



TECHNICAL BULLETIN



Smart Growth on the Ground

No. 5
June 2004

A Partnership of:
Real Estate Institute of BC
SmartGrowth BC
Sustainable Communities
Program, University of
British Columbia

Residential Development Opportunities in Maple Ridge

1.0 Population and Household Growth in Maple Ridge

The combined population of Maple Ridge and Pitt Meadows is about 87,547, with 71,399 in Maple Ridge and 16,148 in Pitt Meadows. Maple Ridge experienced population growth of about 3.1% per year between 1998 and 2003, but growth in the core area of Maple Ridge was much lower. Over the same time frame, the overall GVRD average growth was 1.4% per year.

Population projections indicate that Maple Ridge will continue to grow at a relatively rapid rate to 2021, reaching about 93,700 people by 2021. The rate of household growth will exceed the rate of population growth as the average household size is expected to continue to decline.

2.0 General Residential Market Demand in Maple Ridge

Residential development in Maple Ridge has been comprised primarily of single-family housing over the past several years. Between 1999 and 2003, about 85% of all housing starts were single-family, 7% were ground oriented multifamily units and 8% were apartments units. All of the apartment units were in projects catering to the senior's market.

However, changing demographics mean that townhouse units and apartment units are expected to make up an increasing share of housing development in Maple Ridge over the next 10 years, with townhouse accounting for about 20% to 30% of total demand and apartment accounting for about 20% of total demand. Apartment demand should continue to increase in the following decades. Thus, estimated Maple Ridge housing demand from 2004 to 2021 is roughly as follows:

Year	Average New Units Per Year in Maple Ridge District		
	Single-Family	Townhouse/ Attached	Apartment
Between 2004 and 2011 (8 years)	400 to 500	150 to 250	150 to 200
Between 2011 and 2021 (11 years)	200 to 300	200 to 300	200 to 250
Total New Units in Maple Ridge 2004 to 2021	5,400 to 7,300	3,400 to 5,300	3,400 to 4,350
Total all unit types	12,200 to 16,950		

3.0 Residential Opportunities in the Maple Ridge Centre

It is intended that the Centre should absorb approximately 50% of new dwelling units, in response to public support for increased density, and also in response to the GVRD's Livable Region Strategic Plan. This is generally supported by market projections. *The study area should capture all of the District's*

Townhouse units and apartment units are expected to make up an increasing share of housing development in Maple Ridge over the next 10 years.

estimated apartment demand as it is an attractive apartment location and there are no other competing areas in the District. The study area should also capture a significant share of the District's townhouse demand. However, there are competing locations in the District that will also attract a share of the townhouse market. For planning purposes, it is reasonable to assume that with current policy and demand that 25% of future townhouse demand could be captured in the study area. However, given the need to increase density in the Centre we will project that *the study area could capture about 50-65% of future townhouse demand.*

Therefore, average annual multifamily residential demand in the study area will be roughly as follows:

Year	Average New Units Per Year in Maple Ridge Centre	
	Townhouse/ Attached	Apartment
Between 2004 and 2011 (8 years)	113 to 188	150 to 200
Between 2011 and 2021 (11 years)	150 to 225	200 to 250
Total New Units in Maple Ridge Centre 2004 to 2021	2,554 to 3979	3,400 to 4,350
Total all unit types	5954 to 8329 (approx. 6000-8000 units)	

4.0 Financial Viability of New Residential Development

Significant development in the study area will only occur if it is financially viable for developers to proceed with new projects. Based on financial analysis for new apartment and townhouse projects in the study area, the following observations can be made:

- Concrete construction is not financially viable in the study area and will not be until apartment prices increase substantially. Therefore, apartment projects over 4 storeys in height are not likely to be developed in the foreseeable future.
- Both lowrise woodframe apartment projects and townhouse projects are financially viable in the study area, if vacant sites can be acquired at a reasonable cost. If landowners price development sites at appropriate levels, developers should be interested in proceeding with new apartment and townhouse projects on vacant sites. Townhouse projects could also be financially viable on some of the larger single-family lots (that are not large enough for apartment use) that have houses in poor condition. However, the cost of assembling a series of single-family houses for a large redevelopment project will be prohibitive in the short term.
- Mixed-use retail and residential (4 storey maximum) also appears to be financially viable, so there may be an opportunity for housing on upper floors of new commercial developments in the study area. However, this is a relatively untested market in Maple Ridge and the market acceptance for this kind of housing is uncertain.
- Assembly of existing single-family houses for redevelopment to apartment use will not be financially attractive in the short term. However, as condominium prices continue to rise in the GVRD, redevelopment of the single-family houses in the study area will begin to be financially attractive.
- There may be an opportunity to subdivide the large single-family lots in the study area into smaller single-family lots. This will likely occur on a lot-by-lot basis over time if small single-family lots are permitted in the study area.

The study area should capture all of the District's estimated apartment demand

Both lowrise woodframe apartment projects and townhouse projects are financially viable in the study area, if vacant sites can be acquired at a reasonable cost.

5.0 Implications for the Planning Process

- Woodframe townhouse and apartment development are both viable in the study area. However, apartment densities that require concrete construction will not be viable until the longer term.
 - Townhouse and lowrise apartment development will primarily occur on vacant sites in the short term. In the longer term, redevelopment of existing houses should begin to take place.
 - Any smart growth initiatives that reduce development costs will improve the opportunities for townhouse and apartment development in the study area in the short term. By contrast, smart growth initiatives that increase development costs could prevent townhouse and apartment development in the short term as development currently supports very low land values.
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- The planning process should assume that much of the single-family housing remains in place for the foreseeable future.
 - There is an opportunity to demolish the older single-family houses and subdivide into smaller lots (likely on a lot by lot basis). If this is permitted, these sites will remain in single-family use for a very long time. Thus, the planning process should determine whether the District is interested in encouraging higher density forms of housing, rather than small lot single-family.

Resources

Demographic Analysis and Population and Housing Projection for Maple Ridge, 2001-2031, The Sheltair Group and Kelly & Associates, March 2004.

Summary of Preliminary Market and Financial Analysis, DRAFT, Coriolis Consulting Inc., May 2004.

Essential Housing Resources from CMHC, Canada Mortgage and Housing Corporation, May 2004.