

Planning Vancouver Together

*Slides presented
July 29, 2020*

PLENARY

Employment Lands & Economy Review External Advisory Group #4

Acknowledgement & Intros

- Welcome!
- The Employment Lands & Economy Review builds on all economic development work done before it on these lands—the traditional, unceded territories of the xʷməθkʷəy̓ əm (Musqueam), Sk̓wx̓wú7mesh (Squamish) and səliłwətaʔt (Tsleil-Waututh) peoples.
- Please introduce yourself with your name and affiliation in the chat box

Outline

- Project Update + Vancouver Plan
- Economic Impacts of COVID-19
- Phase 2: Policy Development
- Breakout Groups:
 1. Equity, Diversity & Resilience
 2. Retail/Commercial Areas
 3. Industrial Land & Office/Hotel
- Next Steps & Council Presentation



Project Update + Vancouver Plan

Project Scope

Phase 1
(Report to Council
in Jan. 2020)

Phase 2
(Report to Council
in Oct. 2020)

ECONOMY
REVIEW

- Foundational research
- Broad engagement
- Internal/external alignment
- Regional alignment
- City objectives

+

TECHNICAL
ANALYSIS

- Supply/demand
- Forecasting
- Scenarios

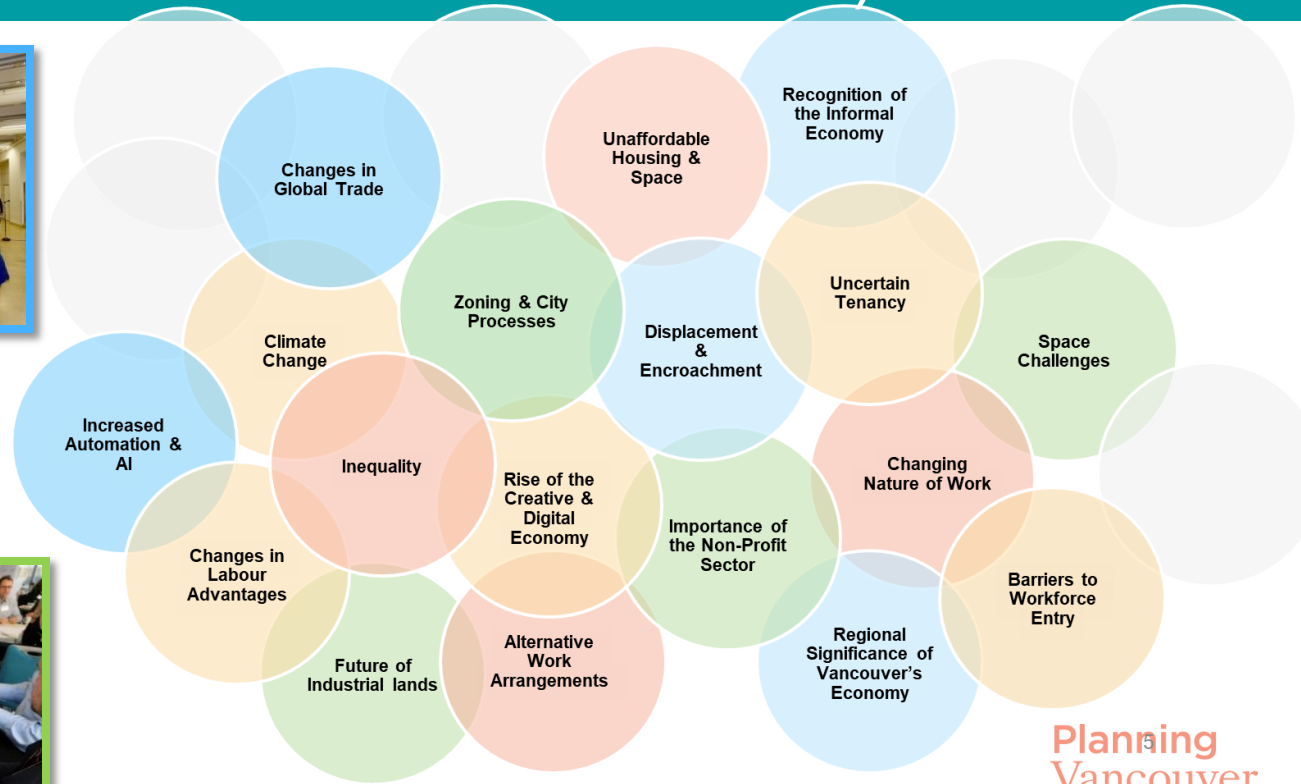
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POLICY
IDEAS

- To ensure supply
- To ensure range of jobs
- To ensure social, environmental, cultural & economic resiliency

FURTHER WORK
THROUGH
**THE VANCOUVER
PLAN**
&
ECON DEV'T TEAM
&
OTHERS

Comprehensive Approach to Engagement (6500+ Engagement Contacts in Phase 1)



Council Direction January 2020

- 1 Diversity of Job Opportunities, Workforce Supports & Economic Resiliency
- 2 Job Space Affordability
- 3 Viability of Small Independent Business & Capacity for Growth of Commercial Services to Serve a Growing Population
- 4 Viability of City Serving Industrial Businesses
- 5 Appropriate Capacity for Office & Hotel Growth

THAT Staff... continue engagement... to identify high level policy directions and report back to Council... in parallel with the Vancouver Plan report back on challenges and principles.

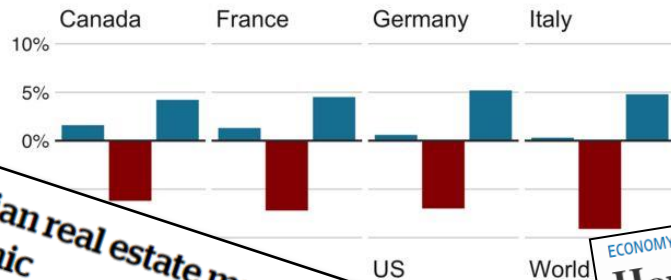
30 million Americans have filed initial unemployment claims since mid-March

By [Anneken Tappe](#), CNN Business

The Coronavirus Will Be a Catastrophe for the Poor

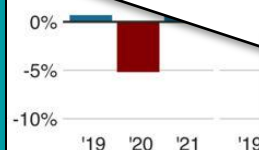
All major advanced economies will be in recession this year

National annual GDP



Canadian real estate markets hit hard by pandemic

Greg Rasmussen · CBC News



Source: International Monetary Fund

'This is freezing the market': Once roaring, Canadian home sales brace for 30% drop from coronavirus

Financial Post

Canada loses a record million jobs in March, jobless rate spikes to 7.8%

Financial Post

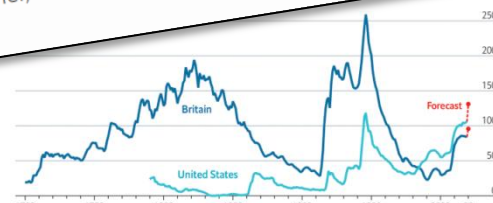
ECONOMY | THE OUTLOOK

How the Coronavirus Might Reduce Income Inequality

The Black Death and other pandemics pushed wages higher, but the impact will likely be different this time, economists say

Coronavirus: 'World faces worst recession since Great Depression'

By Szu Ping Chan
Business reporter, BBC News



Sources: Bank of England; UK Office for National Statistics; US Treasury; US Bureau of Economic Analysis; IMF

The Economist

Daily chart

The pandemic has sent public debt rocketing across the world

Emergency Response: Actions to Support Small Business

The COVID-19 Business Communications and Support Office is a single point of contact for Vancouver's local business owners to:

- ✓ Get information about re-opening protocols and business support programs
- ✓ Learn about City initiatives to support businesses
- ✓ Learn what City services for businesses are currently up-and-running
- ✓ Make suggestions to the City about business and the economy

COVID-19 (Coronavirus) Business Communications and Support Office

[Print](#)

We recognize the difficulties to businesses posed by the current situation and are committed to helping them weather the COVID-19 crisis.

The COVID-19 Business Communications and Support Office is a single point of contact for Vancouver's local business owners to:

- Get information about re-opening protocols and business support programs
- Learn about City initiatives to support businesses
- Learn what City services for businesses are currently up-and-running
- Make suggestions to the City about business and the economy

We're here to help by providing information about:

- [Provincial re-opening plan and protocols](#)
- [Operating guidelines for businesses](#)
- [City initiatives to support businesses](#)
- [Federal, Provincial, and other organizations COVID-19 business support](#)
- [City services operational update](#)

How to reach our office

[Fill out our Business Support Inquiry Form](#)

Is your business re-opening?

To re-open, businesses must comply with [WorkSafeBC guidelines](#). Employers must post their COVID-19 safety plans in accordance with the [order of the Provincial Health Officer](#).

[View a full list Provincial orders](#)



City of Vancouver's Recovery Program



Interrelated & Overlapping Components

Some overlap among all workstreams, will be coordinated and aligned

Phase 2: Three Interrelated Components



1.



2.



3a.



3b.



For Each Component, DRAFT:

- **Key Issues:** What We're Hearing
- **Economic Recovery Actions** Identified So Far
- **Longer Term Policy Ideas** for Vancouver Plan process
- **Objectives** for Vancouver Plan

Phase 2 Engagement

- Stakeholder Meetings
- Letters/ Emails from Business + Non-Profit Groups
- External Advisory Group Survey
- Engineering survey of food businesses, Vantage Point survey of non-profits
- External Advisory Group Meeting #4 (Summer 2020)
- Concurrent planning initiatives: Vancouver Plan, Broadway Plan,
- Business Communication and Support Office
- Emergency Operations Centre



Note: photos taken prior to March 2020

Comprehensive Approach to Recovery & Community Resiliency

Integrating Key Active Initiatives – One Plan/One Platform

- Delivery of Affordable Housing
- Employment Lands and Economy Review
- Climate Emergency Response
- Complete Communities
- Broadway Plan
- One Water/Blue-Green Network
- Transport 2050
- Development
- Arts and Culture



COV Recovery Program

A

**Business
Recovery**

B

**Community
Recovery
(Vancouver
Plan)**

C

**Non-Profit &
Social
Enterprise
Recovery**

D

**Vulnerable
Communities
Recovery**

E

**Development
and Permit
Process
Improvements**

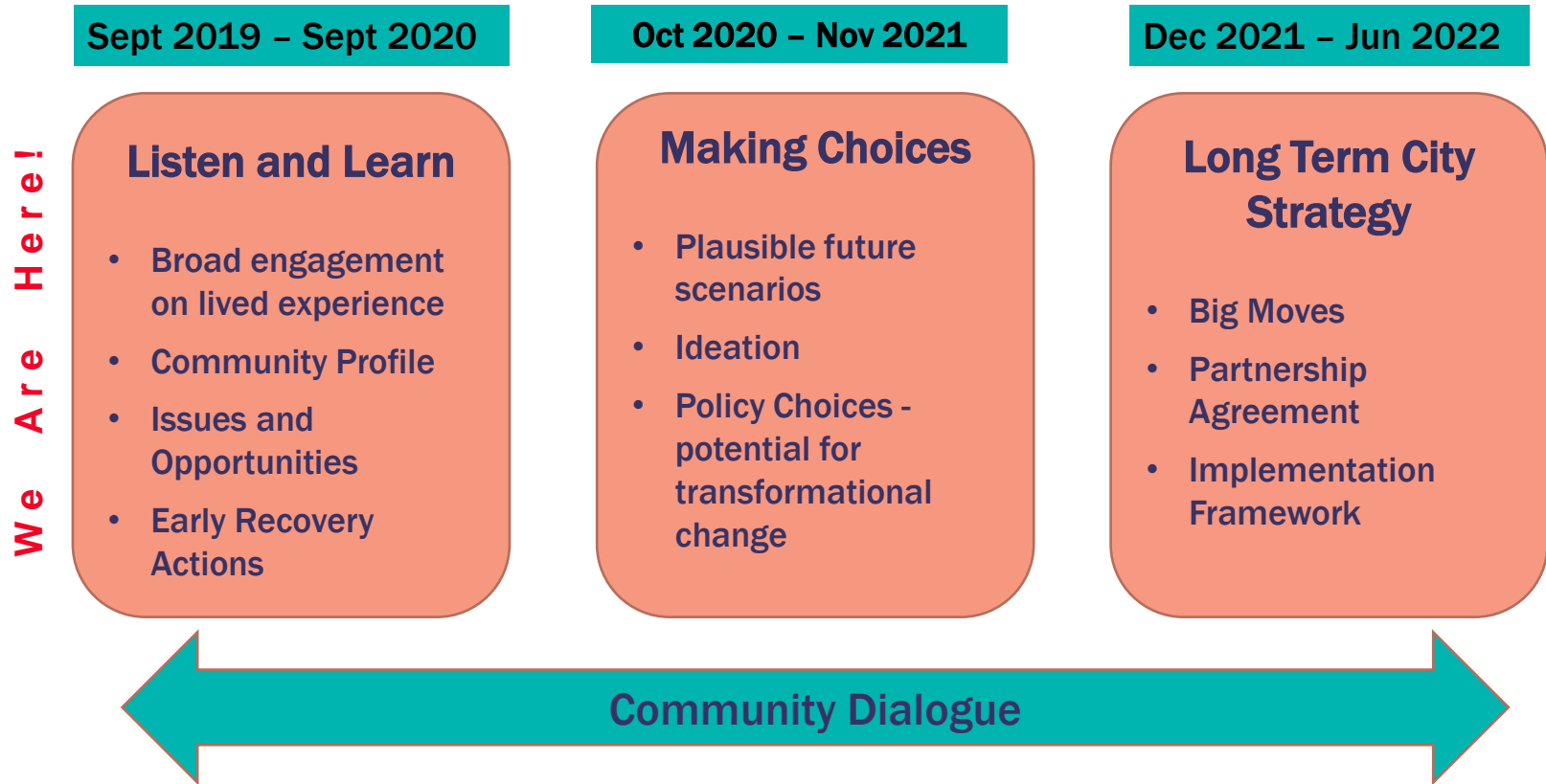
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**Senior
Government
Advisory**

G

**Stimulus
Funded Capital
Projects**

Vancouver Plan– Main Phases



ELER x Vancouver Plan

**Co-convene
public
engagements**

**Comm.
Resilience
+
Short Term
Recov. Actions**

**Public
report-out
+
Coordination
with Council**

**Policy Working
Groups**

**Scenario
Planning
+
Scenario
Development**

Next Steps

Summer

Restarting engagement

Focus on equity seeking groups

Fall

“Guiding Principles + Short Term Recovery Actions” Report to Council – Oct 7, 2020

Launch Policy Working Groups

Engagement: future vision, community assets + needs

Prepare for scenario narratives Q1 2021

Economic Impacts of Covid-19

A sepia-toned photograph of a park. In the foreground, a group of people are sitting on the grass, looking towards a swing set. The swing set is in the middle ground, with a person swinging. In the background, there are trees, a city skyline, and mountains. A construction crane is visible on the right side of the image.

The Pandemic has Amplified the Key Challenges Identified in ELER Phase 1

Equity, Diversity & Resilience

- Women lost 2/3 of jobs in 1st 100 days
- Service Sector Hit Hardest

Affordability

- Commercial Tenants Struggling with Affordability
- Rent Due Despite Reduced Revenue/Wages

Small Business

- Small Businesses Facing Loss of Income/Uncertain Future
- Short Term & Potential Long Term Impact on Shopping Area Vitality

City-Serving Industrial

- Need for City- serving Industrial Reinforced
- Local Manufacturing, Essential Services Need Industrial Space

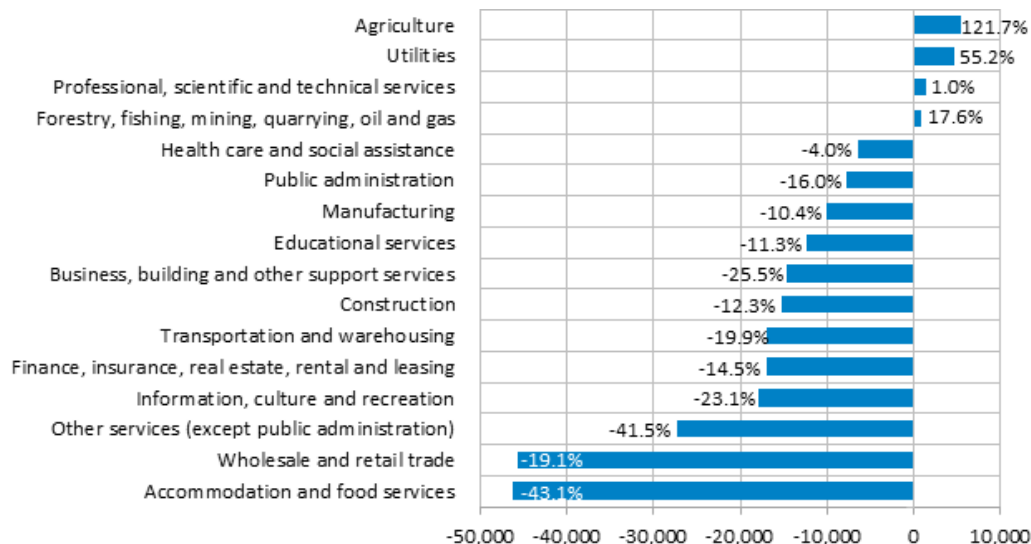
Office & Hotel

- Hotel and Office Demand is Uncertain
- Hotel Occupancy ~5% in April

Economic impacts: Workers/Jobs

- Since February, the employed labour force in Metro Vancouver has declined by ~ 170,000 workers
- In June 2020, Metro Vancouver had an unemployment rate of 14%
- Largest declines were in the service sector
- Accommodation and food services, and wholesale and retail trade experienced the largest drop

Employment changes by industry in Metro Vancouver: February – June 2020

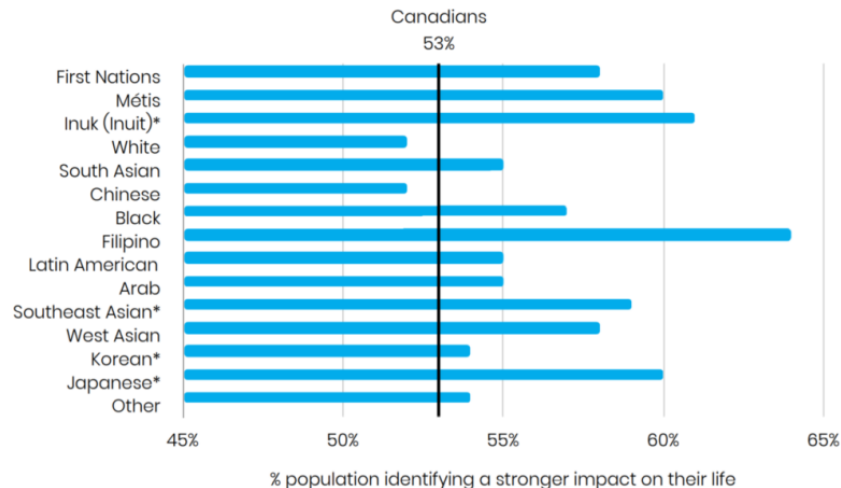


Source: Statistic Canada. Table 14-10-0097-01. Employment by Industry, 3-month moving average, unadjusted for seasonality

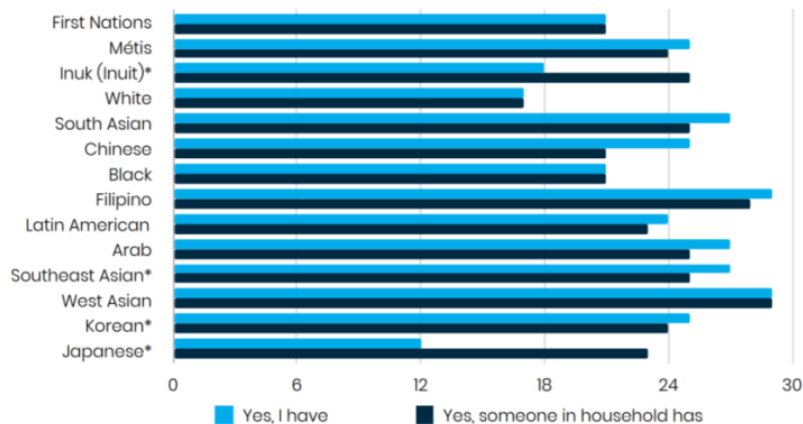
Economic impacts: Workers/Jobs

- Women, 47% of workforce, **lost two thirds of total jobs** lost in first 100 days
- Employment among recent immigrants has **fallen more sharply than that of those born in Canada**
- Underpaid essential workers face the **greatest risk of contracting COVID**
- BIPOC **more likely to lose job**

Impact of COVID on life, by racial and ethnic group



Percent of people reporting job loss, by racial group



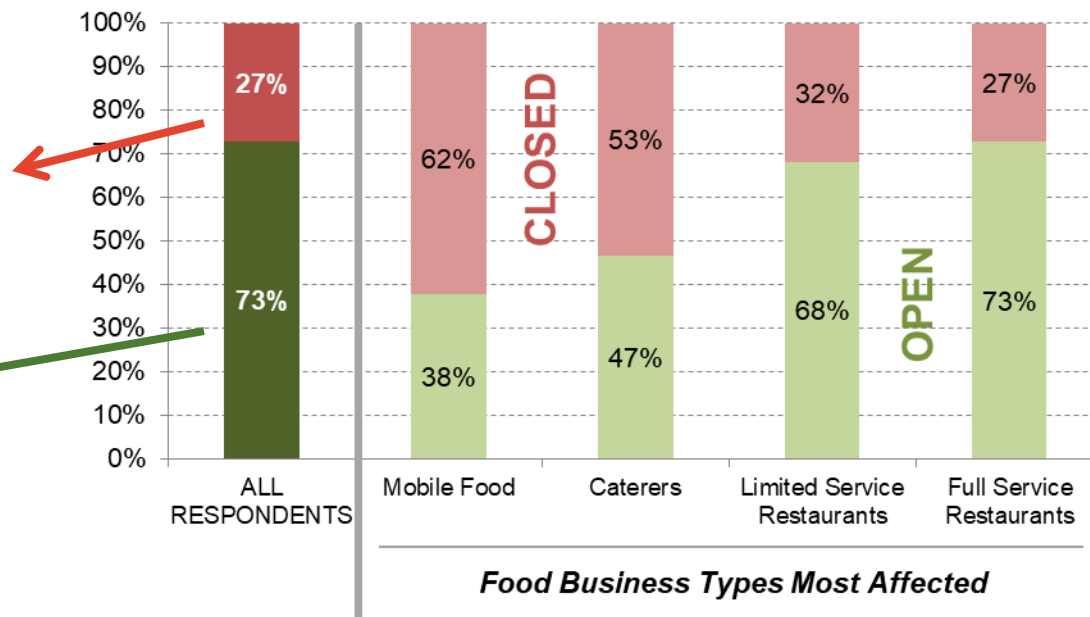
Economic Impacts: Food businesses

Vancouver Food Supply Analysis Survey (Surveys completed May 12 to 31; 313 responses)

Delivery allowed more businesses to stay open

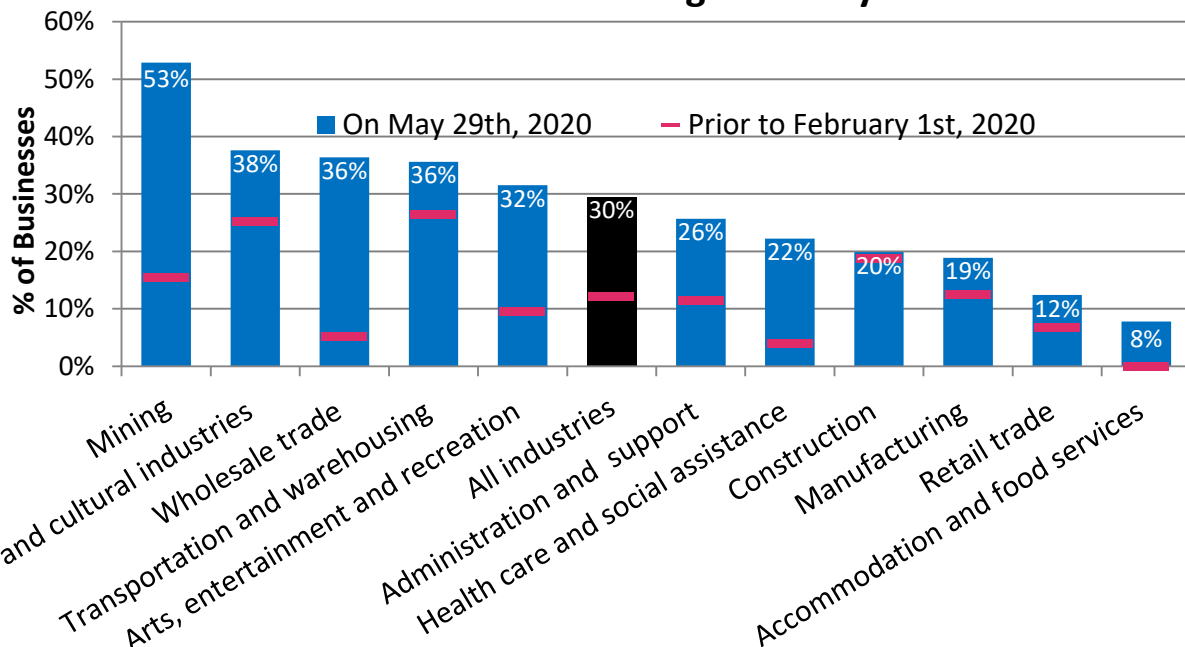
- Of food businesses without delivery services, 71% reported as being closed

Of open businesses, 95% were experiencing food supply chain issues



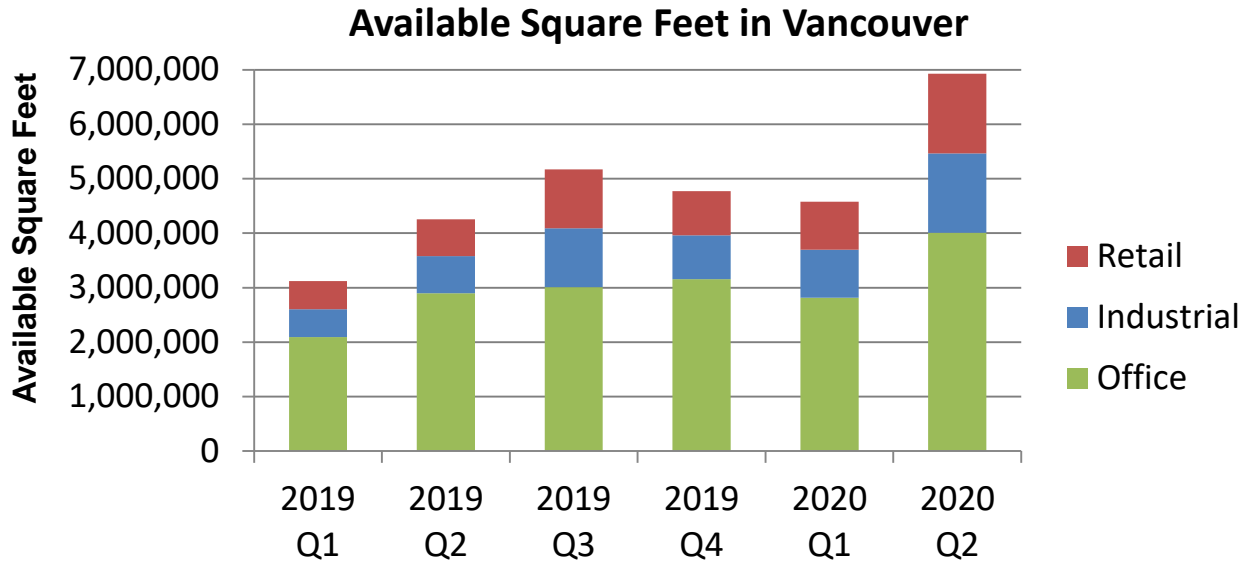
Economic Impacts: Remote Work

Percent of businesses in Metro Vancouver where at least half of workforce is working remotely



Economic Impacts: Job space

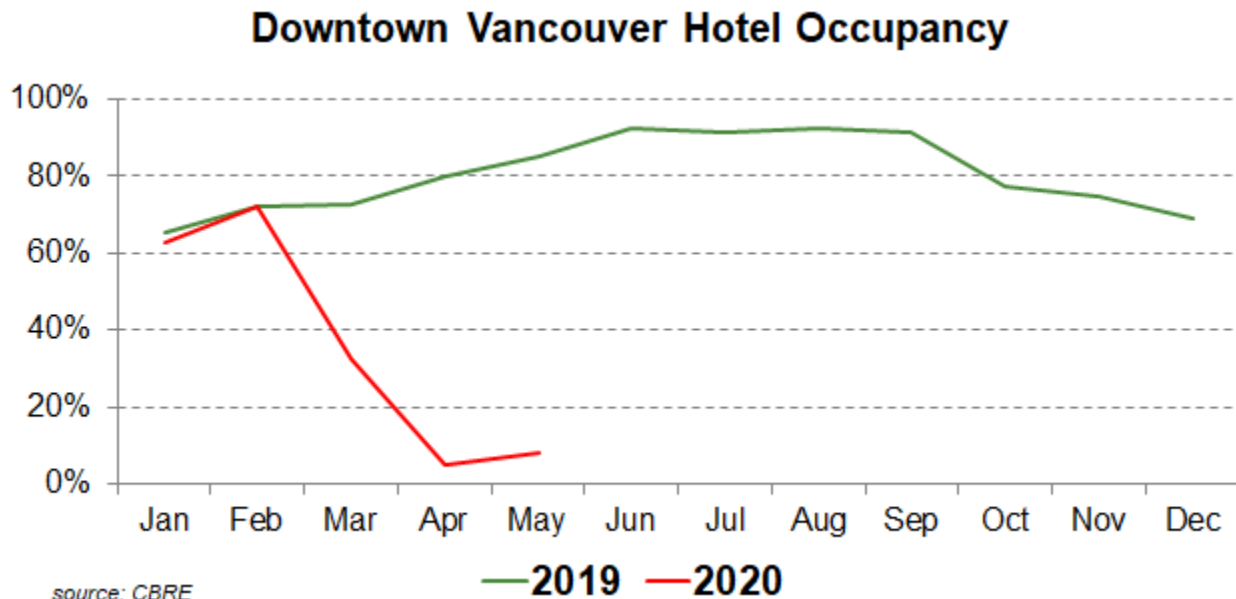
- The availability of office, industrial and retail space is increasing as more commercial tenants look to sub-let their space



Source: CoStar Available Square Feet

Economic impacts: Hotels

- Pre-pandemic: occupancy very high with little new supply being built
- Pandemic caused unprecedented drop in occupancy
- Time to recover uncertain



Economic Impacts: Non-Profits



Floor Space Demand Forecast Updates

Hemson Consulting working to update Fall 2019 projections to incorporate COVID impacts

- Retail Commercial Space
- Major Office Space
- Industrial Space
- Hotel Space

Key questions being examined:

- What is the “New Normal”
- When might we return to the “New Normal”

Preliminary Findings:

- Continued need to look for ways to increase supply of city serving industrial space
- Despite short term shocks, still anticipated need to protect and increase office and hotel supply in Central Broadway and DT West in most scenarios

Additional Details to be presented in Break out Group #3: Industrial Lands, Office and Hotels

EAG COVID-19 Impacts Survey

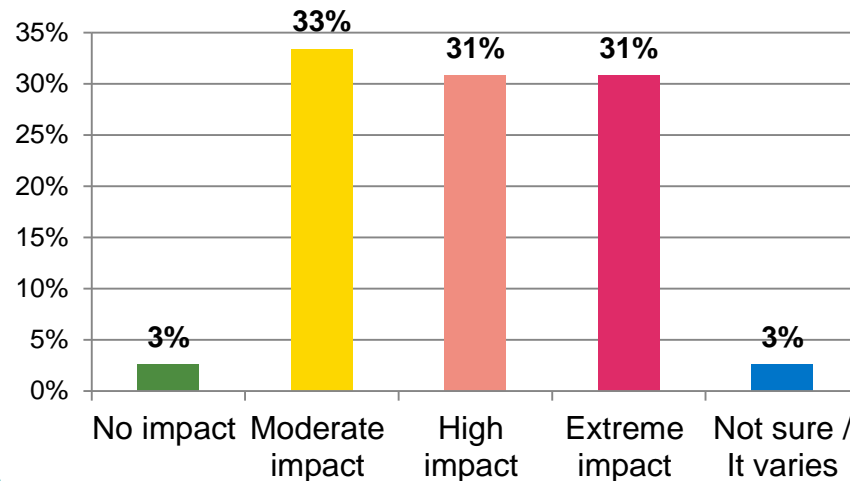
- Response rate 76%
- Feedback from all sectors received
- Three key topics
 - Impact to daily operations
 - Employment growth outlook before/after pandemic ends
 - Overall space needs outlook before/after pandemic ends

Results from EAG Survey

Impact to Daily Operations during March and April 2020

- Moderate Impact
 - Office staff worked remotely
 - Reduced work activities
 - Sectors: most professional & transportation
- High Impact
 - Operations shut down
 - Modified and reduced re-opening
 - Sectors: education, manufacturing, transportation, non-profit
- Extreme Impact
 - Operations shut-down
 - Still severely impacted or closed
 - Sectors: tourism, retail, entertainment, film & TV, arts & culture, non-profit
- Some sectors had varying impacts within their sector such as non-profits, retail, and transportation.

Impact to Daily Operations

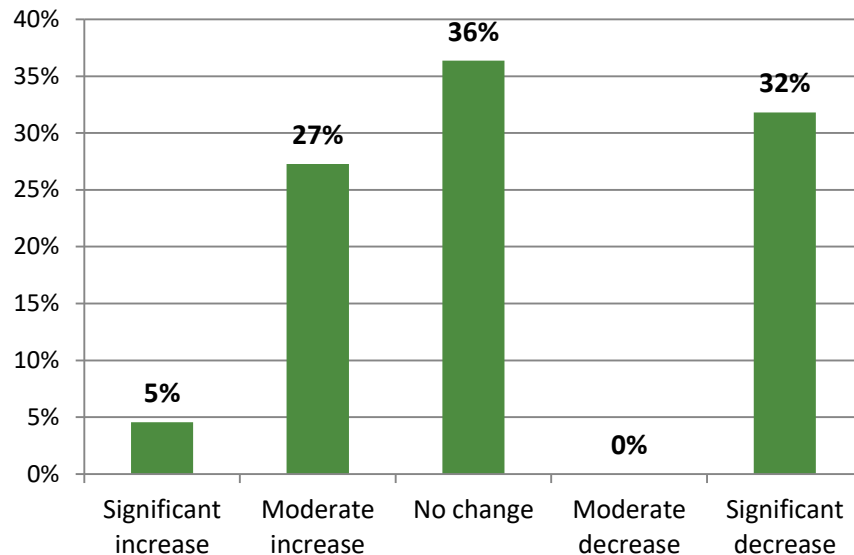


Results from EAG Survey

Medium-term Employment Growth Outlook (until pandemic ends)

- Sectors expecting a **significant increase** :
 - Arts & culture, entertainment, film & TV, and non-profit sectors
- Sectors expecting a **moderate increase**:
 - Health, manufacturing, and non-profit sectors.
- Sectors expecting **no change**:
 - Architecture/design, digital entertainment & interactive, education, government, ICT, and real estate sectors.
- Sectors expecting **significant decrease**:
 - Retail, tourism, and transportation sectors.

Medium-term Employment Growth Outlook

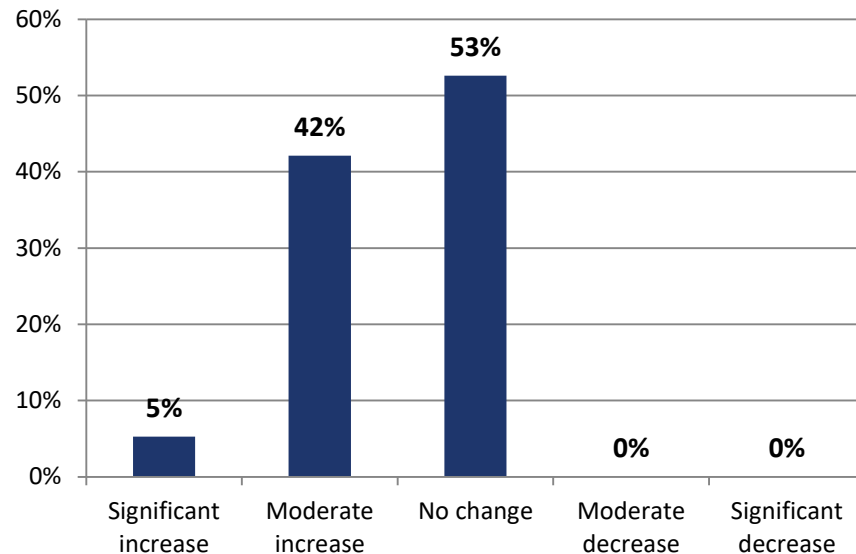


Results from EAG Survey

Long-term Employment Growth Outlook (after pandemic ends)

- Sectors expecting a **significant increase** :
 - Arts & culture, creative co-working, social purpose real estate, and non-profit.
- Sectors expecting a **moderate increase**:
 - Accommodation, arts & culture, non-profit, entertainment, film & TV, manufacturing, real estate, retail, and non-profit.
- Sectors expecting **no change**:
 - Architecture/design, digital entertainment & interactive, education, finance, government, health, ICT, non-profit, social purpose real estate, real estate, restaurant and transportation.
- No respondents anticipate a decrease in employment growth after the pandemic

Long-term Employment Growth Outlook

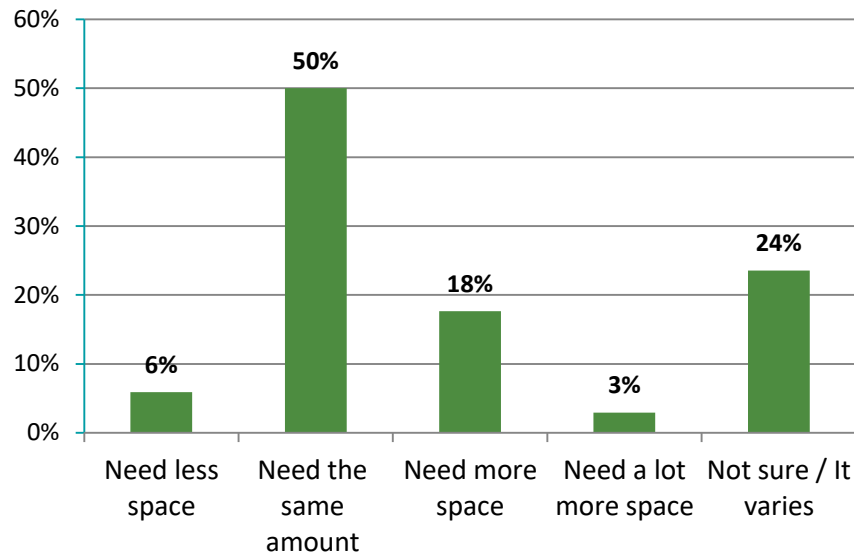


Results from EAG Survey

Medium-term Overall Space Needs Outlook (before pandemic ends)

- Sectors expecting to need **less space**:
 - Finance, real estate, and retail sectors
- Sectors expecting to need **the same amount**:
 - Accommodation, education, film &TV, technology, real estate, restaurant, and transportation.
- Sectors expecting to need **more space**:
 - Social enterprises, social purpose real estate, non-profit, and real estate.
- Sectors expecting to need **a lot more space**:
 - Non-profit sector.
- Sectors **unsure of space needs**:
 - Professional, retail, real estate (office).

Medium-Term Overall Space Needs Outlook

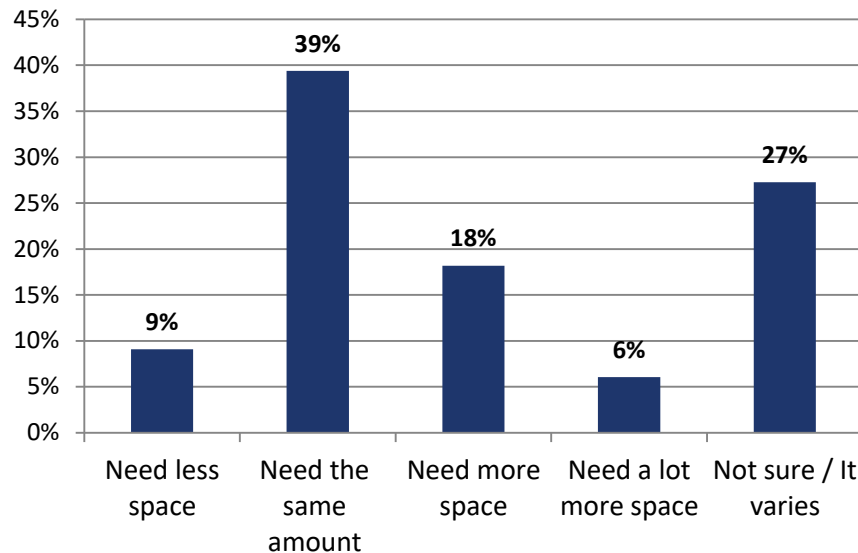


Results from EAG Survey

Long-term Overall Space Needs Outlook (after pandemic ends)

- Sectors expecting to need **less space**:
 - Architecture/design, education, and retail.
- Sectors expecting to need **the same amount**:
 - Accommodation, arts & culture, entertainment, manufacturing, non-profit, real estate, transportation.
- Sectors expecting to need **more space**:
 - Arts & culture, non-profit, and transportation.
- Sectors expecting to need **a lot more space**:
 - Film & TV, and non-profit.
- Sectors **unsure of space needs**:
 - Entertainment, finance, health, ICT, and retail.

Long-Term Overall Space Needs Outlook



Phase 2: Policy Development

What Kind of Economy Do We Want?

Future Policy Directions to Support:

- Equity at the centre of all planning
- Diversity & Affordability as key objectives
- Resilience in all its forms: social, economic, ecological
- Workforce supports & community development
- Adequate retail/commercial space for growing population
- Viable city-serving industrial to keep production, distribution and repair within the city limits
- Appropriate capacity for office and hotel growth as part of central city role



*A resilient economy that creates **prosperity, opportunity, and decent work for all, within planetary boundaries.***

Policy Development: Three Interrelated Components



1.



2.



3a.



3b.



**For Each Component,
*DRAFT:***

- **Key Issues:** What We're Hearing
- **Economic Recovery Actions** Identified So Far
- **Longer Term Policy Ideas** for Vancouver Plan process
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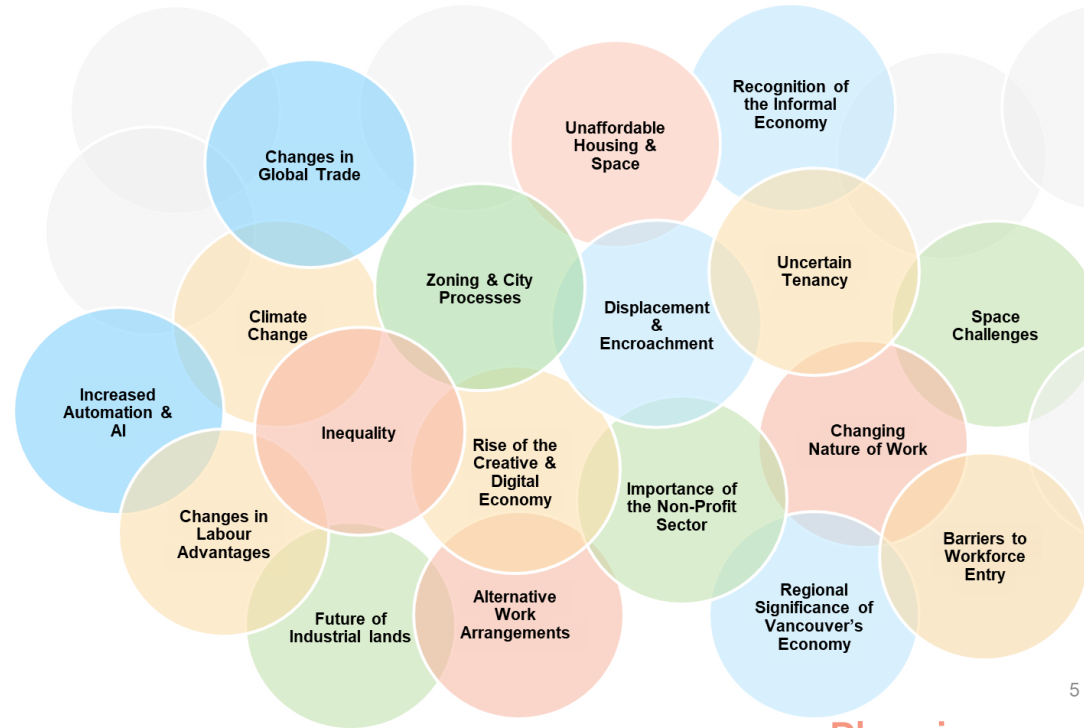
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Equity, Diversity & Resilience

Equity, Diversity & Resilience: What We Heard

- Diversity of opportunities & economic mobility
- Survival livelihoods
- Reconciliation/decolonization
- Poverty reduction
- Reskilling/transitioning
- Community Economic Dev't
- Employment supports
- Viable key drivers
- Climate action
- Disaster-preparedness



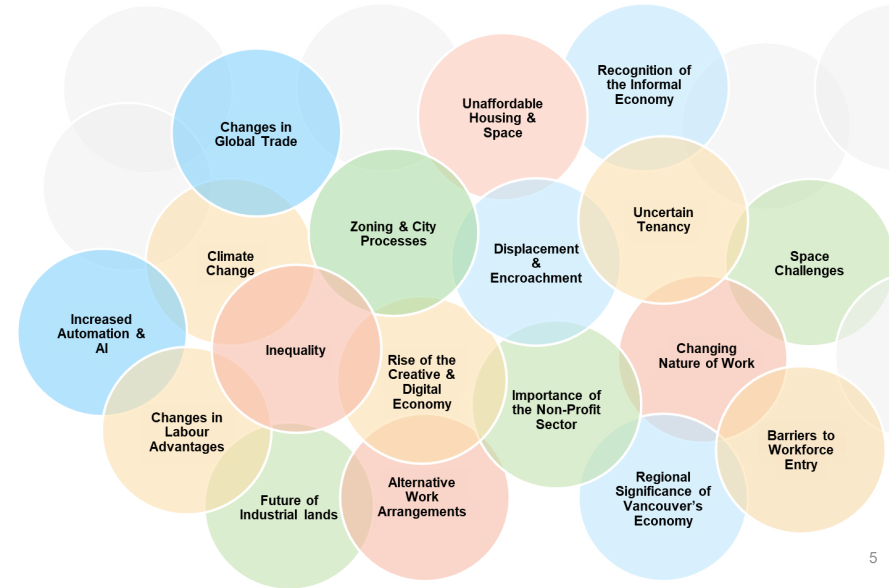
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Retail-Commercial Areas

Retail, Commercial Areas: What We Heard

- Affordability of Premises #1 Issue
- Time, Complexity, Cost of Permitting
- City Regulations Restrictive /Outdated
- Maintenance, Safety & Quality of Public Space
- Access, Transit and Parking
- Viability of Small Business; Increased Vacancy
- Impact of COVID-19; Uncertainty
- Value of Small Independent Businesses: Neighbourhood Character, Circular Economy, Local/Cultural-Serving
- Insufficient Population Density; Housing Costs
- Long-term Shortage of Commercial Space for Growing Population.



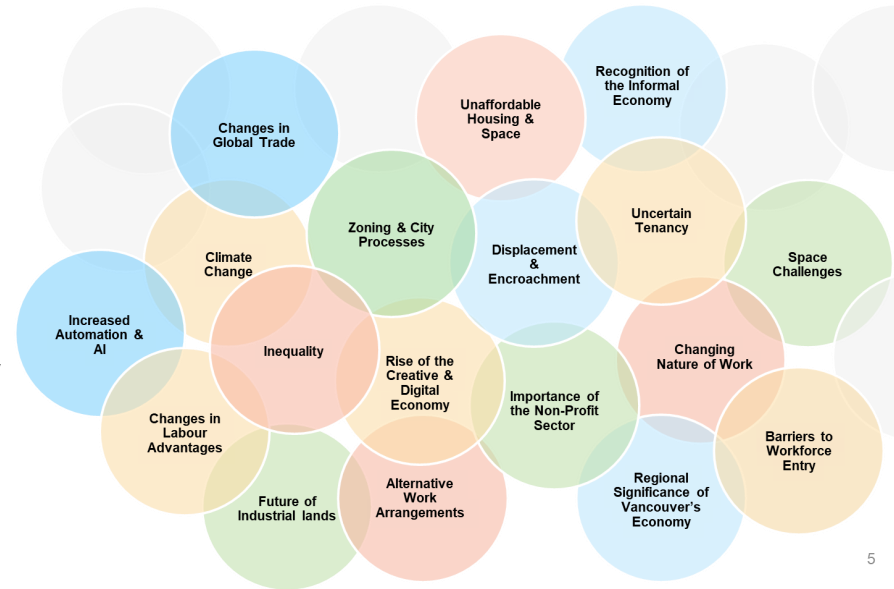
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Industrial Lands

Industrial Lands: What we Heard

- Improve affordability of industrial space
- Strengthen supply chain resilience
- Modernize industrial zoning
- Improve community amenities in industrial areas
- Need for well-paying, low-barrier jobs
- Support growth of tech sector to increase employment
- Encourage diversification and growth of industrial activity
- Use flexibility to lower risk and improve adaptability
- Need space for city-serving PDR uses
- Need industrial space for arts & culture
- Improve connections for people and goods
- Need space for film & TV studios
- Need central warehousing & distribution hubs



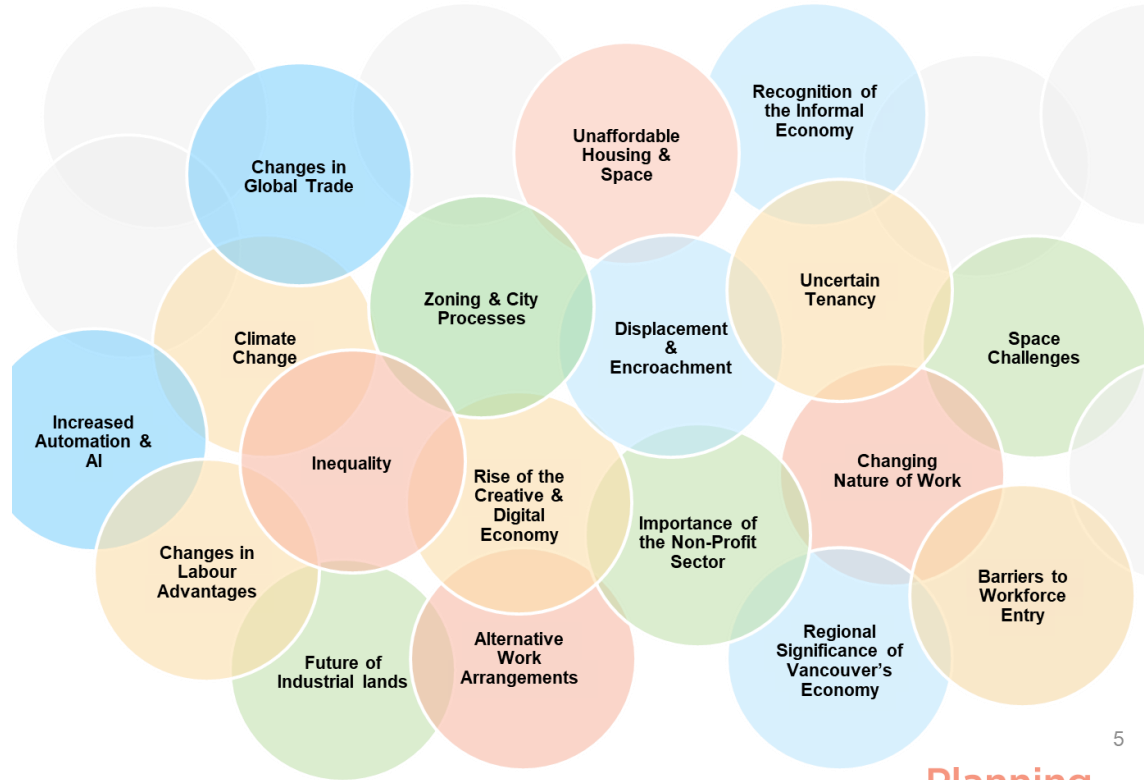
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Office and Hotels

Offices and Hotels: What We Heard

- **Affordability is a major concern**, need to ensure that supply can meet demand over the long run
- **COVID impacts on office demand are uncertain**, need to monitor and adapt as needed
- Ability to attract and retain talent is important to all employers, **Vancouver will continue to be an attractive area in the region for office based employers**
- Within Vancouver there is a **strong preference for DT West and Central Broadway**
- **Tourism is one of Vancouver's biggest strengths**, need to grow supply of rooms over the long term

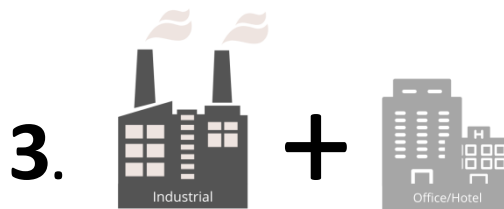
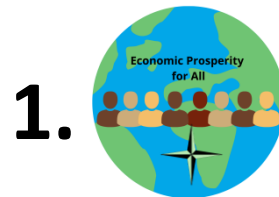
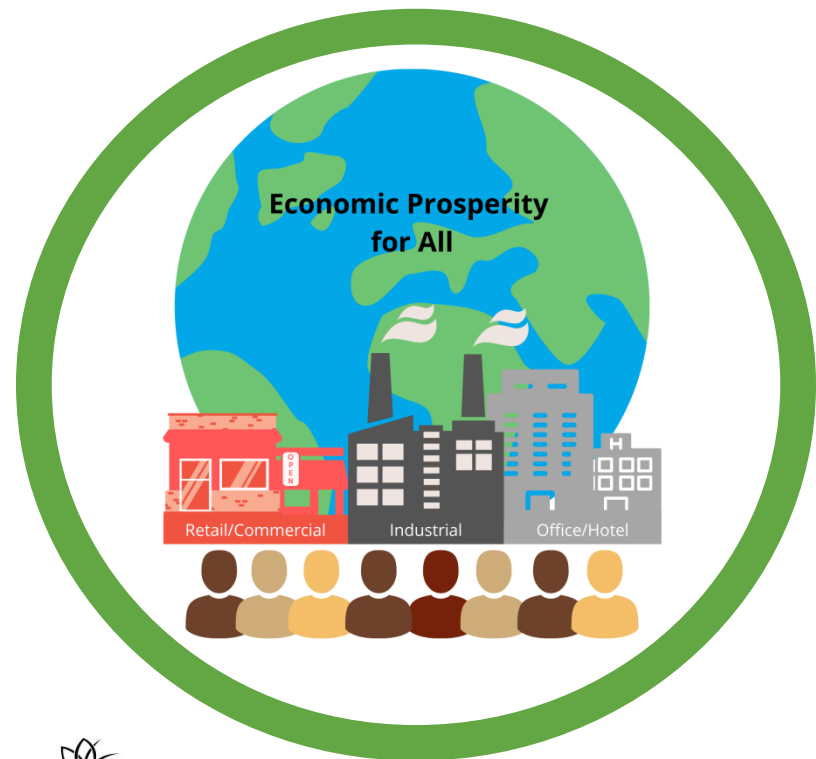




Transition to Breakout Groups

Return to Plenary

Highlights from Breakout Groups



Next Steps

- Continue Stakeholder Engagement – please send comments by August 31
- Follow up survey will be sent to EAG members following this meeting
- A summary of this meeting will be sent to EAG members
- Prepare Council Report – Sept. 2020
- Present Council Report – Oct. 2020



THANK YOU