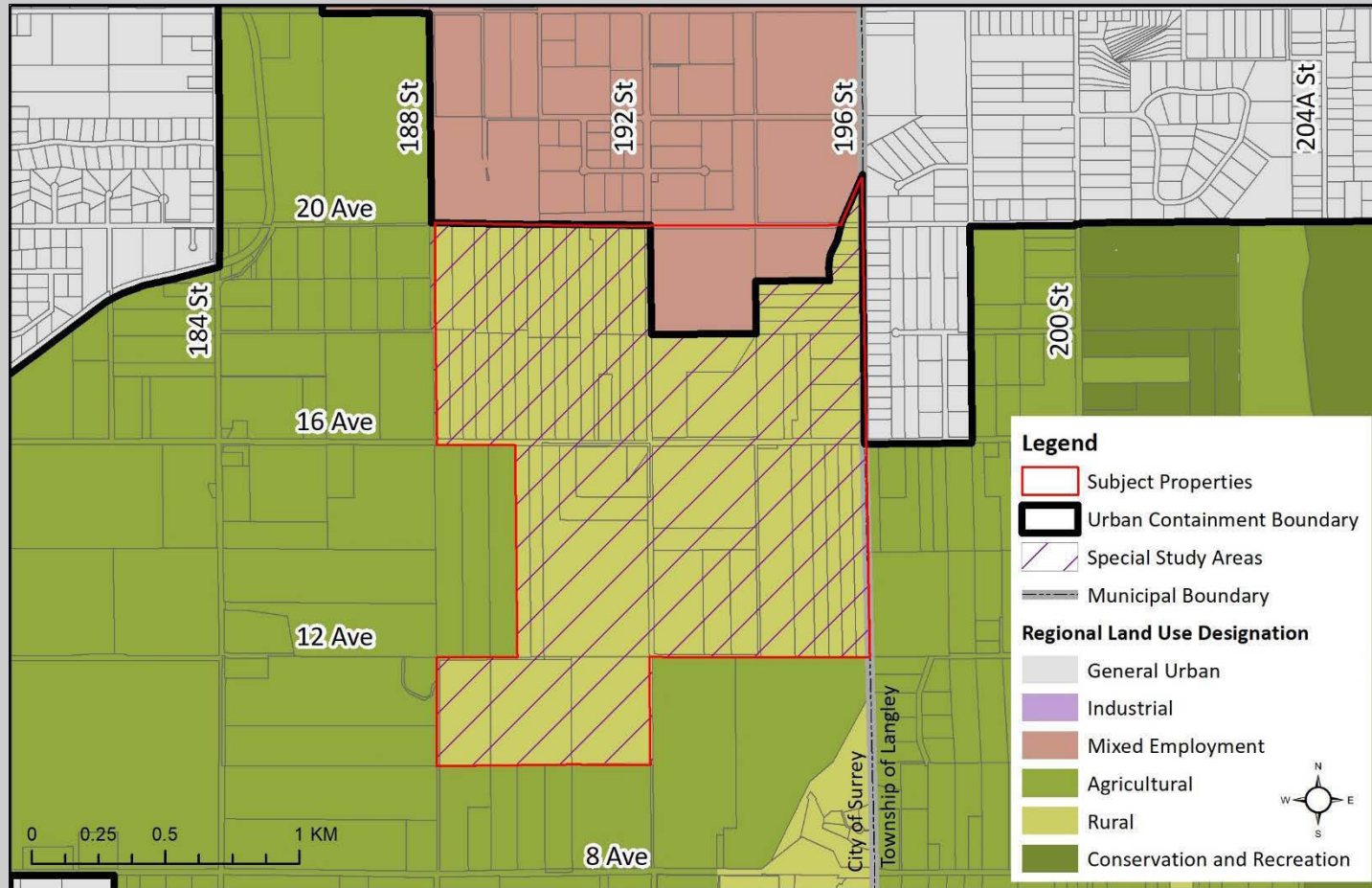
Sub-Regional Context



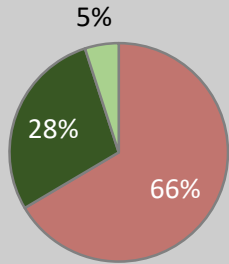
Existing Regional Land Use Designations



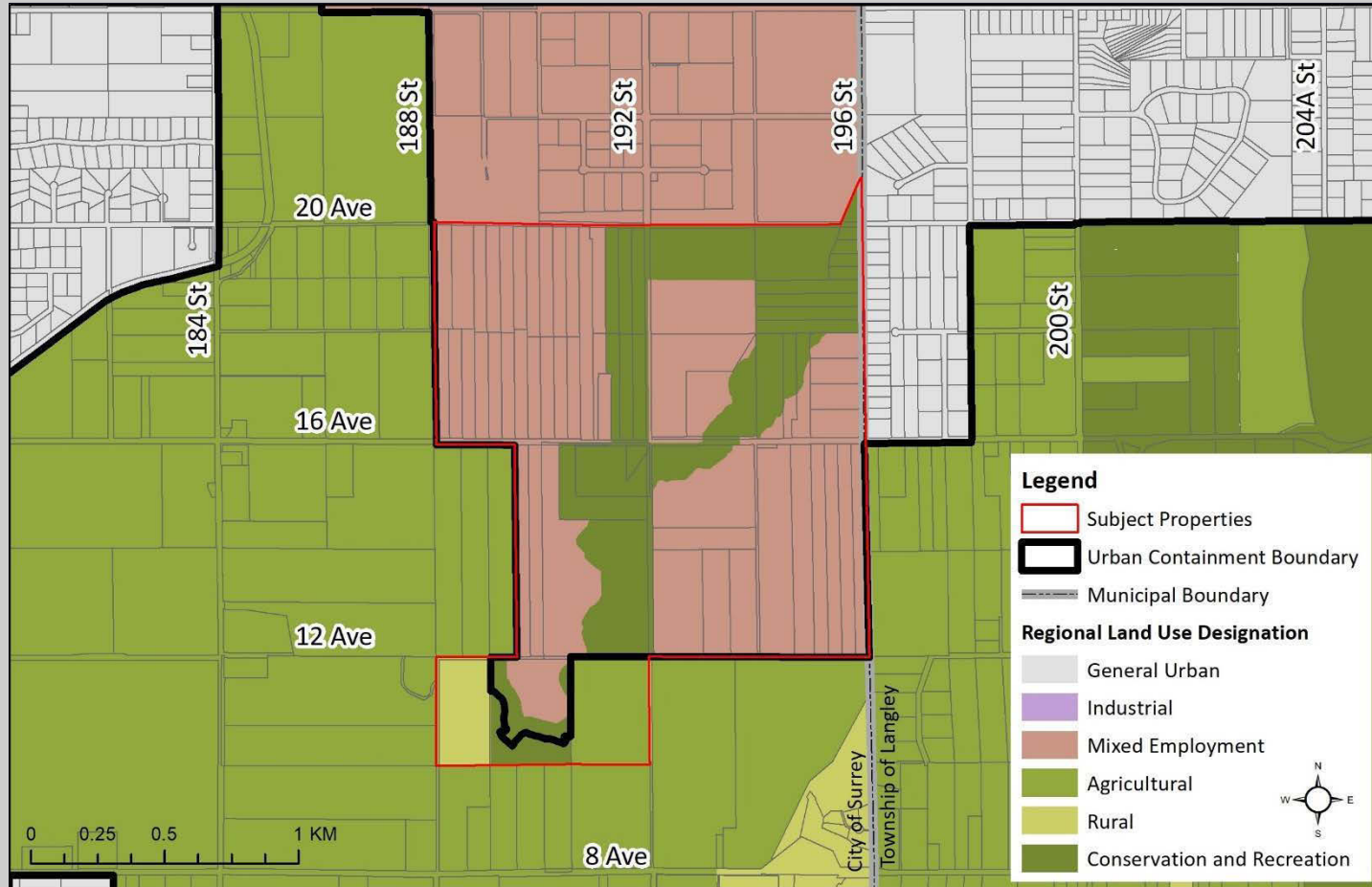
■ Mixed Employment □ Rural



Proposed Regional Land Use Designations



■ Mixed Employment
 ■ ConRec
 ■ Agricultural



METRO 2040 CONSIDERATIONS

1. Urban containment / servicing implications
2. Strategic trade location/job space
3. Environmental impact
4. Sustainable transportation



GOAL 1: CREATE A COMPACT URBAN REGION

- Urban containment boundary intended to be long term a stable boundary for urban development
- Sufficient capacity for *all* urban growth to 2040 and beyond within existing UCB – need substantial rationale for expansion
- Special Study Area – area long intended for land use change. Assess proposed land use mix and trade-offs.
- Servicing infrastructure implications unconfirmed. Will require GVS&DD assessment and expansion of the FSA

GOAL 2: SUPPORT A DIVERSE REGIONAL ECONOMY

- Strong need for industrial / job space in the region
- Adjacent to South Campbell Heights
- Difference between Industrial and Mixed Employment regional land use designations
- Careful to not draw trip generating uses that belong in Urban Centres to this location
- Links to trip generating uses / transit service and goods movement network

GOAL 3: PROTECT THE ENVIRONMENT AND PREPARE FOR CLIMATE CHANGE

- This scale of land use change (over 200 ha) will mean substantial environmental impacts
- Significant effort to mitigate those impacts in environmentally sensitive areas through inclusion of lands along Little Campbell River in regional Conservation / Recreation land use designation
- Some concern about impact on groundwater and downstream impacts
- Need integration into Surrey's Climate Adaptation Plan

GOAL 5: SUSTAINABLE TRANSPORTATION

- Strategic trade location:
 - Near US truck crossing
 - Accessible by truck route and Major Road Network
- Challenges for passenger transportation:
 - Lack of existing transit, walking, and cycling infrastructure
 - Expected traffic and sustainability impacts from trip generation

RECOMMENDATION

That the MVRD Board:

- a) initiate the regional growth strategy amendment process for the City of Surrey's requested regional land use designation amendments for the South Campbell Heights area, including extension of the Urban Containment Boundary and removal of the Special Study Area overlay;*
- b) give first, second, and third readings to "Metro Vancouver Regional District Regional Growth Strategy Amendment Bylaw No. 1328, 2021"; and*
- c) direct staff to notify affected local governments as per section 6.4.2 of Metro Vancouver 2040: Shaping our Future.*

NEXT STEPS

- MVRD Board - October 29
 - Consideration of 1st, 2nd and 3rd reading
 - Refer out for comment
- Min 30-day notification period
- MVRD Board - January 2022
 - Consolidate comments from members and public
 - Consider final reading and adoption





Thank you