

Regional Growth Strategy Backgrounder Industrial Lands Inventory for Metro Vancouver

Purpose

An industrial lands inventory was prepared for Metro Vancouver in 2005. The purpose of the inventory was to:

1. Estimate how much land is allocated for industrial use in Metro Vancouver and where those industrial lands are located within the region; and
2. Estimate how much of the industrial land base is currently utilized by industry, and how much is vacant (not currently utilized by industry, but designated for future industrial development).

Study Approach

The inventory was prepared by the Metro Vancouver and its consultants in 2005.ⁱ The Metro Vancouver Industrial Lands Task Group provided guidance on methodology, input on the technical parameters, and feedback on draft findings. The Task Group included representatives from member municipalities, the real estate brokerage community, the Province, ports and airport authorities, and the academic community.

Findings

In 2005, there were 26,089 acres (10,558 ha) of industrial land in Metro Vancouver. Approximately 74% of the industrial land base, or 19,230 acres (7,782 ha), includes properties that are wholly or partially utilized for industrial activities. The remaining 26% of the industrial land supply, or 6,859 acres

(2,775 ha), is classified as “vacant”, defined for the purposes of this study as not currently utilized for industrial purposes, but designated for future industrial development. This vacant land supply is a “gross” estimate and may currently be occupied by residential uses, or have environmental, servicing or other development constraints.

Distribution of Metro Vancouver’s Industrial Land by Subregion, 2005

Subregions	Developed Industrial Land (acres)	Vacant Industrial Land (acres)	Total Industrial Land (acres)	Regional Share
North Shore	957	107	1,064	4.1%
Vancouver	1,533	89	1,623	6.2%
Burnaby / New Westminster	3,198	396	3,595	13.8%
Northeast Sector	2,407	389	2,797	10.7%
Richmond	3,114	1,167	4,280	16.4%
Delta	2,402	447	2,849	10.9%
Surrey / White Rock	3,376	(1) 3,129	6,506	24.9%
Langleys	1,651	779	2,430	9.3%
Ridge - Meadows	591	356	947	3.6%
Greater Vancouver	19,230	(2) 6,859	26,089	100.0%

Notes:

The term vacant includes all properties designated, but not currently utilized, for industrial activity.

(1) A large proportion of the designated vacant industrial land in the City of Surrey is currently occupied by non-industrial residential uses. In addition, Surrey estimates that approximately 700 acres of industrial designated lands would not be available in the future due to open space preservation and environmental protection.

(2) Approximately 700 acres of designated vacant industrial lands are located on properties under federal jurisdiction (Vancouver International Airport, Vancouver Port Authority, Fraser River Port Authority, North Fraser Port Authority).

All figures are approximate.





Industrial Park in Coquitlam

Over 62% of the region's total industrial land supply, and over 80% of the vacant industrial land, is located south of the Fraser River. A further 11% of the vacant industrial land is located in the Northeast sector and Maple Ridge/Pitt Meadows subregions. The City of Surrey alone contains 46% of the region's vacant industrial land supply.

In addition to the remaining vacant land capacity, it is assumed that there is additional development capacity available on currently developed sites. Figures from Cushman & Wakefield LePage show that the amount of floor space located on industrial land continues to rise, despite a decline in the total acres of industrial land in the region. This suggests that a significant amount of new industrial development is occurring through building expansion or redevelopment.

The amount of vacant industrial land in the inner and middle ring areas of the region is limited. Industrial land is needed in all subregions in order to provide city-serving industrial activities, a diversity of jobs, proximity to the labour force for commuting, and efficient use of goods movement infrastructure, including, road, rail, and barge. It will be important for inner and middle ring municipalities to stabilize their existing industrial land base and find ways to use existing land more intensively for industrial uses.

As a result of concerns expressed by Task Group members on the market readiness of the vacant lands, a "broad brush" analysis on the infrastructure servicing aspect of market readiness suggests that approximately one third (2,400 acres) of the vacant industrial land could be developed within the short term (approximately 1 year), one third (2,500) available in the medium term of 2 to 10 years, and 1,960 acres available in the longer term of 10 years plus. As

shown in the table below, about 90% of the long term land availability is within the City of Surrey.

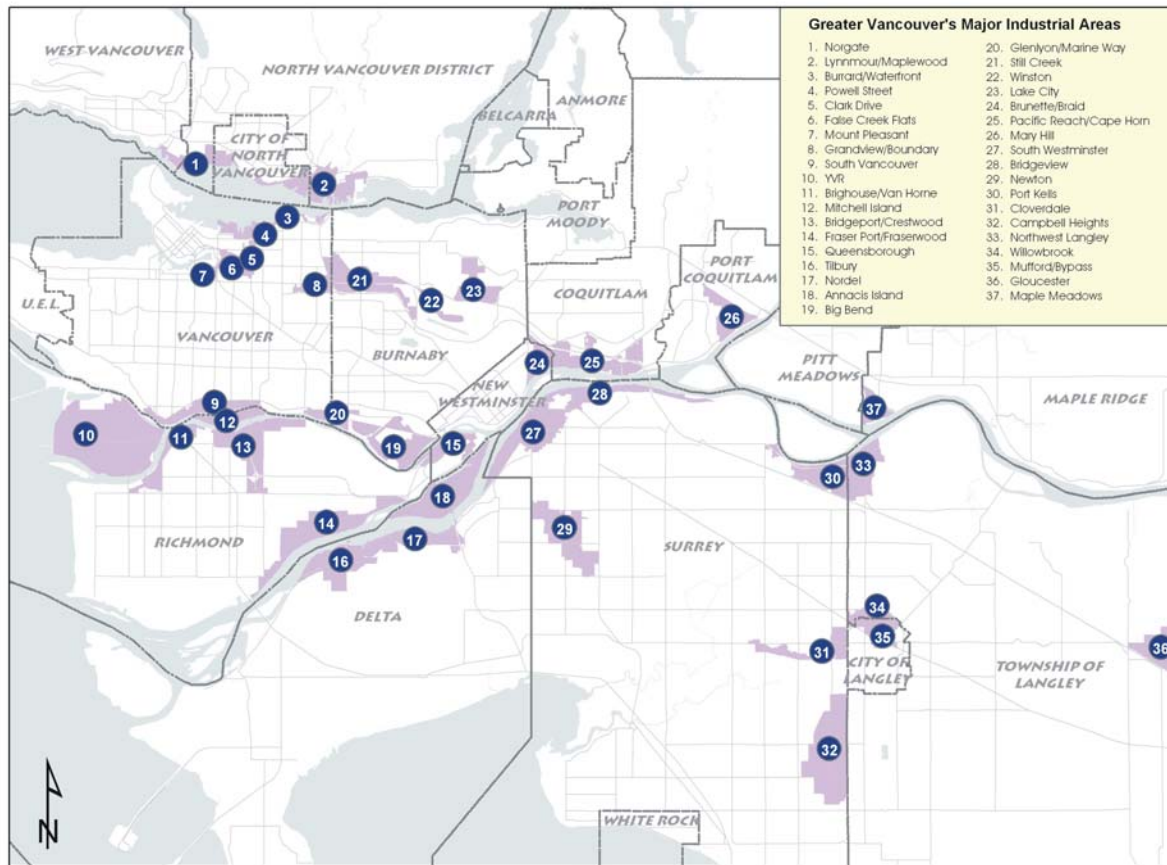
Conclusions

There can be many factors affecting the availability, desirability and market readiness of the vacant industrial lands. Task Group members from municipalities and the development industry stress that the development potential of a significant portion of the vacant lands will be hindered by factors such as location, current uses, accessibility, lot assembly, soil conditions, need for pre-loading or high development costs. This study does not include a detailed assessment of potential development constraints, but cautions that such constraints could affect the availability and development potential of the vacant industrial land supply.

Estimate of Market Ready Status of Vacant Land by Sub-region, 2005

Subregions	Land Area in Acres			Total
	Market Ready	Medium-Term	Long-Term	
North Shore	29	60	18	107
Vancouver	89	-	-	89
Burnaby / New Westminster	185	211	-	396
Northeast Sector	237	152	-	389
Richmond	929	207	31	1,167
Delta	25	411	11	447
Surrey / White Rock	487	932	1,710	3,129
Langley	348	331	100	779
Ridge - Meadows	71	196	88	356
Greater Vancouver	2,402	2,499	1,958	6,859

Industrial Lands Inventory for Metro Vancouver, 2005



by the GVRD and member municipalities as the basis for making informed land use choices around the supply and use of industrial lands in Metro Vancouver.

References

Cushman & Wakefield LePage. 2003. "Commercial and Industrial Real Estate Development Trends And Forecast For The Greater Vancouver Region, 1991 to 2021".

Puget Sound Regional Council and the University of Washington Center for Community Development and Real Estate. 1998. "Industrial Land Supply and Demand in the Central Puget Sound Region".

ⁱ The full consultant report is located at: <http://www.metrovancouver.org/planning/development/strategy/RGSBackgroundersNew/IndustrialLandsInventoryforGreaterVancouver.pdf>

An industrial land demand / absorption projection was not conducted as part of this project. However, based on a range of preliminary demand estimates using historical land absorption rates, and assuming all lands will be available for development, the supply of industrial land could theoretically accommodate

regional development demand for the next 10 to 15 years.

The Industrial Lands Inventory provides a solid snapshot of industrial land supply in Metro Vancouver. The inventory can be used as a baseline in future years for monitoring and tracking changes and absorption of industrial land in the region. The inventory can also be used