Planning Vancouver Together

Slides presented July 29, 2020

Breakout Group 3: Industrial spaces, and Office & Hotels

Employment Lands & Economy Review External Advisory Group #4







Industrial Lands

- Economic Recovery Actions Identified So Far
 - 1-3 year timeframe
- Draft Longer Term Policy Ideas to Explore with Community through Vancouver Plan process
 - 30 year timeframe
- Draft Objectives to Explore with Community through Vancouver Plan process
 - 30 year timeframe



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Industrial Space Considerations

- Strong demand for industrial space continues despite pandemic
 - Gaps between demand and supply of industrial land existed prior to COVID-19
 - Global trend toward reshoring supply chains/micro supply chains emphasize this gap and will increase industry resiliency long-term
 - Acceleration of shift towards online shopping means a greater demand for logistics, warehousing, & transportation industries
- Current employment impacts are moderate
 - 0.5% employment change in wholesale (Metro Van, May 2020)
 - -4.8% employment change in manufacturing (Metro Van, May 2020)
- Motion picture sector opened with restrictions in Phase 3
 - Vancouver's considerable VFX sector has largely continued via WFH
 - Continued health concerns in US making Canadian markets more attractive for international productions







City-Serving Industrial Space

VALUE

- Supports health of the economy by providing key goods & services to residents and businesses
- Proximity to core lowers environmental cost and increases resilience and competitiveness
- Provide well-paying, low barrier employment





NEEDS

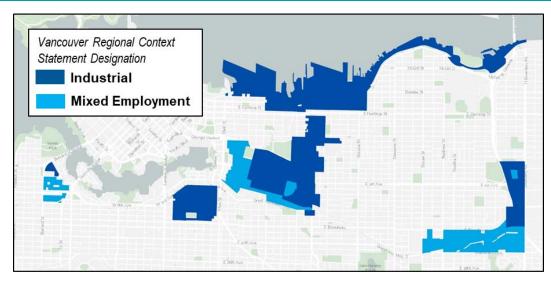
- Can only locate in industrial zones
- Require at-grade loading for efficient goods movement
- Require high ceilings and robust construction for machinery and storage activities
- Typically lower-margin, high capital cost operations
- Benefit from proximity to each other





Vancouver's Industrial Lands

- Regional Context Statement Lands
 - Industrial
 - Mixed Employment
- Total of 846 hectares
- Approx. 56,500 jobs*
- Only 7% of city lands with large portion in flood plain







*source: 2016 census

Recommend THAT Council Endorse the Metro Vancouver Industrial Lands Strategy and CoV Implementation Framework



Protect Remaining Industrial Lands

Intensify and Optimize Industrial Lands

Bring the Existing Land Supply to Market and Address Site Issues

Ensure a Coordinated Approach





Protect Industrial Lands for Employment Use



Enable Balanced Industrial Intensification



Facilitate the Right Users in the Right Spaces



Monitor, Report and Coordinate Industrial Change





Industrial Lands: Recovery Actions Identified So Far



Endorse the Metro Vancouver Industrial Lands Strategy and CoV Implementation Framework



Support **employment intensification** and **multi-storey industrial spaces** in key areas such as **Marine Landing** and **Mount Pleasant** (along 2nd avenue)





Seek to balance industrial space availability with city-serving uses that have low-employment intensity such as self-storage



Amend industrial zoning to remove barriers to artist studios (work only)



Explore potential for film & TV hub in South Vancouver

Assist in bringing unused and under-used industrial spaces to market





Zoning Amendments to Encourage Intensive Industrial Development

- Explore definition of exterior walkways to address the need for separation of goods and people movement in intensified industrial built forms
- Explore the separation of ancillary and general office uses in industrial zones
- Consider increased flexibility in allowed uses for upper floor industrial spaces
- Consider child care uses in industrial zones





Industrial Lands: Draft Longer Term Ideas to Explore w/ Community



Protect Industrial Lands for Employment Use

- Explore BIAs in industrial areas
- Support Port Land Use Plan
- Mitigate effects from sea-level rise
- No net loss of current industrial capacity



Enable Balanced Industrial Intensification

- Broaden allowed uses for upper floor industrial spaces
- Increase availability of indoor film & TV production spaces
- Recognize role of Great Northern Way Campus and facilitate expansion



Facilitate the Right Users in the Right Spaces

- Advance Community Economic Centre in the Flats
- Support Urban Freight Strategy
- Reinforce need for PDR spaces at-grade



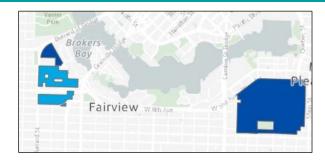
Monitor, Report and Coordinate Industrial Change

- Monitor supply and market effects of increased flexibility
- Leverage Vancouver's membership in the CBCA to assist with industrial GHG mitigation



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Industrial Lands: Draft Longer Term Ideas to Explore w/ Community



BROADWAY CORRIDOR



Explore new rezoning policy for 2nd Ave I-1 area for increase in industrial and office spaces



Consider flexibility for upper floor uses in I-1 area



Further consideration for I-1 and Burrard Slopes through the Broadway Plan process (to Council in mid-2021)











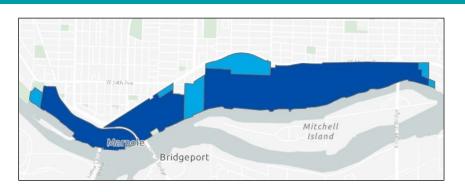
Confirm 2017 False Creek Flats Plan



Outside of FCF Plan, work with existing businesses to explore options for multi-storey industrial recognizing impacts on adjacent areas



Industrial Lands: Draft Longer Term Ideas to Explore w/ Community





GRANDVIEW BOUNDARY and SOUTH VANCOUVER





Ensure viability of industrial uses



Consider improvements to connections and public realm



Support higher intensity industrial forms

Explore new rezoning policy at Marine Dr. Station to allow for increase in industrial and office spaces



Explore options for adding affordable housing to existing residential areas adjacent to industrial zones

Planning

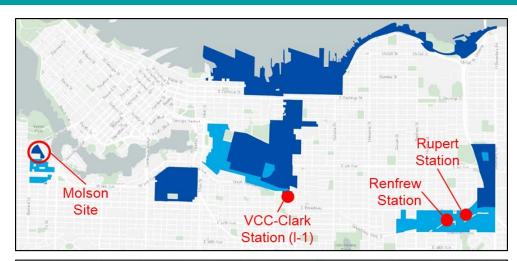
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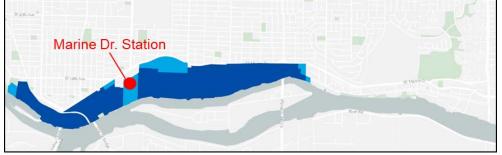
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Rental Housing Above Light Industrial on Key Sites

- City has limited ability to allow residential on industrial lands
- Use of "municipal flexibility clause" for privately initiated projects limits ability to deliver Council objectives such as temporary modular housing
- 2021 Metro Vancouver RGS Update Process will explore potential for considering rental housing above light industrial on key sites







Rental Housing Above Light Industrial on Key Sites

 Recommend that Council approve the following principles to guide next steps in Metro Vancouver process:



Work with Metro Vancouver to explore options for future land use mix on key sites



Seek opportunities for multi-storey industrial space where appropriate



Ensure viability of industrial operations

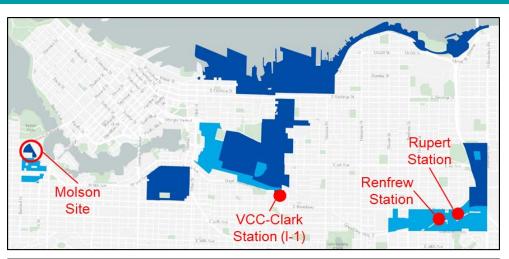


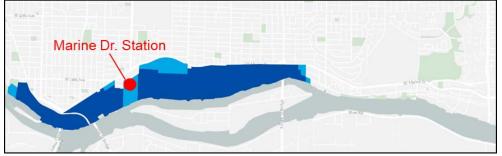
Prioritize transit trip-generating employment uses in all scenarios



Ensure land use mixes do not reduce city's resiliency and flexibility







Industrial Areas: Draft Objectives for Vancouver Plan

Vancouver's industrial lands prioritize city-serving industrial uses that provide a diversity of well-paying, low-barrier employment.

Priority for such uses are balanced with flexible and sustainable intensification that complements the operational viability of commercial activities that can only take place in the city's industrial areas.

These thriving areas are able to adapt to the accelerated pace of commercial change, foster innovation, include spaces for arts, culture and non-profit users while featuring optimal connections for the movement of goods and people.





Office and Hotels

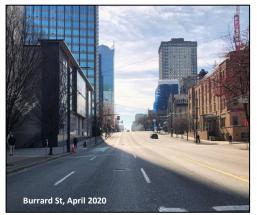
- Key Considerations re: Office and Hotel Demand
- Draft Longer Term Policy Ideas to Explore with Community through Vancouver Plan process
 - 30 year timeframe
- Draft Objectives to Explore with Community through Vancouver Plan process
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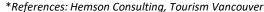


Hotel Considerations

- Hotel demand will take time to return to pre-pandemic levels
 - Tourism recovery likely to take 12 to 24 months
 - Occupancy fell as low as 5% in April
 - Above 90% at peak before pandemic
 - Short-term focus on keeping current supply through
 - Building consumer confidence → hygiene and safety
 - Positive community sentiment → welcoming environment
 - Removing barriers to continued operations → recovery stimulus
- Long-term impacts of new business models are uncertain
 - Sonder and Air BnB
- Transportation connections for hotels outside downtown to cater to broader price points



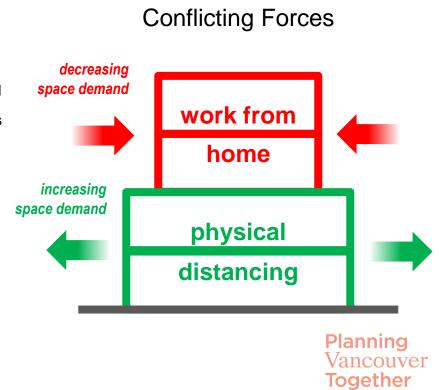






Major Office Considerations

- Conflicting forces affecting office demand through pandemic and onwards:
 - Many businesses were able to adapt to work-from-home
 - Return to work process expected to be measured and gradual
 - Increased prevalence of WFH and flexible work arrangements may reduce demand for space after pandemic
 - Increased awareness and concern over safety indicates trend towards more space per workers that do go back to the office
- Technology and related services expected to strengthen
- Future of co-working spaces uncertain
- Demand scenarios being refined, but gaps are expected to persist

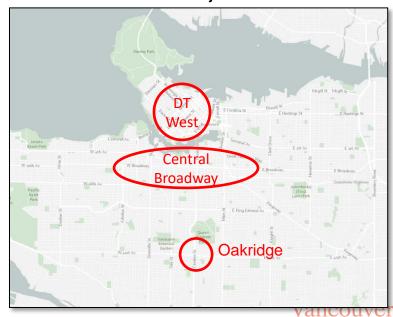




Offices and Hotels: Longer Term Policy Ideas to Explore w/ Community

- Continue to monitor impacts of COVID on Office and Hotel demand
- Over the long term, work with community to identify and test options for increasing office and hotel capacity Consider:
 - Increasing commercial capacity in mixed use areas
 - Exploring opportunities for new "job only areas"
 - Land use tools for incentivizing hotels

Areas that are Expected to Continue to Attract Growth in Major Office & Hotels





Offices and Hotels: Draft Objectives for Vancouver Plan

Vancouver has a balanced supply of office and hotel spaces that are affordable to a variety of users. Planning policies recognize the ongoing role of the Downtown Core and Central Broadway as attractive areas for office growth while also seeking opportunities to distribute transportation loads efficiently across the city.

The supply of hotel space is able to adjust as needed to maintain a variety of accommodations for a broad range of business and leisure travel and supports a vibrant and sustainable tourism industry over the long-term.



Discussion Question: "Feedback on Theme"

Did we miss anything? What did you like/dislike?

Are there other initiatives Vancouver should be aware of/ involved in?



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