

Employment Lands & Economy Review



Emerging Policy Directions,
Ideas and Potential Actions for
Vancouver Plan Process
October 2020

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Acknowledgement

The City is engaged in economic development planning in order to improve the economic future and quality of life of all of its diverse residents. The Employment Lands & Economy Review (ELER) builds on all economic development work done before it on these lands—the traditional, unceded territories of the xʷməθkʷəy̓əm (Musqueam), Sk̓wx̓wú7mesh (Squamish) and səl' ilwətaʔt̓ (Tseil-Waututh) peoples.

As a City of Reconciliation, the City is committed to incorporating Indigenous perspectives into all of its work. The Employment Lands & Economy Review acknowledges that Indigenous peoples have been running their own prosperous, sustainable and equitable economies for thousands of years on this land. It also acknowledges that this ability was taken away through the devastating impacts of colonization which still persist today. In spite of this, the Musqueam, Squamish, Tseil-Waututh and Urban Indigenous people are working on major economic development initiatives of their own and leading their communities in economic endeavours important to the future of Vancouver's economy.

The staff team coordinating the Employment Lands & Economy Review is humbled and grateful for the previous policy work conducted by Indigenous groups and organizations (from which they learned and incorporated into the project) and the contributions made by Indigenous people who have engaged in this project and those who will contribute further through the Vancouver Plan.



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Introduction: A Comprehensive Approach for Informing the Economic Foundations of the Vancouver Plan Process

Overview of the Vancouver Plan and Connection to the ELER

The ELER is a key initiative that provides foundational input to The Vancouver Plan. The Vancouver Plan is a once-in-a-generation opportunity to shape the future of our city to 2050 and beyond. Initiated by City Council in Summer 2019, the multi-year process will result in a plan that helps prioritize future decisions and sets directions for the city we want to become. It will guide how we grow, invest, govern, and work across boundaries to build a city where current and future generations can thrive.

The ELER is one of several planning initiatives that are helping to inform the foundations of the Vancouver Plan process. In depth research and engagement work with rightsholders, key stakeholders and the general public provides the Vancouver Plan with a solid understanding of the structure of the city's economy, key challenges within it, and potential actions that we can take to ensure that our economy is equitable and resilient for future generations.

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



Planning

Process for Developing the ELER Emerging Directions

The ELER Emerging Directions and associated policy ideas and potential actions were developed on a foundation of comprehensive engagement spanning the course of 18 months in 2019-2020. Throughout the duration of the project, staff made over 7,500 engagement contacts with a wide range of individuals, groups, businesses and other levels of government in Vancouver’s “Economic Development Ecosystem” (Figure 1). This engagement improved understanding of the broad spectrum of interests that exist, informed the key economic challenges identified, built relationships between organizations, and facilitated ongoing collaboration. In Phase 2, in particular, staff engaged in the form of meetings, workshops, External Advisory Group meetings, and aligned initiatives, such as the Broadway Plan. The engagement efforts were complemented by a rigorous research and technical analysis program conducted by staff and Hemson Consulting. This engagement and technical analysis resulted in hundreds of ideas and potential actions that were then refined, categorized and further developed in partnership with others, internal and external to the City.

External Advisory Group

The City of Vancouver assembled an External Advisory Group (EAG) to help inform the ELER. The role of the EAG was to provide input and insight at key milestones throughout the planning process. Four major workshops were held with the EAG over the course of the project. Represented on the EAG is a diverse range of perspectives from industry associations, labour representatives, non-profit organizations, the development industry, and businesses from over 18 economic sectors. The feedback collected at the EAG workshops was a critical input into the planning process throughout the Review.



Figure 1 - Economic Development Ecosystem

Overview of Key Policy Areas

Vancouver's economy is facing a variety of issues which need to be addressed in the context of the city's role in the region and the evolving social and commercial realities. Striking a sustainable balance between commercial competitiveness, diversity, equity and economic resilience will be an active endeavour over the next 30 years. The emerging directions identified by the ELER are organized around four main challenge areas:



1. Diversity, Resilience and Equity. Many of Vancouver's residents and workers are struggling to make ends meet and Vancouver's economy does not benefit everyone equally. The diversity of Vancouver's economy is a strength, yet there is much room for improvement. There is a need for more low-barrier job opportunities, recognition of the informal economy, and support for small businesses. Vancouver's workforce depends on supports such as affordable housing, transportation, childcare and social services. An economy that can survive, adapt and thrive in the face of shocks and stresses is an essential element of a resilient city. Technological changes, climate change, affordability, and the changing nature of work are examples of stresses that could impact the ability of residents and businesses to thrive in the future. Furthermore, Vancouver's employment lands are vulnerable to sea level rise and the local economy is susceptible to regional disasters such as forest fires and earthquakes. During Phase 2 of the ELER, March 2020, the world-wide pandemic COVID-19 emerged and resulted in the worst economic downturn since the Great Depression. Vancouver's economy was catapulted into an unanticipated and uncertain period of time that is ongoing at the time of this report. It is apparent that the issues and challenges that were identified in Phase 1 of the ELER process are confirmed, amplified and, in some cases, accelerated in light of this pandemic.



2. Retail Commercial Areas. Small independent businesses and neighbourhood shopping districts are an important part of the city's economy, the provision of goods and services, and community identity. The viability of small businesses and shopping streets has been impacted by lease rates, property taxes and assessments; pace of change and displacement; the time, cost and complexity of permitting; issues related to public realm maintenance, quality and public safety; transportation and customer access; insufficient local population density; and the impact of global trends such as the digital economy. Equity-seeking businesses, social enterprises, arts and culture, and non-profits are also facing these challenges. The COVID-19 pandemic has exacerbated trends, and there has been an increase in shop closures and the availability of commercial space/ vacancy. The City needs to continue to pursue immediate and short term recovery initiatives, as well as long-term programs and policies to address underlying issues, re-imagine retail streets, build complete neighbourhoods, and address potential future shortages of retail-commercial space to serve a growing population over the long-term.



3. Industrial Areas. Industrial lands are critically important for Vancouver's economy and the demand for industrial space is high. The City must balance the facilitation of investment and diversity of employment with access to affordable spaces for a variety of local-serving industrial uses, many of which can only take place on industrial-zoned land. The supply of industrial land in Vancouver is extremely limited and faces pressures from encroachment of higher-value uses. Jurisdiction over these lands is also shared with the Metro Vancouver Region and the Vancouver Fraser Port Authority, both of whom are undergoing land use planning this year. Furthermore, advancements in technology, changes in the nature of commerce and goods distribution, as well as the COVID-19 pandemic have made clear the need for a modernized and adaptable framework for the regulation of the city's industrial land base.



4. Offices and Hotels. Vancouver is the central city in a growing region and is expected to continue to be an important hub for economic activity and a centre for employment into the future. Key economic assets and characteristics supporting employment growth in Vancouver include: strong and growing educational institutions, talented labour pool, welcoming immigration environment and agglomeration of existing digital entertainment and gaming as well as film & television production companies. Proximity to a large stock of secured rental housing and connections to the regional labor pool through the frequent and rapid transit networks are also key to supporting Vancouver's continued role as a centre for office based employment. Alongside this, Vancouver is also a centre for tourism and a major gateway to British Columbia and Canada, making the sector one of the city's major economic drivers and employers. The COVID-19 pandemic has had significant impacts on the nature of office work and severely depressed hotel occupancy. While it is expected that demand for these spaces will return, the immediate focus will be on maintaining existing supply and monitoring development trends while looking at long-term solutions to the space needs of these major, high-density commercial uses.

Emerging Directions, Ideas & Potential Actions for Vancouver Plan

Section 1

**Diversity,
Resilience
and Equity**

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Section 2

**Retail
Commercial
Areas and
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Section 1

Diversity, Resilience and Equity

-
- 1.1 Apply an Equity Lens to Economic Development Planning Work

 - 1.2 Support Community Economic Development, Social Enterprise & Social Procurement

 - 1.3 Support Skills Training & a Just Transition

 - 1.4 Encourage Diversity of Jobs & Sectors

 - 1.5 Support Viability of Critical Non-Profit and Community-Serving Spaces

 - 1.6 Enhance Viability of Arts & Culture Sector

 - 1.7 Support Vancouver's Key Drivers: Film, Tourism, High Tech & the Port

 - 1.8 Enable Access to Quality and Affordable Childcare

 - 1.9 Enable Housing Options for Workers, Particularly in Key Industries

 - 1.10 Enable Accessible & Affordable Transportation

 - 1.11 Prepare for Climate Change and Disasters & Create Complete Connected and Resilient Neighbourhoods
-

1.1 Apply an Equity Lens to Economic Development Planning Work

The Challenge

Many of Vancouver's residents and workers are struggling to make ends meet and Vancouver's economy does not benefit everyone equally. Vancouver's median income is consistently one of the lowest of Canada's major cities; it has a high cost of living, growing income disparity and 20% of its residents are living in poverty. Racial inequity in Vancouver is negatively impacting access to economic inclusion and mobility and many of the external forces that could impact our economy into the future can also lead to the further exclusion of women, people who identify as 2SLGBTQQIA, and Black, Indigenous and People of Colour (BIPOC) from our economic and labour systems.

The need for more equitable economic development has been emphasized by the COVID-19 crisis. The largest job losses have been concentrated in the service sector where workers have lower incomes, less security and are less likely to be able to work from home. During the first 100 days of the crisis, BIPOC were more likely to lose their job than white counterparts and employment among recent immigrants fell more sharply than that of those born in Canada.¹ Indigenous and Black communities, in particular, have been disproportionately impacted due to the effects of overrepresentation in some essential occupations, systemic racism, employment inequity, high rates of poverty, and lack of access to basic needs. Women have been disproportionately impacted by COVID-19; losing two-thirds of jobs in the first 100 days despite representing 48% of the labour force.² Women also experience higher rates of not being able to return to work compared to men, and a growing and exacerbated wage gap across the country. When it comes to spending more time in the home, many women have had to take on the triple duty of homeschooling, care responsibilities, and doing paid work. Domestic violence has also been increasing throughout the course of the pandemic.

The Response

We need to ensure Vancouver's economic success is measured on the well-being of all its residents, community resilience, and the long-term health of the planet. Over the next 30 years, further work needs to be done to ensure an equitable economy that benefits future generations. We need to consider who benefits from our policy actions and who doesn't. The City needs to conduct more meaningful consultation on the economy with equity-seeking groups and youth (including those aging out of care). We need to consider a race and gender lens and how BIPOC and women are disproportionately excluded from the economy and more affected by challenges within it. We need fair access to jobs for all of Vancouver's diverse residents and to ensure accessible and affordable workforce supports such as affordable housing, transportation and childcare.

Ideas & Potential Actions

- 1.1.1. *Prioritize and promote reconciliation, inclusion, equity, and diversity in policy, regulation and other activities that impact Vancouver's economy, including human rights, Indigenous rights, and gender-based analysis*
- 1.1.2. *Commit to equity-informed community and stakeholder engagement across all City processes*
 - (a) *Remove barriers to participation (provide honorariums, transportation, etc.)*
 - (b) *Honour community direction for engagement (e.g. Research 101 : A Manifesto for Ethical Research in the Downtown Eastside) and reach out to associated community groups and organizations for further guidance and collaboration*
 - (c) *Develop explicit plans for the City to proactively reach out to marginalized and equity-seeking groups*
Create and advocate for policies and programs that remove barriers to participation in the economy for BIPOC workers and BIPOC-owned businesses, including outreach mechanisms, and hiring/retention strategies with partners such as VEC, GVBoT, BIAs, Exchange Inner City, Urban Core and others
- 1.1.3. *Expand the implementation of the City of Vancouver's Women's Equity Strategy with focus on the priority areas of 1) women's leadership and representation within our workforce and 2) accessible, quality childcare*
[Also see 3.3.9]
- 1.1.4. *Promote and advocate for poverty reduction, pay equity, a living wage, and improved employment standards for all workers to senior levels of government*
- 1.1.5. *Continue and expand actions and advocacy to counter racism, along with a strong commitment to the inclusion and full participation of all people in the economic, cultural, social and political life of the community*

¹ Canadian Urban Institute, "COVID Signpost: 100 Days", June 19, 2020; Advanis Survey of 40,000 Canadians

² Ibid

1.2 Support Community Economic Development, Social Enterprise & Social Procurement

The Challenge

Approximately 20% of Vancouver residents are living in poverty--a difficult cycle to break and navigate out from. In a city that attracts and retains significant wealth, it is both a reality and an irony that extreme poverty exists in Vancouver. Inequities between low- and high- income residents are increasing, and Vancouver has the second highest gap between rich and poor of all major cities in Canada. People who are living in poverty need access to services, supports and community economic development initiatives such as job training, employment supports, entry-level opportunities, post-secondary education and social enterprise/micro and small support. Peer-run organizations and peer work are valued in communities and need support for expansion.

Social Enterprises are a key player in Vancouver's local economy with \$37 million in gross revenues, \$26.5 million in sales, and \$18.4 million in salary expenses in 2019.³ There are over 75 social enterprises in Vancouver active in a variety of sectors including food security, health, housing, arts and culture, transportation, and employment supports.⁴ The City of Vancouver developed a Social Value Procurement Framework in 2015 and a Community Benefits Agreement (CBA) Policy in 2018, yet our procurement processes and the implementation of CBAs still need to be strengthened.

Enduring COVID-19 with a low income is incredibly hard. People with low incomes were more likely to struggle during the pandemic to get access to basic needs such as food, transportation and internet access. They are also more likely to have essential occupations like grocery store clerks, social housing staff, education assistants, care aides and janitors etc., with less security and more exposure potential to the virus. Social services and social enterprises played a huge role in the emergency response to Covid-19 in Vancouver's inner-city neighbourhoods as community-based response. Yet they were challenged to get revenues and labour to provide services and maintain and scale up operations.

The Response

Over the next 30 years, we need to reduce poverty in Vancouver by addressing its root causes, along with looking at broader, yet related, issues of inequity, opportunity, and belonging. An emphasis on Community Economic Development (CED) is essential to the future resilience of the economy. CED is action by people locally to create economic opportunities that improve social conditions, particularly for those who are most with barriers to employment and those living in poverty. CED recognizes that economic, environmental and social challenges are interdependent, complex and ever-changing and that in order to be effective, solutions must be rooted in local knowledge and led by community members⁵. We need to expand CED efforts and create opportunities on a city-wide, strategic basis. We need to build economic participation and economic mobility for workers with low skill levels or those who have barriers to employment. Procurement from social enterprises and local businesses is also a key way to strengthen local economies. The social enterprise sector is growing quickly and we need to prioritize and track it in formal data and develop policies to support its access to affordable space to operate.

³ Buy Social Canada. "Downtown Eastside Social Enterprise Impact Report 2019."

⁴ Buy Social Canada. "Downtown Eastside Social Enterprise Impact Report 2019."

⁵ The Canadian CED Network. https://ccednet-rcdec.ca/en/what_is_ced

1.2 Support Community Economic Development, Social Enterprise & Social Procurement

Ideas & Potential Actions

- 1.2.1. *Explore the creation of a cross-departmental, multi-sector, and long-term city-wide Community Economic Development (CED) strategy that could include elements such as:*
- (a) *Expand low-barrier and inclusive employment across the city (in ways that meet neighbourhood needs). For example, peer work programs*
 - (b) *Implement 2019 Vending study and find a permanent site for the DTES Street Market*
 - (c) *Conduct a scan and work to remove elements of City bylaws and policies that create impediments to the right to earn an income as a foundation for vending and survival work rights*
 - (d) *Implement the City of Vancouver Poverty Reduction Plan with community partnerships*
 - (e) *Research, develop, and support the formation of new co-operative approaches to economic activity, including co-operatives, collectives, shared resources and assets, and peer work models to help precarious workers and social enterprises, and increase local economic democracy*
- 1.2.2. *Support Social Enterprise through promotion, community partnerships, (e.g. space provision, space retention, marketing, mentorship) and procurement*
- 1.2.3. *Use City processes to increase support for procurement from social enterprises and community-serving businesses*
- (a) *Increase number of businesses on the City of Vancouver Social Procurement Portal through work with BIAs, VEC, Exchange Inner City, Buy Social Canada, and others, and cross-departmental promotion, education and awareness initiatives*
 - (b) *Increase number of organizations procuring from social value and diverse businesses. Prioritize those operating on city-owned land*
 - (c) *Ensure business units are utilizing social procurement for contracts under \$75,000 in addition to using social value within public procurement templates and possible related evaluation criteria. Encourage Business Unit Champions to identify & match selection of social value streams to marketplace and procurements*
 - (d) *Continue to assist vendors expressing interest in procuring from local-serving, social value and diverse businesses and social enterprises and seek support from Exchange Inner City and Buy Social Canada and others to assist*
 - (e) *Ensure that the Special Enterprise Area program in Chinatown includes support for diverse social enterprise [Also see 2.2.5]*
 - (f) *Implement the existing Community Benefit Agreement (CBA) policy and expand it over time. Encourage voluntary CBAs through development planning where possible and ensure that all COV-led projects are CBA compliant*

1.3 Support Skills Training & a Just Transition

The Challenge

The changing nature of work, shifting demographics, increasing automation, the rise of the digital and creative economy, and climate change are having impacts on the types of jobs available and skills needed in today's economy. Climate change and technological change are already causing shifts in certain industries and sectors. These shifts are resulting in job losses, increased demand to re-train and develop new skills, lower wages, and the trend towards more part-time and precarious work (e.g., contract-based employment and outsourcing). Some businesses, like the construction industry, are experiencing difficulty attracting and retaining labour. This particular labour shortage coupled climate change-related building regulation could deepen the need for skill upgrades within this sector. Youth and marginalized populations need better access to employment and there is a need for low-barrier employment opportunities that still pay a living wage for people with less formal education or workplace experience. More Indigenous students are completing their formal education but are still in a precarious financial situation or unable to advance from entry-level jobs.

COVID-19 has accelerated the need to support skills training for those who have to find new employment or lines of work. Youth, in particular, are greatly impacted by the crisis and make up 42% of new unemployment in the region. Before COVID-19, Canada's workforce was already confronting significant transformations in the nature of work. The crisis has only accelerated changes in the ways in which we work and the time to prepare for these changes has shortened. Many workers will face barriers when re-entering the workforce after layoffs or significant reduction in hours due to the impacts of the crisis and accelerated change in the way work is performed. The accommodation and food, retail and wholesale trade sectors, which saw the biggest job losses, could face a slow recovery and increased automation, which may force unemployed workers to reskill to re-enter the workforce.

The Response

Vancouver's workforce needs to have the skills to adapt to changes in the ways we work over the next 30 years. We need to ensure workers have access to skills training and opportunities to shift to new types of work throughout their work lives. Youth and BIPOC, in particular, need access to opportunities for skills development and a fair chance at entering and thriving in the workforce. We need to ensure equitable access to technology and learning opportunities and enhanced digital literacy to bridge the 'digital divide' (gap between those who have access to modern information and communication technology and those who lack access). We will need to seek ways to support workers most in need of transition support as part of inclusive and equitable climate action.

Ideas & Potential Actions

- 1.3.1. *Work with partners, such as Exchange Inner City and UBC Learning Exchange, to study and further understand the different educational services available and how these match notable labour market gaps, needs, and opportunities and correspond with the Livelihoods Spectrum*
- 1.3.2. *Explore and develop partnerships with businesses, labour groups, and all levels of government to target and support workers most in need of transition support and reskilling as part of inclusive and equitable response to large economic shifts including climate action*
- 1.3.3. *Work with academic institutions and training agencies to assist workers with upskilling, reskilling, and higher education with emphasis on Indigenous residents and residents with barriers to employment*
- 1.3.4. *Build on and expand partnerships between educational institutions, Exchange Inner City, Urban Core, CityStudio, and VEC to develop innovative and inclusive economic programs and policies*
- 1.3.5. *Advocate to other levels of government and support community partners (i.e. IECBC, MOSAIC) to improve acceptance of foreign credentials and workforce entry programs for newcomers to Canada*
- 1.3.6. *Encourage connections between local businesses, workers, institutional spaces, and Community Economic Development organizations located on Vancouver's employment lands to produce more resilient economic development outcomes*
- 1.3.7. *Research and explore models of support for worker control, ownership, or increased governance participation in firms struggling with global and local economic policy shifts*
- 1.3.8. *Support implementation of the FLATS density bonus contributions to support affordable accessible community work space, training, social enterprise space, rehearsal space and/or art production facilities [Also see 3.3.6]*
- 1.3.9. *Connect existing and new employment and internship programs to the non-profit sector in order to build capacity and incubator opportunities*

1.4 Encourage a Diversity of Jobs & Sectors

The Challenge

Vancouverites earn their livelihoods in diverse ways, some of which are less formal and structured than others with jobs taking place in both the formal and informal economy. One of the strengths of Vancouver's economy is that jobs take place in a wide variety of economic sectors; with no single sector accounting for more than 16% of total jobs. Yet many businesses struggle to launch or expand their activities in Vancouver. Affordability is a key challenge and high space costs can limit the diversity of Vancouver's economy, as well as business and employment vibrancy. This is exacerbated by volatility in property tax assessments, insecure tenures, speculation, and displacement from the pressure for higher-valued, predominantly residential, redevelopment. Such displacement will increase overall costs to the economy and a reduction in the overall livability of the city.

Before COVID-19, the Vancouver region was experiencing a surge of economic and job growth. It is now experiencing the most severe shock since the Great Depression. There may be significant longer-term economic consequences to some industries, firms and workers. Vancouver's large service sector, in particular, could mean a more drawn out recovery overall. Nevertheless, the long-term growth outlook for the Lower Mainland remains positive and the region will continue to be attractive to newcomers, mainly international migrants; the primary source of population growth. Although the population will be older in 2051, the rate of aging will be slower than in other regions, allowing for high levels of labour force participation supporting strong economic growth.

The Response

Planning for a diverse range of employment activities creates economic resilience and protects the local economy from sector-specific disruptions and market shocks. Over the next 30 years, and in anticipation of economic job growth recovery post-COVID-19, we need to increase the supply of suitable and well-located work spaces through encouraging employment lands intensification. We need to make Vancouver more business friendly and supportive, and ensure small to large businesses can thrive. We need to prioritize local businesses and ensure as much capital as possible is retained in the local economy. As density increases, we need to balance the needs of high growth sectors and the need to maintain space for local small businesses that provide local job opportunities and access to local goods and services. We need to ensure equitable economic outcomes amidst economic growth, city-wide economic resilience, and a range of opportunities for Vancouver's diverse workers.

Ideas & Potential Actions

- 1.4.1. *Pursue investments, advocacy and partnerships that continue to attract and retain a diversity of economic sectors to match Vancouver's diverse population*
- 1.4.2. *Utilize social and environmental lenses on business attraction, and work with VEC to ensure business attraction reflects local as well as regional priorities*
- 1.4.3. *Support and attract Indigenous-lead businesses and industries*
- 1.4.4. *Create policies, programs and partnerships that acknowledge and enable the informal economy and job creation across the 'Livelihoods Spectrum'⁶*
- 1.4.5. *Build partnerships, including with the social purpose real estate providers, to explore methods and create strategies for co-location, flexibility of work spaces and alternate ownership models, to increase the viability of retail/commercial areas and address displacement of small businesses, city-serving industrial, arts and cultural uses and non-profits. [Also see 2.5.6 and 3.2.1]*
- 1.4.6. *Continue to develop mixed-use spaces, such as business centres and co-working spaces to accommodate the growing prevalence of consultants, freelancers, remote workers, etc. in the marketplace*
- 1.4.7. *Improve the efficiency, speed, and transparency of development and business permitting processes [Also see 2.2.1, 2.2.2, 2.2.4, and 2.2.5]*
- 1.4.8. *Ensure City information related to local businesses and the economy is consistent, coherent and clear [Also see 2.2.1, 2.2.2, and 2.2.4]*
- 1.4.9. *Support the construction/supply of incubator spaces that are affordable for local start-ups; Continue to advocate to senior government for legislative/policy reforms to address commercial property tax issues, such as the proposed Commercial Sub-class for unbuilt density, and expansion of property tax deferrals to commercial property [Also see 2.3.1 & 2.3.2]*
- 1.4.10. *Explore alternative models to ownership such as community land trusts for neighbourhood-serving businesses and other areas such as the cultural land trust [Also see 2.2.6]*
- 1.4.11. *Zoning & Licensing Bylaw amendments for home-based business regulation modernization [Also see 1.6.3(b) & 2.7.2(f)]*

⁶ DTES Community Economic Development Strategy

1.5 Support the Viability of Critical Non-Profit and Community-Serving Spaces

The Challenge

The non-profit sector is a critical component of Vancouver's economy and is a major source of GDP and jobs. Non-profit organizations and community-serving spaces contribute major supports to our local workforce, including affordable housing, childcare, newcomer settlement services, community-based food programs, and arts and culture. There are over 3000 non-profits in Vancouver providing valuable benefits to residents and workers including women, youth, seniors, Indigenous people and persons living with disabilities, among others. Proximity and accessibility are key to providing social services and healthcare and ensuring healthy and complete neighbourhoods.

The non-profit sector faces increasing challenges to its viability due to limited resources, shrinking donor bases and donations and incredibly challenging space issues. The sector is facing increasing pressures to its tenure in Vancouver due to higher land values, increasing tax assessment, and higher payments for property taxes. There is competition for space and displacement and/or loss of existing organizations is occurring.

Employment data shows that this workforce is heavily reliant on part-time workers, which means a large part of the NPO workforce experiences precarious work. Women make up three-quarters (74%) of the non-profit work force, and this number is even higher (81%) in the social service field. These figures are in significant contrast to the overall 48% participation rate of women in BC's general labour force. Mirroring other economic sectors, the total number of contract workers is also on the rise in the NPO sector. Despite high educational attainment and the need for highly-trained and skilled professionals, the non-profit workforce is not well compensated. Workers in typically caring-oriented fields, such as childcare, or in racialized environments, such as settlement or Indigenous organizations, make less than their counterparts. Across Canada, the average annual compensation per full-time non-profit worker is 29% lower than all workers.

Since mid-March 2020, the economic impact on the NPO sector due to COVID-19 has been significant. A survey of the non-profit sector conducted by Vantage Point reported 78% of NPOs are experiencing a disruption of services, 22% are concerned about retaining their facilities, and 21% of full-time equivalent employees are potentially at risk⁷.

The Response

Over the next 30 years, we need to ensure the viability of the non-profit sector as a key and vulnerable community service provider, economic contributor, and workforce support. Economic growth in the future may not be equitable and inclusive leading to increased demand for critical services from the social sector. With a growing population, in addition to increasing and changing community needs and the impacts of a worldwide pandemic, more affordable, secure, and resilient programs, services and spaces are needed. More work needs to be done to address the space challenges and depth of demand for non-profit uses so they are adequately supplied.

Ideas & Potential Actions

- 1.5.1. *Explore mechanisms to ensure no net loss of non-profit/social purpose, cultural, and social enterprise tenants during development [Also see 2.2.7]*
- 1.5.2. *Explore partnerships and policy to include non-profit and community spaces in new developments, including social housing developments and other community spaces*
- 1.5.3. *Ensure that new community amenity locations are based on community needs and in consultation with local communities*
- 1.5.4. *Explore the establishment of a concierge service and platform to support applicants to retain and create community serving spaces, including social and cultural non-profits, and ways to support capacity through the development process*
- 1.5.5. *Support community-led knowledge sharing and research to understand the critical contributions of the non-profit sector to economic and social sustainability and resiliency including:*
 - (a) *Supporting the work of the Social Purpose Real Estate Collaborative (SPRE)*
 - (b) *Partnering with the community to create an inventory of non-profit- and privately-owned community-serving spaces*
 - (c) *Monitoring and assessing causes and degrees of precariousness [Also see 2.5.6(d)]*
- 1.5.6. *Support innovative development and co-location models that incorporate flexibility and mixed uses to increase the viability of non-profit/social purpose projects*
- 1.5.7. *Support non-profit hub models that maximize affordability, security and suitability of spaces*
- 1.5.8. *Integrate a non-profit lens into development, zoning and land use to ensure increased growth of potential space*

⁷ Vantage Point. No Immunity: BC Non-profits and the Impact of COVID-19. An Early Impact Summary Report. May 2020

1.6 Enhance the Viability of the Arts & Culture Sector

The Challenge

The arts and culture sector is vital to the city's health, identity, quality of life, economic prosperity, social cohesion, sense of belonging, and sustainability. A vibrant cultural sector also contributes to other industries through activities such as attracting skilled workers, contributing to job creation, and fostering an adaptable, innovative business environment. In BC, cultural economic production outperforms many traditional industries⁸. They contribute 2.7% to the GDP (\$7.9B), outperforming agriculture, fishing and forestry (\$5.8B) and utilities (\$6.3B), and create 4% employment. The direct economic impact of the music industry alone is \$690M, creating 7,945 music jobs and 6,595 indirect jobs. The cultural economy includes a robust ecology of artists and cultural workers, creative industries, non-profits, DIY (do-it-yourself) collectives, co-ops and other cultural organizations.

Vancouver also has the highest concentration of artists per capita of major cities with 8,800 artists making up 2.4% of the local labour force. Unfortunately, the majority of artists live under the poverty line. 63% of artists report an income of less than \$40,000 per year, and the median income of Vancouver artists is \$22,116, 44% less than all Vancouver workers⁹. These workers face additional barriers and challenges including the ramifications of discriminatory policies and actions leading to expropriation of land and property. Located on the unceded territory of the Musqueam, Squamish and Tsleil-Waututh Peoples, Vancouver has a significant absence of self-determined Indigenous cultural spaces. Vancouver artists struggle to access safe, affordable and accessible work space. Rising rents, lack of tenure security, a shrinking supply of older industrial sites suitable for use as production studio space, and existing regulatory barriers, have impacted significant displacement of artist studios and arts spaces. Close to 400,000 square feet of visual arts studio spaces has been lost in eastside of Vancouver alone as a result of residential or commercial conversions and redevelopment over the past 10 years. In recent years, real estate pressures have resulted in the doubling and tripling of rental rates and dramatic increases in property tax. The situation has become insurmountable for many, pushing activities underground and driving artists, cultural workers and cultural activities out of Vancouver to more affordable locations.

Since the beginning of the COVID-19 pandemic in March 2020, Vancouver's cultural sector has weathered significant economic impact. In 2018, live music and festivals generated nearly \$700 million in annual revenue and supported 15,000 jobs across all sectors. With a reported 42% drop in revenues for performing arts, COVID-19 related revenue losses will be in the hundreds of millions of dollars. A survey delivered to artists, cultural workers, and cultural organizations by the Greater Vancouver Professional Theatre Alliance (GVPTA) anticipates financial losses over \$90M, with the largest loss through foregone ticket sales, pre-paid or committed expenses and additional COVID-19 costs. Highest losses to performing arts and facility-based organizations. 43% of artists and cultural workers are concerned they will lose more than 75% of their projected income in 2020. Despite the Federal Emergency Aid Measures offered, less than half of Vancouver artists and cultural groups have applied or intended on apply for these programs. At the time 41% did not apply as they didn't meet eligibility requirements¹⁰.

⁸ Hills Strategy Research reveals that cultural economic production outperforms many traditional industries in Canada and BC. It contributes 2.7% to the GDP (\$7.9B), outperforming agriculture, fishing and forestry (\$5.8B) and utilities (\$6.3B), and creates 4% employment. Commercial and non-commercial arts and culture organizations both contribute to direct economic impact, and generate substantial jobs.

⁹ Statistics Canada and 2016 census data.

¹⁰ Canada Council for the Arts - Survey on Federal Emergency Aid Measures and the Arts Sector (Vancouver data).

The Response

Over the next 30 years, support for arts and culture is needed in numerous and critical ways. Special emphasis needs to be put on preventing displacement and enabling a thriving continuum of diverse, affordable, accessible, secure arts and culture spaces. Proactive approaches need to be taken to develop new policies and incentives to protect, enhance and grow the supply of commercial and industrial spaces suitable for artists. In addition, significant work needs to be done to create more equitable opportunities for artists in the city.

In September 2019 Vancouver City Council approved a new culture plan for Vancouver, *Culture|Shift: Blanketing the City in Arts and Culture* that included an infrastructure plan *Making Space for Arts and Culture*. Making Space set a 10-year arts and cultural space target of 800,000 square feet of affordable City-owned, non-profit, and private space. This includes 650,000 square feet of new or repurposed space and a goal to see "no net loss" of Vancouver's cultural spaces particularly artist studios and music spaces. The plan prioritized support for cultural heritage, equity and redress, and the creation of self-determined Musqueam, Squamish and Tsleil-Waututh and Urban Indigenous culture and cultural spaces.

In July 2020, a new COVID-19 Recovery Grants program was approved by Council to be launched this fall to support non-profit cultural spaces impacted by COVID-19 with a focus on equity, recovery and resilience.

1.6 Enhance the Viability of the Arts & Culture Sector

Ideas & Potential Actions

Related achievable actions approved by Council as part of Making Space include:

- 1.6.1. *Continue to develop policy to preserve and enhance non-profit arts and cultural spaces*
- 1.6.2. *Explore mechanisms to support affordable non-profit arts and cultural space in commercial and industrial zones, including density bonusing, commercial linkage fees, and cultural districts*
 - (a) *Support implementation of the FLATS density bonus contributions to support affordable accessible community work space, training, social enterprise space, rehearsal space and/or art production facilities [Also see 3.3.5]*
 - (b) *Support the Eastside Culture Crawl on work towards a cultural district and explore cultural districts in the Broadway Plan*
- 1.6.3. *Remove existing and new barriers for artist studios and production*
 - (a) *Zoning Bylaw Amendments to Remove Barriers to Work Only Artist Studios in Industrial Areas*
 - (b) *Ensure proposed updates expand the definition of 'Homecraft' in the Zoning and Development By-law supports arts production and artists [Also see 1.4.11]*
 - (c) *Develop a zoning use specific to non-profit arts and cultural facilities in order to simplify and align City policies, licences, permits, bylaws, zoning and other regulatory requirements*
- 1.6.4. *Support work with the Province to develop a new sub-class to reduce the tax burden on underdeveloped commercial and industrial spaces [Also see 2.3.1]*
- 1.6.5. *Explore ways to help artists, non-profits and event producers to navigate regulatory requirements in partnership with the Commercial Renovation Centre [Also see 2.1.8(a)]*
- 1.6.6. *Explore ways to lower costs when reusing older buildings and expand opportunities to support temporary use [Also see 2.5.6(a)]*
- 1.6.7. *Secure through development contributions (as part of the public benefit strategy), funding for the new Vancouver Cultural Spaces Fund to support the development of large-scale community-led cultural space projects*
- 1.6.8. *Support a community-led cultural land trust including investigating new ways to partner with the cultural community on development, and—in some cases—ownership of amenity facilities secured through development*

1.7 Support Vancouver's Key Drivers & Innovation

The Challenge

Vancouver has jobs in a wide variety of economic sectors. Within this diversity, there are four key sectors in particular that have been identified as key drivers of investment and employment growth: Tourism, Film, High Tech, and the Port. BC has grown into Canada's top film hub, with 40% of all Canadian film and TV production taking place here. BC is the third largest film centre in North America and Vancouver is one of the largest animation/visual effects and video game hubs in the world. The High Tech sector produces goods and services that drive economic growth by improving productivity and profitability for all types of businesses, while at the same time providing relatively high-wage employment. As Vancouver's commercial link to the globe, the Port of Vancouver plays a critical role in Vancouver's economy. It enables annual trade of approximately \$200 billion in goods nationally, which translates into \$3.01 billion in annual wages locally.

While all of Vancouver's key sectors were affected by COVID-19, the Tourism and Film sectors were the most disrupted. Tourism is expected to see unprecedented lows with no cruise ships and heavy travel restrictions over the near term. The long-term impacts are still unknown but as BC's third largest sector, a significant number of jobs and businesses were affected. The local film industry virtually shut down for over two months forcing an unprecedented amount of film industry workers into unemployment. The Film sector has entered the recovery well-positioned to build on its past success; however it still requires support to sustain this as productions re-open with significant operational changes. In addition, goods movement and trade through the Port and along rail corridors has been essential to the response and recovery from the pandemic.

The Response

Over the next 30 years, Vancouver needs to support its key drivers, along with other areas of growth and innovation, while building the diversity and resiliency of the economy as a whole.

1.7 Support Vancouver's Key Drivers & Innovation

Ideas & Potential Actions

Film

- 1.7.1. Expedite City permits needed to support film activity; specifically as it relates to permits outside of the film office, for example building, electrical, business license, etc.
- 1.7.2. Consider a regional business license model for film productions
- 1.7.3. Review and edit COV bylaws/policies in collaboration with industry stakeholders to promote a film friendly business environment within the City of Vancouver
- 1.7.4. Consider a more “one stop shop” approach to film permitting where a single office oversees administration of all film activity including permits from various City departments
- 1.7.5. Explore ways to increase indoor film & TV studio production spaces city-wide including temporary use of vacant buildings and land and consider options for temporary or secondary use of City-owned lands and facilities
- 1.7.6. Explore the creation of a film production hub in the South Vancouver industrial area [Also see 3.2.7]
- 1.7.7. Facilitate access to new spaces and temporary access to vacant office space for post-production activities, Visual Effects in particular [Also see 3.2.7 and 3.3.3]
- 1.7.8. Promote the preservation of heritage districts for location production opportunities
- 1.7.9. Investigate options for enhanced use of parking spaces and road closures to support production [Also see 3.1.3]
- 1.7.10. Expand opportunities for local workers and communities to benefit from local film production [Also see 3.1.6]
- 1.7.11. Connect film industry to non-profit organizations and social enterprises to facilitate low-barrier job opportunities for local workers and social procurement opportunities [Also see 3.3.4]

Tourism

- 1.7.12. Support Tourism Vancouver and key industry partners to develop a comprehensive recovery plan post COVID-19
- 1.7.13. Monitor supply of hotel rooms through recovery, assist in preserving existing hotel room supply, and ensure appropriate expansion of hotels accommodation over time
- 1.7.14. Create people-oriented public spaces, and improve active transportation and transit access to key tourist destinations and associated retail/commercial areas
- 1.7.15. Work with BIAs to keep existing hotels and tourism businesses in operation
- 1.7.16. Support leading edge sustainability practices in the tourism industry such as zero-emissions transportation, social procurement and eliminating single-use items from the waste stream
- 1.7.17. Facilitate opportunities for meaningful Indigenous tourism and business creation

High Tech

- 1.7.18. Ensure capacity for growth in office space in preferred locations: Downtown and Central Broadway
- 1.7.19. Encourage the creation of amenities around office areas: childcare, dining options, improved public realm

Port

- 1.7.20. Support the Vancouver Fraser Port Authority Land Use Plan [Also see 3.1.3]
- 1.7.21. Support industrial goods movement and viability of logistical lands and infrastructure [Also see 3.1.6]
- 1.7.22. Work with the Port of Vancouver and other partners to unlock the potential of Central Waterfront District as a transportation hub and employment area [Also see 3.2.2(d)]

1.8 Enable Access to Quality and Affordable Childcare

The Challenge

Childcare is critical to the local economy and one of the most important workforce supports. Vancouver's businesses have challenges retaining workers who cannot access quality, affordable, stable childcare. This impacts the economic participation of female workers, in particular, and negatively impacts business productivity and labour retention. Additionally, every dollar spent on quality childcare results in \$6 dollars of economic benefit and offers a good start to the workforce of the future.

As a result of COVID-19, over 10,000 childcare spaces in Vancouver were temporarily unavailable due to program closures. This undoubtedly impacted thousands of working parents who were either locked down working in their homes with children at their feet or forced to find other childcare while they went to essential work outside of the home. Women were disproportionately impacted and forced to take on extra duties on top of paid work, including supporting home learning for school-aged children, meal preparation, and housework. The pandemic has pushed women's participation in Canada's labour force down to its lowest level in three decades and women with children were more likely to stop working than men with children. This is in contrast to prior recessions, when men were significantly more likely than women to be laid off. In general, COVID-19 has also severely impacted early childcare educators (which is also a field predominately occupied by women, disproportionately racialized and newcomer women), which has resulted in job instability, additional responsibilities, and increased potential health risks.

The Response

Over the next 30 years, we need to strengthen the understanding of how important childcare is to the economy and prioritize childcare policies, planning, and advocacy. We need to continue advocating for the full implementation of the Community Plan for a Public System of Integrated Early Care and Learning plan (www.10day.ca), which was endorsed by Vancouver City Council in 2011. This plan has been shown to have a significant and positive potential impact on GDP and job creation—providing higher economic returns to BC than other government investments.

Ideas & Potential Actions

- 1.8.1. *Partner with stakeholders (e.g. VEC and academic research partners) to strengthen assessment of childcare need generated by employment development. Develop stronger metric(s) and methodology to assess how much childcare need is generated by current and new economic activity in the city, including office, commercial, retail, and industrial developments*
- 1.8.2. *Explore and develop a pilot project related to workplace/workforce childcare which would provide a real-time example to develop a new model for childcare delivery*
- 1.8.3. *Review employment area zoning, including industrial zones, to harmonize approaches to childcare and to ensure that childcare use is not unnecessarily restricted, while ensuring appropriate health, safety, and quality considerations*
- 1.8.4. *Convene a focus group to advise on work-place childcare approaches and needs (employers, commercial property managers, commercial property developers and non-profit developers, academic, and/or childcare sector advisors)*
- 1.8.5. *Continue to endorse the Community Plan for a Public System of Integrated Early Care and Learning (\$10 a day) Childcare Plan and utilize it as a guiding principle for future work*

1.9 Enable Housing Options for Workers, Particularly in Key Industries

The Challenge

Unaffordable housing is identified as one of the top external forces impacting employers and economic growth in Vancouver. Housing affordability severely impacts the availability of labour and is a major contributor to problems with finding and retaining employees. This is an issue for businesses looking to attract highly skilled talent in competition with companies located in other cities, as well as for businesses trying to fill entry-level positions. It is also a key issue for workers, who often desire to live closer to their workplaces.

Vancouver is a city where the majority of households are renters. Between 2011 and 2016, the increase in number of renter households in Vancouver was over 3 times greater than the increase in owner households. Affordability, availability, and security of rental housing are critical pieces to supporting a growing local labour force.

The COVID-19 pandemic placed considerable additional stress on workers renting in the city. As of June 27th, 2020, approximately 27,000 renters in Vancouver (including UBC) had applied for the BC Temporary Rent Supplement as a result of COVID-19.

The Response

Over the next 30 years, we need to ensure supply of well-located, affordable housing in order to support an engaged population and workforce. A particular focus on rental, social, and supportive housing will be important to ensuring a range of housing for workers with a range of income-levels and in all stages of life.

Ideas & Potential Actions

- 1.9.1. *Implement the Housing Vancouver Strategy and work with partners to create more of the right supply of housing to support Vancouver's key industries and employee recruitment and retention [See also 2.5.7]*
- 1.9.2. *Continue housing policy work to create new market rental housing to accommodate a growing labour force and population, while also reducing competition for existing rental housing affordable for low- and moderate income households.*
- 1.9.3. *Continue housing policy work to create new social, supportive, and rental housing opportunities throughout the city geared toward housing for low- and moderate income households to ensure people in various industries can live and work in Vancouver*
- 1.9.4. *Protect existing affordable housing into the future. Ensure support for vulnerable residents. Create new social and supportive housing units, to respond to households with a range of incomes, including very low incomes or those who are facing or at risk of homelessness*

1.10 Enable Accessible & Affordable Transportation

The Challenge

The economy relies on the transportation system for people to access jobs and opportunities, and to move goods and services efficiently. Having the choice to take public transit, use car-sharing or mobility services, or to walk, bike and roll to work is essential to supporting Vancouver's workforce.

Travel patterns during COVID-19 changed significantly, and we must adapt the transportation system to address shifting trends as the economy recovers, and to address the inequities that were intensified during the pandemic. Overall travel demand declined due to many factors, such as slower economic activity, low tourism, and working from home. While working from home has been possible for certain jobs, many essential service workers have continued to commute. Transit has proven to be an essential service throughout the pandemic, particularly important for people without access to a vehicle, those unable to walk or cycle to work, and lower-income workers. Industries with a strong local supply chain are resilient and flexible. Goods movement has been critical to maintaining the supply chain, and an increase in business-to-consumer deliveries, such as for groceries, meals and other goods, has provided more options for accessing daily needs.

The Response

We must continue to address inequities in the transportation system by reducing the dependence on private vehicles; improving transit, walking, and cycling; and taking an intersectional approach to addressing the needs of disproportionately impacted populations, whether due to income, race, gender, age, physical ability, or other factors. Both land use policy and transportation infrastructure also need to support the movement of people and goods. Over the next 30 years, we need to locate employment and activity in areas with high transit accessibility, and improve transit, walking and cycling infrastructure to provide more equitable access to jobs and opportunities. We need to reallocate road space and manage the network, such as through Transport Pricing, to prioritize and invest in more space-efficient, sustainable, reliable and affordable ways to get around. We also need to support delivering goods and services in quieter and less polluting ways.

Ideas & Potential Actions

- 1.10.1. *Work with TransLink and the Province to continue expanding the rapid transit network, such as extending the Broadway Subway west of Arbutus to UBC, along Hastings Ave, and the Grandview Cut; and explore inter-regional transit connectivity to the Fraser Valley*
- 1.10.2. *Work with TransLink to implement bus priority measures on more corridors, to provide faster and more reliable transit service across the city*
- 1.10.3. *Work with employers to develop Transportation Demand Management (TDM) Plans to increase remote and flexible work opportunities, and support walking, cycling and transit to work*
- 1.10.4. *Continue to expand the active transportation network for people of all ages and abilities, and expand e-bike, micro-mobility and bike share access to employment and retail areas*
- 1.10.5. *Develop a Transport Pricing Strategy, that considers increasing access to jobs and opportunities by taking transit, cycling, and walking*
- 1.10.6. *Continue to embed an intersectional approach that advances equity for disproportionately-impacted populations for all transportation projects*
- 1.10.7. *Advance the Reduced Fare Transit Pilot and continue to work with TransLink, the Province, and other partners to increase transit access and mobility options for disproportionately impacted populations*
- 1.10.8. *Seek opportunities to intensify job space near rapid transit stations*
- 1.10.9. *Continue to support and facilitate low-impact goods and services movement, through development of an Urban Freight Strategy*
- 1.10.10. *Work with the Province, TransLink, YVR and other regional partners to connect the Cascadia region through High Speed Rail, with a terminus station that has convenient access to Vancouver's City Centre and other employment areas by transit, and explore expansion of floatplane services to provide more inter-regional connections to/from downtown Vancouver*

1.11 Prepare for Climate Change and Disasters & Create Complete, Connected and Resilient Neighbourhoods

The Challenge

Resilience is a key component of sustainable urban development, and a thriving economy. The ability to survive, adapt, and thrive after acute shocks such as earthquakes, extreme weather, infrastructure failure and a public health emergency, like COVID-19, is made more difficult in Vancouver by underlying stresses such as economic inequality, unaffordable housing and the increasing impacts of climate change. The world is in the midst of a climate emergency and Vancouver is not spared from its repercussions. A significant portion of the city's employment lands are located in areas susceptible to the impacts of sea level rise and flooding. Many of them, including key high streets and commercial/retail areas, are also vulnerable to seismic events, which would not only have impact on workspaces and infrastructure, but also on the economy long-term. Climate change is already impacting our daily lives and testing the capacity of our systems, buildings, and infrastructure. Climate change will continue to change Vancouver's hazard profile by increasing the frequency and severity of extreme weather events like floods, heatwaves, and periods of poor air quality due to smoke from local wildfires.

Complete neighbourhoods are inclusive, well-connected neighbourhoods where we live, enjoy easy access to meaningful employment, and are able to walk or roll to access our unique daily needs and services. Complete neighbourhoods are key to our city's resilience and are a foundation of thriving, affordable, and equitable communities. A well-connected and walkable neighbourhood enhances social cohesion, public health resilience, and sense of community which are instrumental in building social capital. A strong, socially-connected neighbourhood helps to buffer its resident communities against potential shocks like earthquakes and extreme weather, and stresses like social isolation and food insecurity. Complete neighbourhoods also attract workers to the city who value Vancouver's livable urban fabric, walkability, bikability, good public transit, short commutes, and easy access their daily needs, green space, environmental assets, social services, education, childcare, and amenities.

COVID-19 has been an acute shock to our city and its impacts are felt unevenly across different populations and communities. The underlying stresses facing our residents, such as homelessness, the opioid crisis, food insecurity and wage disparity, have made surviving this crisis even harder. Resources for long-range city planning and climate action were diverted to the short-term recovery effort and the resilience of our city was put to its greatest test in modern memory. Many of our most vulnerable residents and systems have been disproportionately impacted and our key economic challenges have been amplified and, in many cases, accelerated. The value of being able to safely maintain social connections, access daily needs in our neighbourhoods, adjust work, caregiving, schooling and/or other routines, was made abundantly clear throughout the pandemic. The need to do this while also having our city's production, distribution, supply-chain, repair, and emergency supply needs met maintained, while sometimes invisible to the general public, was no less critical.

The Response

In order to achieve economic resilience, we need to understand the hazards and risks we face and build and design an economy that can survive, adapt, and thrive in the face of disruptions. Over the next 30 years, we need to enhance Vancouver's natural assets while investing in resilient infrastructure, and improving communities' resilience in the face of climate change and disasters. We need policies to support complete neighbourhoods with access to community-based goods and services close to people's homes and workplaces. We need to promote circular economic production and emerging recovery models for future economic growth and an increase in green businesses and jobs. We need to drive all of our economic activity towards enabling decent, inclusive prosperity, and meaningful opportunities within planetary boundaries. Going forward, we must transition off fossil fuels, and invest in thoughtful urban design and land use planning that accounts for hazards and risks, and prioritizes sustainable means of economic development and employment.

1.11 Prepare for Climate Change and Disasters & Create Complete, Connected, and Resilient Neighbourhoods

Ideas & Potential Actions

- 1.11.1. *Integrate an equity perspective into future climate policy initiatives to ensure that policy and regulatory changes amplify the opportunities for prosperity, inclusion, and economic self-determination for Vancouver's residents, especially equity-seeking groups and communities*
- 1.11.2. *Work with VEC and other partners on the implementation of the Climate Emergency Action Plan and related strategies, including elements such as:*
 - (a) *Policies, programs and partnerships, to support a Just Transition, decent work for workers in Vancouver impacted by climate policy, and supply chain resilience*
 - (b) *Quantification and monitoring of the long-term economic benefits of the plan*
 - (c) *Industry education and capacity building initiatives that support business alignment with and support City climate and resilience policies*
- 1.11.3. *Support the implementation of the updated Climate Change Adaptation Strategy, by:*
 - (a) *Supporting Coastal Resilience efforts such as design competitions, critical infrastructure analysis and management, flood-resistant design and retrofit guidelines for buildings, community wide bylaws, potential financing tools; and Flood Smart training for businesses*
 - (b) *Supporting efforts to reduce urban heat island effect and respond to extreme heat alerts or support for policies that increase resilience of buildings*
- 1.11.4. *Work with VEC and other partners, to support policies and programs to support and strengthen the circular economy such as the Green Industrial Innovation District (GrIID) in the False Creek Flats. [Also see 3.2.6]*
- 1.11.5. *Support the implementation of the City's Resilient Vancouver Strategy, with emphasis on preparing for existing and future physical, social, economic and environmental shocks and stresses, including by:*
 - (a) *Supporting the development and implementation of an approach to define and map, analyze, prioritize, and protect critical infrastructure*
 - (b) *Supporting work to quantify the economic impacts of a large seismic event and development of potential mitigation responses (i.e. package of policies related to building retrofits)*
 - (c) *Promoting the usage of the VEMA's public education and business programs, including the Business and Employer Emergency Preparedness Guide*
 - (d) *Create and test a Resilient Neighbourhoods Design Framework*
 - (e) *Support the development of a Business Recovery Roundtable to advise on long-term disaster risk reduction and resilience*
- 1.11.6. *Continue to participate in the C40 'Green Economy and Innovation Forum' and Cities and Business Alliance [Also see 3.4.3]*
- 1.11.7. *Work with the SFU Community Economic Development Program and other economic leaders (BoT, BIAs, VEC, LOCO BC) on developing strategies to build economic resilience in neighbourhoods and commercial areas*
- 1.11.8. *As part of the Vancouver Plan, develop policy and implementation tools related to Complete and Connected Neighbourhoods. Key areas of focus to include: [Also see 2.7.2]*
 - (a) *Improved opportunities for improved sociability, connection, and neighbourliness for a growing and diversifying population*
 - (b) *Housing choices that are affordable and appropriate for people at different stages of their life, and in different circumstances*
 - (c) *Easy walk or roll access to an array of daily needs (grocery, other shops and services), public spaces and greenspace, landscape features, and amenities (including social, cultural, recreational amenities)*
 - (d) *Job space (offices, live/work spaces, maker spaces) that are located closer to home*
 - (e) *Safe, comfortable, and convenient connections to other neighbourhoods and destinations, and transportation choices that support goals of accessibility and mobility equity*

Section 2

Retail- Commercial Areas and Small Business

2.1 Assist Businesses and Landlords to Fill Vacancies Quickly, while Continuing to Improve Processes and Outcomes for Commercial Renovations and Emerging Business Models

2.2 Provide Supports for Small Businesses and Business District Management

2.3 Advocate for Senior Government Actions to Support Retail-Commercial Areas

2.4 Expand/Innovate Use of Public Space for Formal and Informal Economic Activities

2.5 Pursue Initiatives to Support Small Business Recovery & Business District Re-invention

2.6 Enable Reliable, Frequent & Affordable Transportation for Customers and Employees Within and To/From Retail-Commercial Districts

2.7 Work with Community to Explore Ideas To Improve Diversity of Small-scale Neighbourhood Retail-Commercial Space, and if Needed, Address Future Shortages of City-wide Commercial Supply

2.1 Assist Businesses and Landlords to Fill Vacancies Quickly, while Continuing to Improve Processes and Outcomes for Commercial Renovations and Emerging Business Models

The Challenge

Engagement with businesses, commercial owners and leasing professionals indicated that changes of use and required upgrades for storefront renovations can be financially onerous and time-consuming, and was identified as a top challenge for starting, pivoting or expanding small business. In addition, when small businesses commit to leases for business premises, they may be unaware of land-use, parking, building and other issues that could complicate or thwart their business plans. They may also lack the market data they need to make locational choices. The City of Vancouver Retail-Commercial District Small Business Study, conducted in 2019,¹¹ reported an increase in storefront vacancy in four of six study areas to levels above 10%, which is considered to be ‘unhealthy’ and a possible indicator of business viability issues. The challenges experienced by arts & culture, social enterprise and non-profit organizations mirror the challenges faced by small businesses.

Restrictions due to the onset of COVID-19 exacerbated small business challenges, particularly in the retail, food service, tourism, entertainment and arts sectors. A Talk Vancouver COVID-19 Pulse Survey conducted August 5-12, 2020¹² indicated that 71% of 500 business respondents reported loss of revenue as their top challenge. Since the first quarter, retail space available for lease city-wide increased by 120,000 square feet (+16.1%) to a total of 866,000 square feet in September, indicating an increase in storefront vacancies (see Appendix D for more detail).

In January-March 2020, the City updated the business data for the six BIA study areas inventoried in 2019 for the Retail-Commercial District study, providing a pre-COVID baseline. In September 2020, the same areas were inventoried again to sample change due to the pandemic (preliminary). Of the approximately 1,400 commercial retail units inventoried, 30 new vacancies were observed, representing an increase in the overall vacancy rate from 8% to 10.1%. The updated vacancy rate ranges from a low of 6.9% on Commercial Drive BIA (up from 4.1%) to a high of 15% on Granville Street BIA (up from 11%). Vacancy in excess of 10% in retail-commercial areas is considered unhealthy by industry experts. A similar trend has been observed in the Downtown Vancouver BIA. Inventories conducted on select streets in August-September (over 550 commercial units) indicate an overall vacancy increase from 9.9% to 11.9%.

In October, both the *Canada Emergency Commercial Rent Assistance (CECRA)* and the provincial ban on commercial evictions are set to expire, potentially resulting in higher vacancy rates going forward.

¹¹ Retail-Commercial District Small Business Study (City of Vancouver, 2020)

¹² Second COVID-19 Pulse Survey (City of Vancouver, August 2020)

The Response

As part of recovery efforts, it will be important to facilitate new businesses to occupy commercial premises, and existing businesses to downsize to a smaller or shared space, or by pivoting operations. In the Downtown Eastside, we need to continue to encourage retail continuity while allowing flexibility to approve other active uses that help reduce storefront vacancies in the short term. Over the next 30 years we will need to continue to streamline permit approval processes and facilitate businesses, arts & culture, and non-profits to occupy vacant storefronts. We need to track indicators of commercial district health to craft appropriate policy responses and/or work in partnership with BIAs and others to develop and implement business recruitment and retention plans and optimize business mix.

2.1 Assist Businesses and Landlords to Fill Vacancies Quickly, while Continuing to Improve Processes and Outcomes for Commercial Renovations and Emerging Business Models

Ideas & Potential Actions

- 2.1.1. *Help businesses find the right premises by pairing commercial properties for lease with the approved occupancies for those spaces through development of a searchable online platform. (Approved Occupancy Database)*
- 2.1.2. *In consultation with BIAs and community stakeholders, facilitate re-tenanting vacant storefronts by pop-ups shops, community markets, artist studios and arts/cultural uses, social services and other temporary uses, including the use of vacant commercial space awaiting redevelopment*
- 2.1.3. *Amend Parking By-law to remove additional parking requirements in C-zones for change of use for commercial premises under 200 m² and revise application form to speed processing*
- 2.1.4. *Where needed to reduce vacancies In the Downtown Eastside, relax retail continuity requirements to allow greater flexibility to approve non-retail uses with active storefronts, including cultural and social service uses*
- 2.1.5. *Amend Zoning & Development By-law to address the precarious status of neighbourhood grocery stores by removing barriers to future grocery use in the event of business closure*
- 2.1.6. *Track commercial district health / business viability, monitoring key indicators to evaluate:*
 - (a) *whether short-term policies should be extended, adjusted or discontinued*
 - (b) *future need/timing for innovative actions/ policies to support commercial districts, small business and entrepreneurship:*
Explore opportunities to enhance business license data to help inform business monitoring
- 2.1.7. *Partner with BIAs on initiatives to address business mix and vacancy, including measures to augment BIA in-house capacity for data collection and tracking; Consider grants to provide advice and tools to BIAs to improve business mix through implementation of business recruitment and retention plans.*
- 2.1.8. *Continue focus on commercial renovations through:*
 - (a) *expanding the Commercial Renovation Centre, and streamlining user's experience of the permit process through the new Customer Experience Committee [Also see 1.6.5]*
 - (b) *simplifying and digitizing the permit application process*
 - (c) *reducing in-person visits by increasing options for virtual customer support*
 - (d) *exploring opportunities to simplify permit requirements*
 - (e) *continuing to reduce service centre wait times through process changes*
- 2.1.9. *Adopt emerging recommendations of the Regulation Redesign process to:*
 - (a) *simplify /clarify land use regulations to be easier to understand and implement*
 - (b) *modernize regulations and language and improve the format of land use documents to make them more user-friendly*
 - (c) *improve the consistency of land use regulations and policies*
 - (d) *improve communication about land use tools*
- 2.1.10. *Explore simplification/alignment of Building, Zoning, Parking, and Business Licence categories to facilitate commercial change of use application*

2.2 Provide Supports for Small Businesses and Business District Management

The Challenge

Many of the small businesses engaged as part of the ELER expressed concerns that the City as an organization is not business-friendly. Businesses report complex and lengthy approval processes, confusing and complex regulations and requirements, lack of staff sensitivity, and absence of supports to assist businesses to navigate processes and do business successfully in Vancouver. We have also heard that it is difficult for independent small businesses to remain successful in an environment of high property taxes, assessments and lease rates, labour costs, competition from on-line sales and other challenges.

The onset of COVID-19 exacerbated challenges for small independent businesses that have limited resources to weather periods of zero or reduced revenue due to suspended or reduced operations.

The Response

The City has already begun to implement improvements to processes and requirements. In February 2017, the Commercial Renovation Centre was established to assist novice applicants and small businesses with a single point of contact to help navigate processes and requirements. In 2018, Bizmap was established in partnership with BIAs and Small Business BC to provide searchable online market and other data customized by BIA area. Online Business Guides were posted on Vancouver.ca to provide user-friendly resources for small businesses to source information and assistance on City processes and requirements, other City resources and points of contact, and a range of resources and supports offered by other agencies and organizations.

After the onset of the pandemic, the COVID-19 Business Communication and Support Office (BCSO) was quickly implemented to maintain up-to-date information on Vancouver.ca related to senior government and Vancouver Coastal Health orders and announcements, emerging business and employee supports, City initiatives, and outside resources.

Over the next 30 years the City will continue building a supportive and equitable environment for small businesses, social enterprises, arts and cultural activities and non-profits. We need to confirm and resource ongoing small business and non-profit support functions through a dedicated business support office, and by confirming the role of the Commercial Renovation Centre, increasing its overall capacity, and enhancing its ability to serve diverse applicants equitably. In partnership with BIAs and others, we need to explore policies and actions to both assist business districts generally, and to provide direct assistance to business owners /operators.

Ideas & Potential Actions

- 2.2.1. *Develop a business-friendly, customer-service centred ethos through organizational values, sensitivity and equity training, supportive programs and improved permitting processes / regulations. [Also see 1.4.7 & 1.4.8]*
- 2.2.2. *As part of the City's recovery strategy, consider re-imagining the existing COVID-19 Business Communication and Support Office (BCSO) as a permanent staffed location for all small business support functions including questions and enquiries, on-line resources, advocacy, one-on-one assistance, grant programs through non-profit partners, and overall business liaison. [Also see 1.4.7 & 1.4.8]*
- 2.2.3. *Continue to foster commercial district management, promotion and place-making by continuing to support the City's BIA Program office, including resourcing to assist establishment of new BIAs where desired locally [Also see 3.1.2]*
- 2.2.4. *Maintain, improve and expand the existing on-line Business Guides on vancouver.ca for starting, expanding and operating a small business [Also see 1.4.7 & 1.4.8]*
 - (a) *prioritize development of upgraded on-line content for City permitting processes and requirements for integration with the Guides*
 - (b) *enhance visibility/navigation to Guides from the vancouver.ca home page*
 - (c) *proactively disseminate information and resources for small business*
- 2.2.5. *Consider expansion of the City's procurement policies to include small businesses, with priority to local-serving businesses, legacy and indigenous businesses, artists and cultural groups and social enterprises [Also see 1.2.3(e) and 1.4.7]*
- 2.2.6. *Commence further work on the Legacy Business Study (2017), initiated in Chinatown and Downtown Eastside, to advance policies and tools to support valued community assets that possess historic, cultural or social importance, including further exploration of:*
 - (a) *community land trusts [Also see 1.4.10]*
 - (b) *business relocation strategies*
 - (c) *use of non-PEF City assets*
 - (d) *partnering with senior government and social-purpose organizations*
- 2.2.7. *Convene a round table, including senior government, on options for supporting commercial tenant retention and mitigating impacts from development; Explore methods to address the potential displacement of small and legacy businesses, arts & cultural uses and non-profits. [Also see 1.5.1]*
- 2.2.8. *Partner with BIAs, VEC, Small Business BC, Senior Government and others to enable direct assistance to businesses, including training and assistance for upskilling and reskilling, such as digital marketing and sales transformation, business model adjustment and re-invention, business planning and financing, operational management, shop and façade design etc.*
- 2.2.9. *Partner with BIAs, local business associations and culturally-focused business districts on delivery of area-wide recovery, as well as longer-term marketing, promotional and activation programs, through deployment of City communication platforms and translation services, support for use of streets and public space, grant funding, on-street cultural recognition such banners/signage, and other supports.*

2.3 Advocate for Senior Government Actions to Support Retail-Commercial Areas

The Challenge

A number of key initiatives related to small business viability require senior government intervention in the form of regulatory change or funding. The top challenge identified by small business is the cost of doing business in Vancouver due to high commercial property taxes and assessments and commercial rents. The BC Assessment Authority (BCA) assesses commercial property value based on highest and best use, which in many cases is based on the zoned capacity of the property. Commercial landlords are assessed property taxes at the commercial tax rate on both the existing and unbuilt density, and pass the cost to their business tenants under the terms of the lease. Pace of change and property speculation have led to high assessments in some areas making it difficult for small businesses to remain profitable. In 2019, the Intergovernmental Working Group involving two Provincial government ministries, BC Assessment representatives and key Metro municipalities (including Vancouver) recommended adoption of a split assessment to create a commercial sub-class for unbuilt density that could be taxed at a lower rate. This would reduce the taxes payable by commercial tenants operating in “underbuilt” properties.

After the onset of the pandemic the financial situation for small business has deteriorated, with many businesses suspending operations or having reduced revenues. The Federal government has been slow to provide rent relief directly accessible to business tenants, and other Federal funding programs involve debt obligations at a time of great economic uncertainty. Some businesses have pivoted business models to pick-up and delivery and have tried to establish or expand their online presence.

The Response

The City, in partnership with other Metro municipalities, needs to continue to advocate to the Province for adoption of the proposed commercial sub-class to provide tax relief for affected small businesses. We also need to advocate to senior government for better COVID-19 financial assistance programs to help businesses to stay open, re-open and recover from the financial impacts of the pandemic.

The City must also advocate for robust funding to support small business digital transformation, and seek opportunities to partner on senior government programs such as the Canada Healthy Communities Initiative for public spaces, mobility, and digital solutions.

We also need to seek senior government assistance to deliver programs and services to address the impact of social issues on public spaces and public perception of safety.

Ideas & Potential Actions

- 2.3.1. *Continue to advocate to the Province for adoption of a split assessment model for commercial property taxation, i.e. the ‘commercial sub-class’ proposal recommended in 2019 by the Intergovernmental Working Group, or other similar solution, that would allow municipalities to set a lower tax rate on the unused development potential of underbuilt commercial properties. [Also see 1.4.9 & 1.6.4]*
- 2.3.2. *Advocate to the Province for adoption of legislation to expand the existing residential property tax deferral program to commercial properties. [Also see 1.4.9]*
- 2.3.3. *Advocate to senior government for rapid deployment of new and/or enhanced COVID-19 financial support programs with lower barriers to assist businesses, employees, and landlords*
 - (a) *without the necessity to incur significant debt obligations*
 - (b) *for tenants, the ability to apply directly for rent relief*
- 2.3.4. *Continue to work with partners, VEC, Small Business BC, Vancouver BIA Partnership, BIABC, and Metro economic development agencies to secure funding for implementation of small business digital transformation education and support*
- 2.3.5. *Partner with non-profit organizations to access a share of funding from the two-year Canada Healthy Communities Initiative to advance quick-start projects under the program’s three main themes:*
 - (a) *creating safe and vibrant public spaces*
 - (b) *improving mobility options*
 - (c) *digital solutions.*
- 2.3.6. *Advocate to the Province to extend relaxations for outdoor seating capacity and alcohol service beyond October 2020*
- 2.3.7. *Advocate to senior government for additional supports and services for people experiencing challenges with housing, mental health and addiction, and other issues that can have impacts on safety and/or the perception of safety, of customers, employees and residents.*

2.4 Expand/Innovate Use of Public Space for Formal and Informal Economic Activities

The Challenge

Experience of the public realm was identified by business operators as both a key challenge and opportunity. Businesses reported the negative effects on customer experience related to litter, graffiti, and maintenance of streets and public spaces, as well as the impact of deferred maintenance of capital infrastructure such as trees and sidewalks and surface treatments. Businesses also noted the negative business impact of unaddressed public health and social issues manifested in some commercial districts. However, businesses noted the positive impacts from investments in the public realm to create attractive pedestrian-friendly streets and public spaces.

At the onset of COVID-19, conditions in the public realm deteriorated significantly, in part due to store closures and decreased pedestrian traffic, crowding and queuing on sidewalks, impacts of closures of services, and lack of accessible washrooms. BIAs reported increases in property crime and businesses in some areas boarded their storefronts. Some areas, particularly in the Downtown Peninsula, saw accumulation of refuse and human waste.

The need for physical distancing created challenges for goods loading, and conflicts between customer-queuing and other pedestrians. Indoor table -seating for food and beverage businesses was particularly impacted by operational limitations for physical distancing.

The Response

The City moved quickly to address immediate public realm issues, and to address physical distancing issues related to loading and customer queueing. The Temporary Expedited Patio Program was established to fast-track temporary patio permit approvals to allow operators of food and beverage businesses to expand seating outdoors. Pop-up plazas were implemented in neighbourhoods throughout the city to offer additional public spaces on commercial high streets and neighbourhood hubs for informal gathering and seating. For recovery we need to continue to support temporary patios and pop-up plazas, and expand all-season design options. Over the next 30 years, we need to review the impact/success of these public and semi-public spaces and consider investments for permanent patios, plazas and other innovations, while maintaining access for loading, and for people walking, rolling, cycling, taking transit, and arriving in vehicles. In addition, we need to provide sufficient resources for planned capital renewal of public spaces, and for an expanded stewardship approach, including operations, maintenance and programming. Through stewardship, we must also continue to address safety, and the perception of safety, in the public realm.

Ideas & Potential Actions

- 2.4.1. *Continue and expand urgent and recovery-focused public realm maintenance and improvements, including litter & graffiti removal and sanitation, sidewalk and street repair, and maintenance of street lighting and signage*
- 2.4.2. *Continue to support all season patios through lessons learned from the Curbside Patio Pilot and Temporary Expedited Patio Program; work with business stakeholders on workable patio design options. Expand the Street Vending Program to help businesses observe physical distancing requirements*
- 2.4.3. *In partnership with BIAs, local businesses and community groups, continue to pilot temporary reallocations of street space to create pop-up plazas, parklets and other public spaces, to facilitate social gathering (with physical distancing), and support local businesses with space for seating, take-out dining, and other commercial opportunities*
- 2.4.4. *Continue to develop tools and programs to facilitate BIA- and community-led all-season programming in plazas (with physical distancing), to enliven public space and support local arts and culture. Continue to support artists and arts organizations to create temporary public art in retail-commercial districts*
- 2.4.5. *Continue to monitor and evaluate temporary pop-up plazas and parklets, to inform short-term improvements, and identify longer-term opportunities and funding needs. Seek capital funding for accelerated delivery of new, high-quality all-season public spaces and scheduled capital renewals. Identify options for long-term operational funding for public space stewardship including maintenance, operations and programming*
- 2.4.6. *Engage VPD, BIAs and community to address social issues impacting public, business, and employee safety /perception of safety, in retail-commercial districts, while continuing to advance equity-focused stewardship ensuring all people and communities are welcome in public space, including those experiencing homelessness or who have historically been under-represented*
- 2.4.7. *Support current planning programs on key high streets, including Downtown Granville Street Refresh, Gastown Making Streets for People, and Robson Alberni Public Space Improvements*
- 2.4.8. *As part of Complete Neighbourhoods work, explore equitable expansion and enhancement of placemaking and public spaces in commercial areas.*

2.5 Pursue Initiatives to Support Small Business Recovery & Business District Re-invention

The Challenge

As part of engagement, businesses reported that land use and building regulations lack flexibility to accommodate the kind of business models /operations they wish to open in the current retail landscape of high overhead costs, fast pace of change, and emerging business models such as pop-ups and digital sales & delivery.

We have also heard that the dimensions or design of new commercial spaces do not always work well for business purposes because the spaces are not designed to accommodate a broad range of business types, or the ground floor component of mixed-use buildings is compromised by needs of the residential component, such as lobbies, parking access, mechanical rooms and elevators. The demising of Commercial Retail Units can be a barrier to small business location and affordability if frontages are demised for large format businesses such as drug stores. In many areas, population density and customer traffic are insufficient to support retail business, but businesses are also concerned about the pace of mixed-use development on arterials, and the potential for small business displacement.

The onset of the COVID-19 pandemic has raised concerns about increased vacancy rates and the potential for some landlords to sell their holdings for redevelopment. Bricks & mortar retail, food & beverage, and services are pivoting to on-line sales.

The Response

There is a current need to review land-use and development requirements and guidelines to improve outcomes for usability of commercial space in new developments, particularly for small independent businesses. We also need to explore ways to accommodate new business models such as on-line hybrids, pop ups, and co-location of different uses such as small-scale production and retail. Over the next 30 years, we need to explore how to accommodate additional housing density near (but not necessarily on) commercial arterials to support customer traffic and provide housing options for employees.

Overall, the effects of the climate emergency require a re-think of how we design communities. We need to build complete neighbourhoods where provision of daily goods and services, employment opportunities and transportation options are within walking distance. In addition, our re-imagined neighbourhoods will foster community identity and cohesion through local-serving businesses and places of congregation (i.e. 'third places').

Ideas & Potential Actions

- 2.5.1. *Continue to pilot temporary use of private property (e.g. off-street parking spaces, building set-backs) for patios to support recovery of food & beverage businesses by enabling safe outdoor table-service*
- 2.5.2. *In partnership with local BIAs, produce an annual 'Report Card' to track retail-commercial business district /small business health and viability indicators as a basis for future policies, programs or initiatives as needed.*
- 2.5.3. *Consider ways to encourage property owners to maintain and lease-up chronically vacant commercial storefronts*
- 2.5.4. *Explore opportunities to enhance the social and economic role of equity-seeking culturally-focused business areas*
- 2.5.5. *Review area-specific policies regulating storefront widths, unit sizes, and ground-level unit configurations to enhance pedestrian interest and provide opportunities for affordable storefronts, while maintaining opportunities for retail and non-retail anchors*
- 2.5.6. *Modernize land-use policy and building regulations to facilitate emerging business models: [Also see 1.4.5]*
 - (a) *allow operators to experiment with new business concepts, or avoid long-term lease commitments, by facilitating pop-ups, artist studios, and other short term occupancies [Also see 1.6.6]*
 - (b) *assist bricks-and-mortar businesses transitioning to on-line sales by adjusting land use, parking and building regulations to accommodate changing space needs*
 - (c) *assist space/rent sharing where similar businesses occupy the same unit*
 - (d) *facilitate emerging business models with different business uses co-locating in the same premises, e.g. small-scale manufacturing such as 'maker' or 'artisanal' with retail, retail with warehousing and logistics, and manufacturing with ancillary retail/service, such as craft breweries with off sales and in-house table service. [Also see 1.5.5(c) & 3.3.11]*
 - (e) *help business operators understand existing regulations for pop ups and colocation through information sheets and other means*
- 2.5.7. *Amend land-use policy for new development to:*
 - (a) *broaden the flexibility of commercial units for different business typologies to avoid the cost and delay of required upgrades (e.g. venting)*
 - (b) *improve usability/quality of retail-commercial space for commercial tenants in terms of unit size, depth, and ceiling height for different business types; mandate better outcomes for CRU dimensions and design in mixed-use developments*
 - (c) *Broaden the accessibility of retail-commercial space for employees and customers by advancing the principles of universal design*
- 2.5.8. *To support businesses in neighbourhoods with insufficient population, consider additional residential density adjacent to, or within walking distance of, shopping streets to increase the local customer base, and to provide affordable local housing options as an aid to employee recruitment and retention [Also see 1.9.1]*

2.6 Enable Reliable, Frequent & Affordable Transportation for Customer and Employees Within and To/From Retail-Commercial Districts

The Challenge

Businesses rely on the street for customers and employees to arrive on foot, bike, transit, and by car; for loading and deliveries; for an enjoyable public realm and gathering space; for goods movement along arterials, and to access other destinations across the city and region. All of these needs place a demand on a limited amount of street space in retail and commercial areas, and achieving the right balance in each neighbourhood is key to business success.

As part of business engagement, transportation access including parking for customers and employees was identified as a key challenge and opportunity. The demand for parking needs to be balanced with the needs of people arriving by all modes. The City is working to shift sustainable mode share to two-thirds by 2030 to meet Climate Emergency goals. Biking to businesses along retail streets can be challenging as the majority of retail streets lack cycling facilities suitable for people of all ages and abilities. Currently, half of all trips to shopping, dining and for personal business in the city are by walking, cycling and transit, although mode split varies by neighbourhood. Some retail areas in lower-density neighbourhoods have a higher rate of vehicle mode share, as do certain retail categories, such as ‘anchor’ and ‘destination’ businesses.

COVID-19 created an urgent need to reallocate road and parking spaces to people- and transit-focused space, to support physical distancing and business recovery. The increased patios, outdoor store displays, and queuing areas have created enjoyable retail streets, but have also placed more pressure on mobility need as sidewalks may not be wide enough to accommodate queuing, walking, and waiting at bus stops. Transit is a relatively affordable mode for customers and employees, but buses can be the most delayed and unreliable in retail areas from people walking and cycling, and from on-street parking. As well, many businesses shifted their service model, with more options for take-out, deliveries, curbside pick-up, and online sales, emphasizing a need for more convenient loading.

The Response

The City needs to continue providing convenient, comfortable, and reliable ways for people to walk, roll, bike and take transit to retail areas. On-street curb space needs to be managed for a variety of demands, such as goods and passenger loading, patios, parklets, bus stops, wider sidewalks, and vehicle parking. The City needs to explore car-free and car-light retail areas while providing sufficient vehicle access where needed for businesses. Low-impact goods movement, such as cycle-based deliveries and right-sized vehicles are needed to support deliveries and logistics in pedestrian-priority areas, and accommodate trends toward online sales.

Ideas & Potential Actions

- 2.6.1. *Continue to support temporary conversions of street space to facilitate physically-distanced queuing, walking, shopping, dining, and loading, while balancing other access and mobility needs on the street space*
- 2.6.2. *Continue to manage on-street curb space in retail areas to balance the needs for loading, passenger zones, bus stops, bike access, sidewalks, public spaces and patios, and parking*
- 2.6.3. *In partnership with BIAs, improve information and wayfinding signage within retail-commercial districts to support customer orientation within and between shopping streets, including local landmarks, heritage and culturally-focused areas, specialty retail and entertainment districts, community facilities and resources, public spaces / amenities, and multi-modal access points, such as public bike share, bike parking, bus stops and routes, and signage to off-street parking facilities*
- 2.6.4. *In partnership with the Gastown, Chinatown, Hastings Crossing and Strathcona BIAs, consider an integrated orientation program to assist visitors and regional customers*
- 2.6.5. *In consultation with BIAs and businesses, support commercial viability by working with TransLink to improve reliable and convenient transit access. In the short term continue to support physical distancing at bus stops in retail areas, while balancing other demands on the curb space*
- 2.6.6. *Continue to increase local connectivity between residential communities and retail areas for people walking, rolling, and cycling, by connecting all-ages-and-abilities bikeways and greenways to plazas and public spaces, and increasing the availability of bike parking*
- 2.6.7. *Continue to support and incentivize low-impact goods movement, such as cycle-based deliveries, right-sized vehicles and other last-mile logistics in retail-commercial areas, through the development of an Urban Freight Strategy*
- 2.6.8. *Continue to explore and implement car-free and car-light retail areas while considering the needs for cycling, transit, loading, deliveries, and servicing and vehicle access/parking.*

2.7 Work with Community to Explore Ideas to Improve Diversity of Small-scale Neighbourhood Retail-Commercial Space, and if Needed, Address Future Shortages of City-wide Commercial Supply

The Challenge

Revised estimates from Hemson Consulting estimate demand for 6.3 to 15.7 million square feet of commercial space by 2051 due to anticipated population growth, and there are concerns that the city may not be able to accommodate this potential if current development trends persist. Supply constraints can bid up the commercial lease rates leading to lowered business viability or costs passed to consumers, and can force customers to travel further distances to source goods and services, undermining efforts to provide local goods and services within complete neighbourhoods.

Since the onset of COVID-19, there is considerable uncertainty about the duration and severity of economic impact from the pandemic. Accordingly, it is unclear whether trend lines identified prior to the pandemic will be delayed or whether longer term impacts will persist. Conversely, if a significant proportion of the working population continues to work at home, demand for embedded neighbourhood goods and services could increase.

The Response

Initial projections suggested that options to increase the supply of commercially-zoned space would be needed. It is likely that, over the next 30 years, some level of additional supply will be required. It will be necessary to track local supply and demand to determine if, when, and at what scale additional commercial supply will be required. On the assumption that some supply will be needed, options for how to accommodate it could be explored now.

Ideas & Potential Actions

- 2.7.1. *As excess supply of vacant commercial space will likely persist for some time, monitor the local supply and demand for commercial space to inform timing of new commercial capacity in the longer term*
- 2.7.2. *Where supply is needed to provide local goods and services: [Also see 1.11.8]*
 - (a) *Consider mixed-use parallel to C-zones to augment local-serving commercial uses, and to ease development pressure on existing arterial storefronts*
 - (b) *Consider extending C-zones to enlarge or merge existing small commercial strips / nodes to improve their viability and provide local goods and services to under-served neighbourhoods*
 - (c) *Identify appropriate places and appropriate neighbourhood-serving uses for new small-scale retail-commercial (in residential areas) - including convenience clusters, new-generation neighbourhood grocery stores and food-friendly businesses, social and cultural enterprises*
 - (d) *Assess opportunities to co-locate mixed-use missing middle housing, placemaking and public space elements, and other amenities as part of small-scale neighbourhood commercial sites*
 - (e) *Consider neighbourhood-scaled office space to support local services & non-profits*
 - (f) *Consider expanding/modernizing zoning for home-based businesses to provide local services and employment opportunities in residential areas [Also see 1.4.11]*
- 2.7.3. *Continue to pursue zoning amendments to support existing small neighbourhood grocery stores, non-conforming small-scale commercial uses, and associated dwelling units. Assess opportunities to co-locate mixed-use missing middle housing, placemaking / public space elements, and other amenities as part of small-scale neighbourhood commercial sites.*
- 2.7.4. *To ensure long-term city-wide commercial supply, as needed, for businesses and non-profit uses:*
 - (a) *Consider 'commercial-only' use in major commercial areas where appropriate*
 - (b) *Explore second-floor commercial (non-retail) use in appropriate locations such as major arterial intersections*
 - (c) *Identify opportunities for intensifying existing shopping centres, or development of shopping hubs in underserved areas*
 - (d) *Consider adding new local-serving commercial use adjacent or connecting to existing shopping centres*

Section 3

Industrial Spaces

3.1 Protect Industrial Lands for Employment Use

3.2 Enable Balanced Industrial Intensification

3.3 Facilitate The Right Users in the Right Spaces

3.4 Monitor, Report and Coordinate Industrial Change

Metro Vancouver Industrial Lands Strategy and City of Vancouver Industrial Lands Implementation Framework

The Importance of Industrial Lands

The City of Vancouver is an integral part of the Metro Vancouver Regional District (“Metro”) and the city’s industrial lands form part of the region’s industrial employment base. Industrial employment lands are critical to the city’s economic drivers, have social, cultural and environmental value, add to the city’s diversity of jobs and provide space for key city-serving commercial activity.

Metro Vancouver Regional Industrial Lands Strategy

The Metro Vancouver Regional Industrial Lands Strategy (“MVRILS”) was approved by the Metro Vancouver Board on July 3, 2020. The MVRILS outlines the challenges being faced by the region’s industrial lands and puts forward 34 recommendations organized into 10 priority actions that are grouped into four Big Moves. The challenges facing Metro Vancouver’s industrial lands are complex and interconnected, and no single action or stakeholder will resolve them alone. The recommended actions in the MVRILS seek to balance regional objectives with local contexts.

City of Vancouver Industrial Lands Implementation Framework

The MVRILS is structured around four Big Moves to address identified challenges to industrial lands in the region. In order to account for local perspectives and ensure alignment with the approved regional strategy, the ELER input to the Vancouver Plan for Vancouver’s industrial areas are organized around four emerging directions complementary to the MVRILS Big Moves and the recommendations within them. These emerging directions form the basis for an Industrial Lands Implementation Framework, incorporating feedback from the city’s industrial stakeholders collected through the ELER process and responds to Vancouver’s economic context and role within the region. The figure below illustrates the linkage between the Industrial Implementation Framework and the MVRILS.



Figure 2 - Metro Vancouver Regional Industrial Lands Strategy Four Big Moves and proposed Vancouver Industrial Implementation Framework

3.1 Protect Industrial Lands for Employment Use

The Challenge

Industrial lands are critically important for Vancouver's economy. This land base plays a key role in:

- Providing space for economic activity that draw capital and investment from outside the city, such as the Port's cargo and cruise ship terminals
- Providing a base for city-serving production, distribution and repair activities as well as supporting the operation of supply chains across the region
- Retaining employers that are able to offer higher-wage, low-barrier employment, adding to the city's diversity of livelihoods
- Sustaining a concentration of cultural, social and institutional spaces
- Increasing the overall diversity and resiliency of the city's economy

While Vancouver has a very limited industrial land base, comprised of only 846 hectares, representing only about 7% of the city's land area, demand for industrial land is high and the City must balance the facilitation of investment and job growth in the local economy with maintaining affordable spaces for a variety of local-serving industrial uses, many of which can only take place on industrial-zoned land. In addition, different types of industrial uses have varied needs for transportation and connectivity, such as being located in close proximity to the Port and rail corridors or access to truck routes and the regional road network. Pressure to consider rental housing in Vancouver's industrial areas, particularly around rapid transit stations and along rail corridors has also emerged.

Further, the COVID-19 pandemic has accelerated trends in consumer behaviour which are driving increased demand for industrial space. For example, key trends observed as result of the pandemic include increasing demand for last-mile distribution facilities and ecommerce fulfilment as well as a shift towards the localization of supply chains, production capacity and inventory to increase local resiliency and lower risks associated with supply shortages of critical products.

The Response

The City should take action to protect Vancouver's remaining industrial land base and ensure the ongoing viability of industrial operations in the city for the next 30 years. The ideas and potential actions identified through the ELER signal the value that the City of Vancouver places on industrial employment and the key role that industrial businesses play in the city's economy.

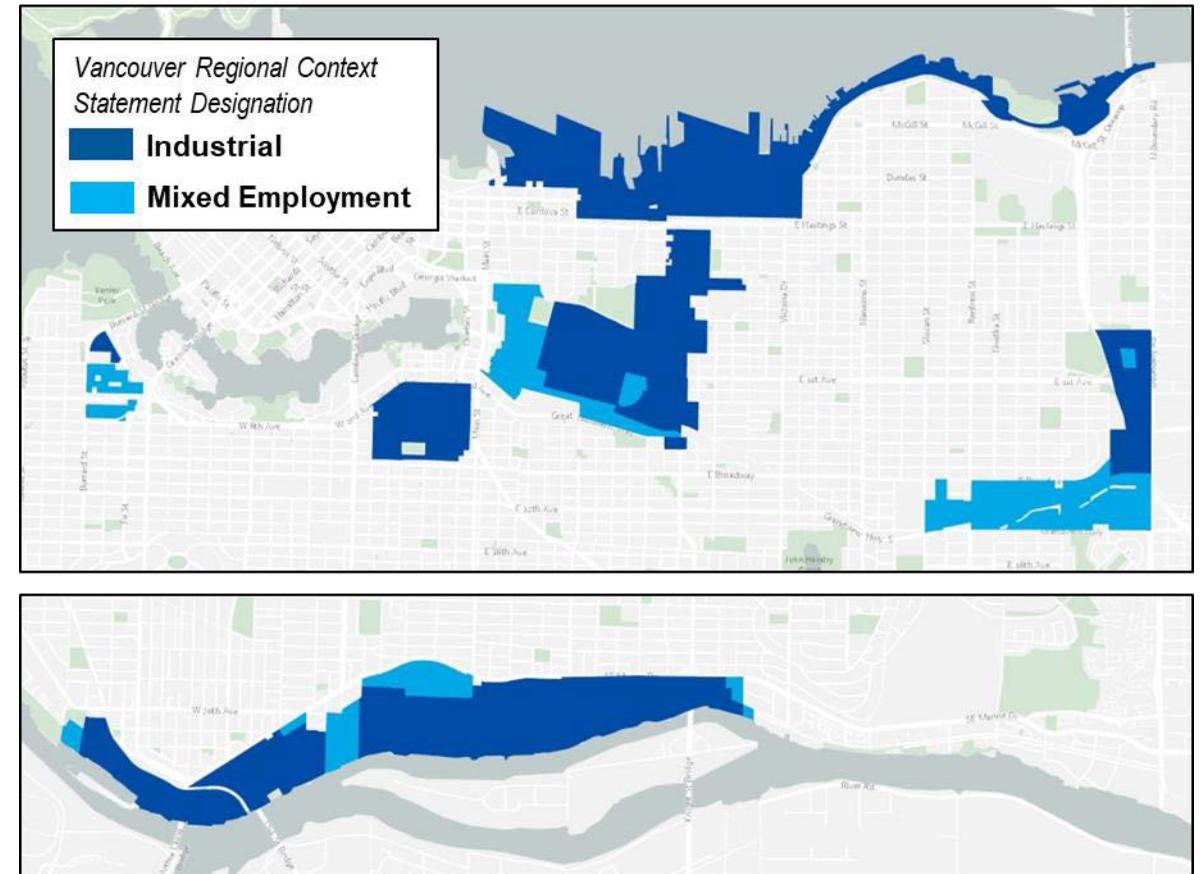


Figure 3 - Vancouver's Industrial Lands

3.1 Protect Industrial Lands for Employment Use

Ideas & Potential Actions

3.1.1. Endorse the Metro Vancouver Regional Industrial Lands Strategy

The MVRILS seeks to ensure sufficient industrial lands to meet the needs of a growing and evolving regional economy to the year 2050. It was approved by the Metro Vancouver Board on July 3, 2020 and forwarded to member jurisdictions and agencies for endorsement and implementation. The ELER combined the learning from the MVRILS with feedback from local stakeholders to develop a strategic framework and policy objectives to apply the MVRILS to Vancouver's context. Together, the MVRILS and Section 3 of this report, put forward a strategy to address the complex issues around urban industrial land use today and into the future.

3.1.2. Explore BIAs in industrial zones

The establishment of Business Improvement Associations (“BIAs”) or other similar mutual-aid structures for businesses in primarily industrial areas, in cases where none currently exist, would establish a strong venue for advocacy for users of industrial lands. In addition to leveraging local knowledge of the business landscape, these groups would be able to build strategic ties, provide mutual assistance and administer joint programs as well as advise City staff and Council on land use and transportation policy in industrial areas. Two potential areas of interest would be the False Creek Flats and the South Vancouver industrial area south of Marine Drive. **[Also see 2.2.3]**

3.1.3. Support Port Land Use Plan

The Vancouver Fraser Port Authority (the “Port”) is in the process of completing an update to their land use plan which was last approved in 2014. As Canada's largest port, the agency handles about \$240 billion worth of goods a year, supporting 115,300 jobs and \$7 billion in wages. The Port is a major driver of economic activity in the city and a key employer. The City of Vancouver is home to 8 major marine terminals and 13 major off-dock facilities. These facilities are located in Vancouver's industrial zones and rely on the city's viable industrial land base and robust transportation structure to sustain trade and commerce for all of Canada. **[Also see 1.7.9 & 1.7.20]**

3.1.4. Support actions to mitigate effects from sea-level rise

Support actions around the mitigation of sea-level rise, particularly with industrial lands in the flood plain where approximately 53,000 jobs are at risk. Such actions are discussed in more detail in **policy objective 1.11** and include recommendations for the inventory and analysis of critical infrastructure as well as development of flood-resistant design and retrofit guidelines.

3.1.5. No net loss of industrial capacity

Presently, the city has approximately 28.9 million sq. ft. of existing industrial space with 2.0 million sq. ft. in the development and approval process pipeline. Under existing zoning, modelling shows that there is capacity to accommodate 1.8 million sq. ft. of additional supply over the next 30 years. Implementation of the ELER emerging directions seeks to increase industrial space capacity to meet future needs over the long-term. Staff will monitor total supply and update capacity modelling as development takes place and Council approved policies are implemented. Overall, the aim is that there be no net loss of industrial capacity going forward as the City continues with planning work under the Broadway and Vancouver Plan processes.

3.1.6. Support industrial goods movement and viability of logistical lands and infrastructure **[Also see 1.7.10 & 1.7.21]**

- a) Look to manage and improve goods movement and rail traffic in cooperation with regional and gateway partners. Seek protection for rail corridors and work with the Port of Vancouver, rail operators and other partners to advance grade-separation, assess long-term passenger rail and freight rail infrastructure needs, and explore railyard reconfiguration to improve the efficiency, capacity and reliability for freight movements, while also mitigating impacts on the community.
- b) Continue to support the viability of rail corridors and industrial areas through land use planning. Ensure land use planning supports the viability of rail corridors, and develop policies to mitigate conflicts between rail operations and new residential developments, in reference to the Federation of Canadian Municipalities Guidelines for New Development in Proximity to Railway Operation

3.2 Enable Balanced Industrial Intensification

The Challenge

The land supply in Vancouver is constrained and the demand for industrial space is high. Market rents for industrial land have risen significantly in the last 5 years. In 2015, the market rent was \$12 a square foot and has seen a 50% rise to \$18 a square foot in 2020. This rapid increase in land cost / rents threaten to displace a number of city-serving businesses as well as limit options for employers in key sectors who are seeking to expand their operations in areas that are accessible to Vancouver's diverse labour pool. These challenges also limit opportunities to accommodate new entrepreneurial businesses and will reduce the diversity and resiliency of Vancouver's overall economy over the long-term. In addition, consideration needs to be made around the city's transportation network, such as the placement of job intensive uses in areas with high transit access, goods movement uses near truck routes and the regional road network, and local-serving uses within the City centre.

The Response

In order to meet needs and expand the supply of industrial floor space, the City should support actions that balance the intensification of industrial lands while considering the impact on surrounding communities and displacement of existing businesses. The directions identified through the ELER seek to encourage the development of multi-storey, employment-intensive industrial built forms that provide additional space for city-serving production, distribution and repair activities while allowing for the co-location of compatible, higher-value secondary uses such as office and small retail. A focused and comprehensive approach that involves analysis of employment areas and adjacent communities will also look to integrate the transportation network and need for goods movement and employee access, as well as address the funding and provision of utilities and transportation upgrades to intensified areas.

Ideas & Potential Actions

3.2.1. Modernize industrial zoning regulations and facilitate multi-storey industrial buildings

Explore regulatory issues and options to facilitate the intensification and modernization of Vancouver's industrial employment lands. This is to encourage the development of intensified, multi-storey stacked industrial built forms. [Also see 1.4.5]

Topics raised through the ELER engagement include:

- *Treatment of ancillary and principal uses*
- *Permitted uses and use definitions*
- *Floor area allocations*
- *Exterior walkways*

3.2.2. In keeping with the directions set out within the Metro Vancouver Regional Industrial Lands Strategy, and as part of the Metro 2050 update process, consider opportunities for affordable, rental housing above light industrial on key sites so long as existing industrial space is maintained or expanded

Future City of Vancouver recommendations to the Metro 2050 update process for the Regional Growth Strategy should consider the following objectives to prioritize job space:

- The maintenance or expansion of existing industrial space*
- The ability to achieve multi-storey industrial space where appropriate*
- The assurance of viability for industrial operations and provision of mitigation measures where appropriate*
- The prioritization of job-intensification around transit station areas in all scenarios [Also see 1.7.22]*
- Future economic resiliency and flexibility for the city*
- The enhancement of areas around station sites through public realm improvements, connected walking and cycling routes, and delivery of public amenities*
- Planning and investment in land use, utilities and transportation infrastructure that are resilient to current and future climate change impacts such as sea level rise and other hazards*
- Addressing concerns around the regional sewer system capacity with Metro Vancouver prior to intensification*

3.2 Enable Balanced Industrial Intensification

Ideas & Potential Actions (continued)

3.2.3. Facilitate expansion of Great Northern Way Campus and Creative District

Recognize the critically important economic development role of the educational institutions within the Creative District. Continue to work with local institutions, Great Northern Way Trust, and others to facilitate expansion of campus facilities over the long term and support the vision for a well-connected and productive 24/7 vibrant destination. Encourage additional services and amenities, intensify job space and introduce rental housing (e.g. affordable, rental housing) in proximity to station sites on lands designated as General Urban in the Regional Growth Strategy as long as job space requirements are maintained or expanded.

3.2.4. Consider Broadway Plan short-term recovery action:

New I-1C District Schedule and Rezoning Policy

Permit sites within the Mount Pleasant Industrial Area (MPIA) along the south side of 2nd Avenue, between Yukon and Quebec Streets to redevelop with employment-intensive light industrial uses and limited retail uses on lower levels with compatible office and service uses above by creating a new “I-1C District Schedule” and an associated “Mount Pleasant Employment-Intensive Light Industrial Rezoning Policy and Guidelines (I-1C)”. The new I-1C industrial zone will enable additional job space along 2nd Avenue in Mount Pleasant close to transit, services and amenities, provide a transition between adjacent mixed-use and light industrial districts, and create a more walkable and vibrant streetscape.

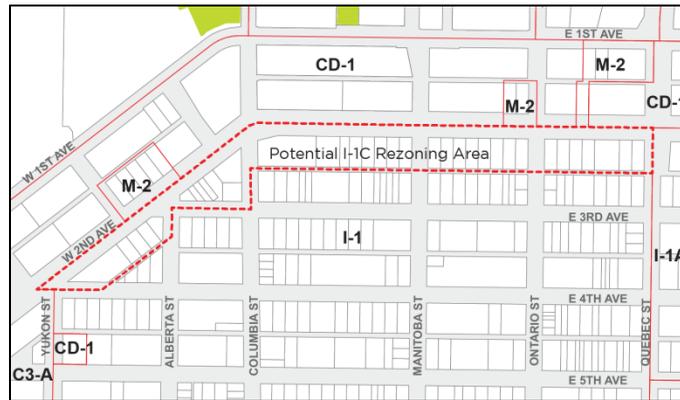


Figure 4 - Proposed I-1C District

3.2.5. Support employment intensification in key areas

As recommended in the MVRILS, it is critical to facilitate the most efficient use of the remaining land supply for all types of industrial users. As such, the City should facilitate the intensification of industrial built forms where possible and allow mixing of industrial with other employment uses so long as the industrial component is secured as a condition of redevelopment.

In the Marine Drive Intensive Employment Area:

- In order to encourage projects that include multi-storey light industrial space as part of developments that deliver 100% job space and a range of transit trip-generating employment and institutional uses within the Marine Landing Intensive Employment Area, consider developments with heights and/or densities greater than set out in the Marpole Community Plan and the Cambie Corridor Plans
- Consideration of future developments will be guided by the area analyses being undertaken for Marine Landing as directed by Council in February 2020, and staff will continue to work with proponents to ensure proposals reflect emerging directions from the analyses. Proposals should incorporate enhanced public realm, the implementation of the Blue-Green Network, green infrastructure, tree canopy, improved connectivity and delivery of public amenities, as well as built form and urban design considerations appropriate for this pedestrian- and transit-oriented node.
- Incorporate flood control measures into site planning and building design, as applicable.
- Upgrade the transportation network to enable more trips by walking, cycling, and transit, improve permeability through large sites and across Marine Drive.
- Concerns around the regional sewer system capacity need to be resolved with Metro Vancouver prior to intensification of this area.

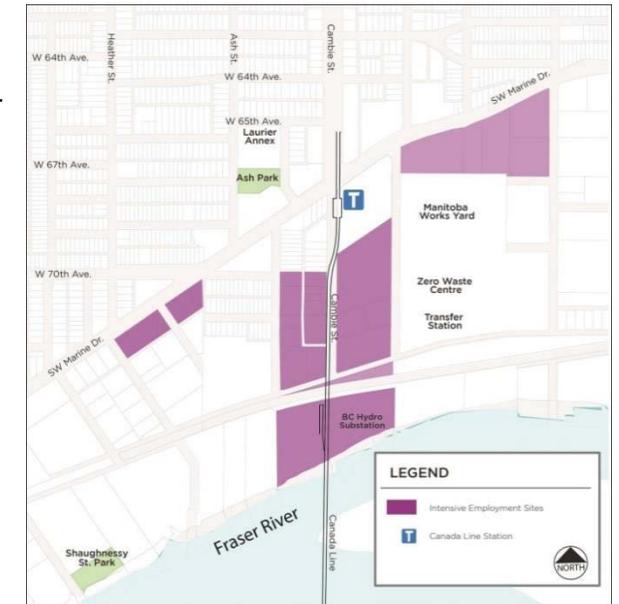


Figure 5 - Marpole Plan and Cambie Corridor Plan Intensive Employment Sites

3.2 Enable Balanced Industrial Intensification

Ideas & Potential Actions (continued)

3.2.6. Consider increasing industrial intensification in the Eastern Core

Support efforts around the establishment of a Green Industrial Innovation District (GIID) within the False Creek Flats to activate industrial land and establish green innovation models that ensure supply chain security and support city serving infrastructure. [Also see 1.11.4]

In areas of the Eastern Core study-area not covered by the 2017 False Creek Flats Plan, work with existing businesses to explore options for multi-storey industrial while recognizing impacts on adjacent areas.

Analysis and consideration for changes will incorporate further engagement with key stakeholders with a focus on community-level solutions to address specific issues that are preventing intensification. Coastal and inland drainage flood mitigation will be a key issue to address in this area, which will see increasing impacts due to climate change and sea level rise.



Figure 6 - Eastern Core Industrial and Mixed Employment Areas

3.2.7. In alignment with Vancouver Plan and pending approval of resources, seek to initiate area planning in and around the Grandview Boundary and South Vancouver industrial areas, with planning area boundaries to be determined through a future community-based process [Also see 1.7.6 & 1.7.7]

Planning programs for the Grandview Boundary and South Vancouver industrial areas should be shaped by the following objectives:

- Ensure viability of industrial uses
- Support higher-intensity industrial forms and job-intensive uses around the transit stations
- Ensure transportation network, public realm, and servicing needs are addressed, preserving long-term needs for rail and rapid transit improvements
- Explore options for additional housing choices in existing residential areas adjacent to industrial zones where appropriate
- Facilitate utility upgrades across study areas
- Incorporate flood control measures into site planning and building design, as applicable

specific to South Vancouver:

- Explore potential for new film & television production hub
- Consider additional locations for more intensive employment and retail uses at key intersections and nodes (eg: along the Fraser riverfront west of Hudson St.)



Figure 7 - Grandview Boundary

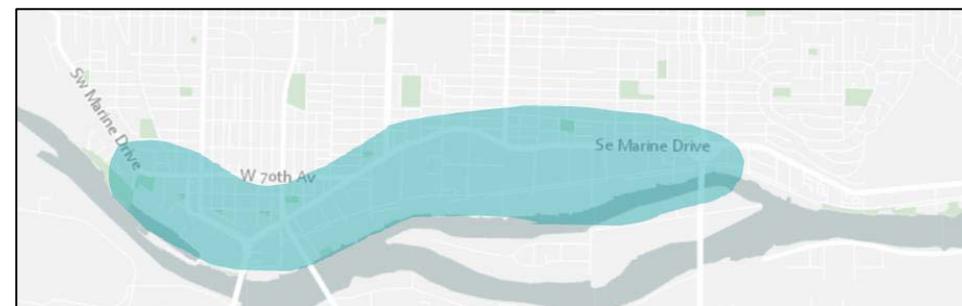


Figure 8 - South Vancouver

3.3 Facilitate the Right Users in the Right Spaces

The Challenge

There is strong competition for industrial land in the city and conflicts regarding the types of activities that should be prioritized on them. Throughout the ELER, stakeholders described challenges they faced in constructing and obtaining occupancy permits for industrial spaces in the city. Permitted uses and the allocation of floor area between them, as regulated through the Zoning and Development Bylaw, were felt to be overly specific, inconsistently applied and outdated. In addition, there are limitations on work-only artist studios and child care under current zoning regulations in certain industrial zones.

There is also concern around the growth of certain low employment density uses in industrial zones, such as self-storage and auto dealerships, that are perceived to be limiting the availability of spaces for production, distribution or repair uses with higher on-site employee counts.

The Response

In tandem with balanced intensification, a thoughtful approach to broadening allowed uses and modernizing zoning regulations is needed to link the right industrial users to the right spaces. The emerging directions in this section seek to increase the supply of industrial spaces while mitigating the conflicts around mixed use structures. Industrial activity in denser urban settings such as Vancouver have undergone great change, however, the original purpose for industrial lands should not be disregarded, and that is to provide spaces for livelihoods that are generally incompatible with being adjacent to residential areas and cannot take place elsewhere within the city.

Ideas & Potential Actions

3.3.1. Consider increased flexibility in industrial uses

In conjunction with action 3.2.1, permitted uses and use definitions in industrial zones will be reviewed with consideration given to the addition of new uses that are compatible with light industrial activities. In conjunction with facilitating balanced intensification, expanding the scope of allowed compatible uses in stacked industrial buildings creates efficiencies in land use and supports increased transit ridership. Review of permitted uses will be undertaken on a sub-area specific basis to ensure that recommended policy changes reflect local context.

3.3.2. Review Mount Pleasant and Burrard Slopes industrial zones.

Consider regulatory updates to the industrial-zoned areas of Mount Pleasant and Burrard Slopes through the Broadway Plan process. This review should focus on employment intensification and broadening permitted uses including the potential addition of Health Care Office in these areas given their proximity to VGH and the new St. Paul's Hospital as well as consideration for affordable arts and culture production spaces.



Figure 9 - Broadway Plan Industrial and Mixed Employment Areas

3.3.3. Remove barriers to work-only artist studios

Staff will report back to Council with proposed amendments to remove provisions in the Zoning and Development By-law that are preventing the inclusion of new work-only artist studios in new developments in the majority of the city's industrial zones [Also see 1.7.7]

3.3.4. Explore increasing indoor film & TV production spaces

The film and television production industry is one of the key drivers of Vancouver's economy. Engagement with the industry indicated there is strong demand for indoor production spaces in Vancouver as the number of projects that wish to locate in the region expands. These projects represent diverse employment opportunities for a wide range of skilled labour. Staff to explore options within the City's jurisdiction to facilitate an increase in the spaces required for the industry to flourish. [Also see 1.7.11]

3.3.5. Review I-4 zone

The intent of the I-4 zoning is to permit industrial and other uses that are generally incompatible when situated in or near residential districts but are beneficial as they provide industrial employment and serve a necessary function in the city. The zone seeks to strike a balance by permitting a limited number of office uses compatible with or complementing light industrial uses along with creative products manufacturing. The review should seek to identify potential amendments to improve development outcomes in line with the original intent of the zoning. [Also see 1.6.2(a)]

3.3 Facilitate the Right Users in the Right Spaces

Ideas & Potential Actions (continued)

3.3.6. Explore Community Economic Centre/Spaces in the Flats

Creating and securing affordable work spaces is one of the principles identified in the 2017 False Creek Flats Plan. Supporting affordable work spaces to enable innovation, incubators, start-ups, social enterprises, and arts production is essential for the health and growth of the local economy. To support implementation, the I-3A and FC-2 zones include density bonus contributions towards a Community Centre or Neighbourhood House, with the intent to deliver accessible community work spaces, training, social enterprise spaces, rehearsal space and/or art production facilities, and could be owned and/or operated by the City, senior levels of government, or Indigenous or non-profit organizations that have a demonstrated organizational, operational, and financial capacity to run a facility with the programs and services to the satisfaction of the City. Staff in PDS and ACCS will engage with the community and explore the next steps to support non-profit community economic space as per the False Creek Flats Plan. Through the Vancouver Plan's Public Investment Strategy and, prior to its completion, as opportunities arise, staff will engage with the community and explore the next steps to support NPO concept of a community economic centre or spaces under the direction of the False Creek Flats Plan. **[Also see 1.3.8]**

3.3.7. Seek to balance need for self-storage with maintaining industrial spaces for other city-serving uses and employment

Staff should explore regulatory and policy options to limit self-storage uses in key employment areas where intensification is optimal, such as in proximity to transit stations and core employment areas such (eg: Downtown and Central Broadway).

It is recognized that in a dense urban setting, self-storage serves a need from both residents and small businesses. The aim is to strike a balance and ensure access to required services across the city.

3.3.8. Continue to encourage Production Distribution and Repair spaces at-grade

Future policy recommendations will maintain or increase the floor area allocated to production, distribution and repair uses that require at-grade units to operate optimally while also adding density for compatible uses in upper storeys to incentivize development of additional spaces across the city.

3.3.9. Consider Child Care and other uses that have a functional or economic link to industrial uses or area employees in light industrial zones

Consider the addition of Child Day Care Facility as a conditional use in the I-1, I-1A and I-1B zones to bring these in line with other light industrial zones and facilitate the evaluation of additional sites for child care in the city. Staff to also explore by-law amendments to permit other uses that can improve employment retention in industrial areas, such as restaurants and small retail, with limitations. **[Also see 1.1.3]**

3.3.10. Explore the impact of and suitability of Cannabis production in industrial zones and ensure regulatory alignment with federal and provincial legislation

Staff to review and report back to Council with proposed amendments to the Zoning and Development By-law to add Cannabis production as a conditional use in appropriate industrial zones and ensure alignment with federal and provincial legislation on the legalization of cannabis.

3.3.11. Review regulations for lounges accessory to Brewing or Distilling Manufacturers

Review regulations in the Zoning and Development By-law for lounges accessory to brewing and distilling manufacturers to determine whether the growth of the industry, operational requirements and economic circumstances warrant amendment. **[Also see 2.5.6(d)]**

3.4 Monitor, Report and Coordinate Industrial Change

The Challenge

The issues around industrial lands are complex and connected to multiple City departments. External to the City, industrial issues are also connected to Metro through the Regional Growth Strategy and Vancouver's Regional Context Statement. Data around industrial development and permits are not gathered consistently and baselines for measurement have not been established.

Further, many older existing buildings in the city's industrial areas are in unused or under-utilized situations due to various overlapping building code, zoning or other related issues. There are also external programs which may be able to assist in the modernization of Vancouver's industrial land base and bring other resources to the City.

The Response

Staff should expand and improve coordination across City departments and with external parties to monitor the supply of industrial spaces in Vancouver. This response aims to track relevant metrics around industrial supply to determine if policy measures undertaken are having the intended effect. In addition, they seek to improve communication, build consistency and leverage existing programs to assist in bringing unused and under-utilized spaces into the market and source additional resources to meet the City's objectives around industrial lands.

Ideas & Potential Actions

3.4.1. Monitor supply and market effects of increased flexibility

Staff should monitor and review development activity in the industrial lands as regulatory and policy changes are implemented to intensify and modernize the city's industrial areas. Additional related metrics should also be tracked to provide guidance as to the efficacy of policy changes and direct future amendments to regulations and processes as well as further research and analytical work.

3.4.2. Seek to bring unused industrial spaces to market

In cooperation with the Vancouver Economic Commission, the City should expand assistance provided to industrial users seeking space for industrial activities and owners of unused or under-used industrial properties to connect and determine how to bring more spaces into productive use. Many older existing properties are typically in need of extensive upgrades or other modifications in order to be safely utilized. The City would look to assist efforts in this regard through facilitation and evaluation of needed changes and application of discretion as warranted.

3.4.3. Seek to leverage Vancouver's membership in the CBCA to help businesses reduce carbon pollution

Vancouver was selected to be in the first cohort of member cities for the City Business Climate Alliance announced in July 2020. This international program is administered by C40 Cities, CDP and WBCSD in order to link businesses and municipal governments to address the causes of climate change¹³. The global collaboration between cities and private sector is intended to advance climate goals over a 2 to 3-year program facilitated by organizing partners through in-kind assistance and support [Also see 1.11.6]

¹³ www.city-businessclimatealliance.org

Section 4

Office & Hotels

4.1 Continue to Monitor Impacts of COVID-19 on Office and Hotel Demand

4.2 Identify Options for Augmenting Office and Hotel Capacity in Key Areas Over the Long Term, while Considering Locational Preference

Offices and Hotels Overview

Vancouver is the central city in a growing region. The city accounts for 33% of regional employment and is expected to continue to be an important location for economic activity and job growth into the future. The technology sector in particular has been a very strong driver for growth in office and hotel demand in Vancouver. The sector is drawn by the city's strong technical educational institutions producing a well-educated and talented labour pool, welcoming immigration policy and agglomeration with existing digital entertainment, gaming and film & television production companies in the city.

Updated modelling indicates that the City of Vancouver will need between 5.5 and 14.7 M additional sq. ft. of major office space by 2051 (space for 35,700 to 66,000 jobs). In addition to this, it was expected that there would be demand for between 0.8 to 3.5 M additional sq. ft. of hotel space (space for 1,600 to 4,000 jobs).

The COVID-19 pandemic has had significant effects on the nature of office work and demand for hotel accommodations. The objectives in this section reflect the following considerations:

- Significant uncertainty that exists regarding the timing for office and hotel demand to normalize
- The existing capacity to accommodate growth in these two space types
- The significant amount of office and hotel floor space in the development pipeline today
- The need to monitor market conditions
- The need to work with local communities to explore options for potential policy changes to meet needs over the long term

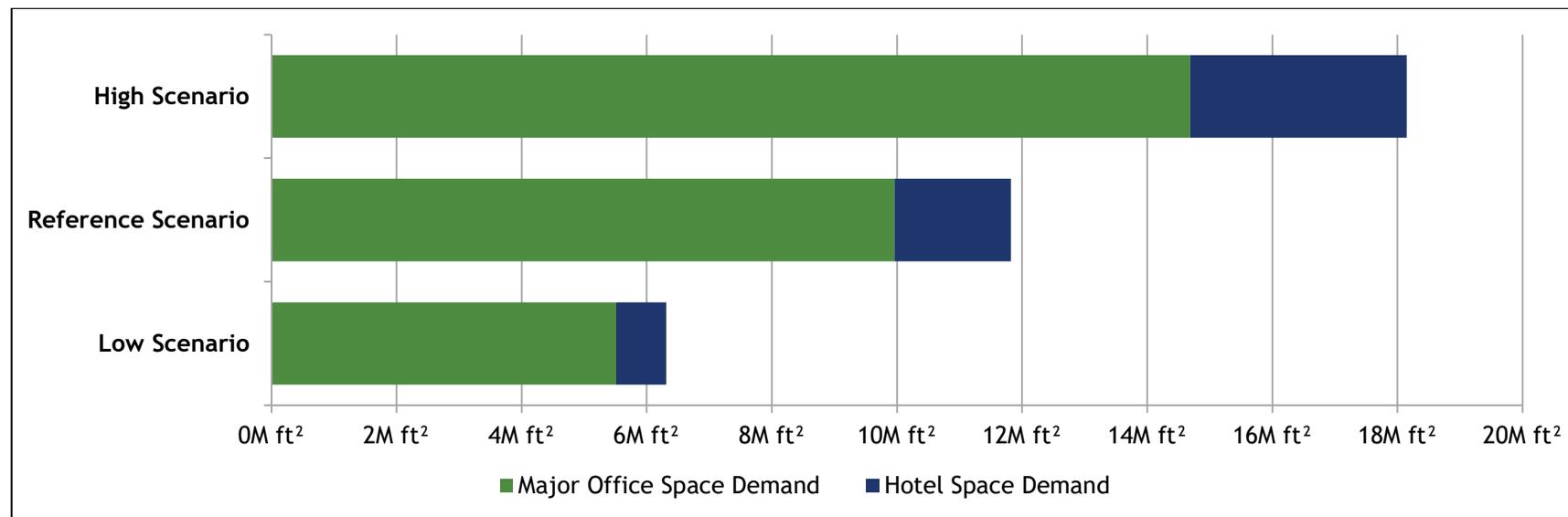


Figure 10 - Updated Office and Hotel Space Demand¹⁴

¹⁴ Hemson Consulting Ltd.

4.1 Continue to Monitor Impacts of COVID-19 on Office and Hotel Demand

The Challenge

The COVID-19 crisis has brought with it significant uncertainty regarding the future of office and hotel demand in Vancouver. Hotel occupancy has fallen significantly compared to historic averages and the amount of office space available for sub-lease has increased in recent months as companies shift towards remote work. This shift is offset by the need for physical distancing within existing office work spaces (Figure 2). The net effect of these two opposing dynamics is unclear and continues to evolve as governments and businesses carry on testing and learning from various mitigation measures, seeking to strike a balance between economic activity and public health and safety. These factors are overlapped by uncertainty around the time frame for the successful development of a vaccine against COVID-19, which continues in earnest both in Vancouver and around the world.

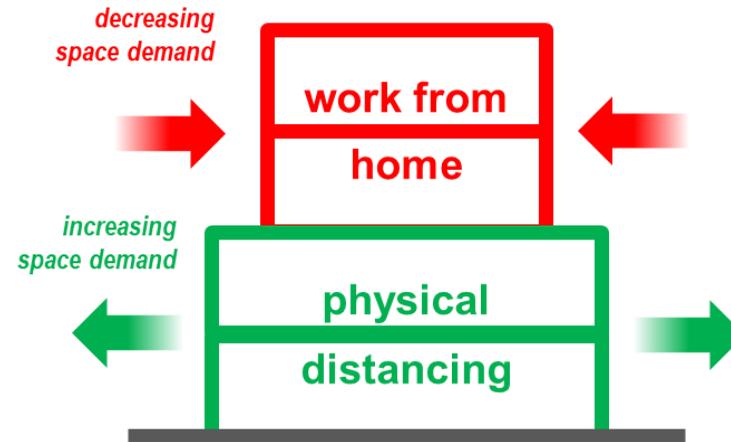


Figure 11 - Conflicting Forces on Space Demands

The Response

The City should continue to actively monitor the impacts of the COVID-19 pandemic on the office and hotel space markets and the development climate. Staff can draw on various sources of information, including maintaining engagement with key stakeholders, to continue to build the City's understanding of the implications for planning for the future of these employment spaces. Ongoing learning from these activities will be integrated into the Vancouver Plan process to address ongoing recovery and future land use planning in key employment areas.

Ideas & Potential Actions

4.1.1. Monitor office and hotel market trends as well as development pipeline activity and metrics

Staff should continue to monitor activity and trends in the office and hotel market and track the development pipeline and key metrics for these employment space types. The City will utilize a variety of internal and external data sources to provide a fulsome picture of the situation for high-density commercial spaces.

4.1.2. Maintain engagement with industry and other stakeholders to understand impacts of the pandemic

The ELER has established extensive connections with the leaders and operators of various business and enterprises throughout the city. Staff should leverage these relationships to maintain close contact with those who know their industries best in order to build an understanding their current status and consider actions around return to work post-pandemic.

4.2 Identify Options for Augmenting Office and Hotel Capacity in Key Areas Over the Long Term, while Considering Locational Preference

The Challenge

Demand for office and hotel space is highest in Downtown West, followed by Central Broadway.

Under existing policy, the City has capacity to accommodate much of the anticipated demand for office and hotel growth. However, much of this capacity is located outside of the downtown peninsula, largely in industrial areas. In addition, market conditions in the downtown and the Broadway areas are making redevelopment challenging, thus further limiting the supply of commercial spaces in these areas.

Also affected by this over the long-term, the development of additional hotel capacity faces difficulty competing with the demand for higher-valued office space. This causes a shortage of rooms and a lack of diversity in accommodation offerings in the city. In addition, certain accommodation types, such as longer stays for employment are not addressed.



Figure 12 - Locations of Highest Demand for Office

The Response

The City should work with the community to identify and test potential options for addressing office and hotel capacity gaps in high demand and transit accessible areas such as Downtown West and Central Broadway. Staff can explore innovative options for augmenting capacity in these areas and seek to provide incentives for net new hotel spaces to cater to a broader range of affordability, stay length and service levels for the leisure and business travel sectors. The capacity for job space growth in these high demand areas is very important to the overall economic health of the city. Land use policy should be approached carefully and reductions in capacity should not be considered.

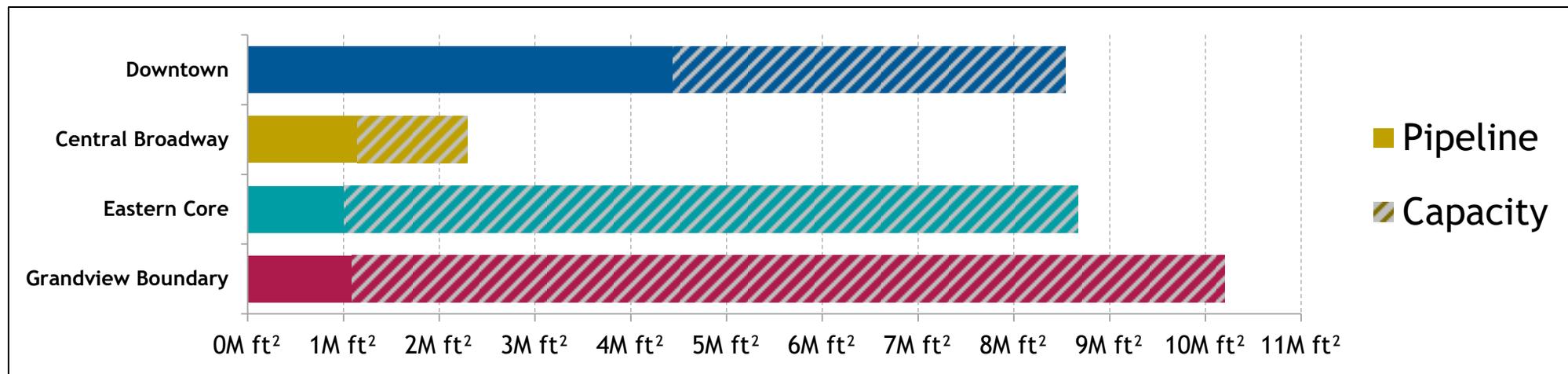


Figure 13 - Major Office and Hotel Development Pipeline and Capacity¹⁵

¹⁵ Hemson Consulting Ltd.

4.2 Identify Options for Augmenting Office and Hotel Capacity in Key Areas Over the Long Term, while Considering Locational Preference

Ideas & Potential Actions

- 4.2.1. *Seek to increase commercial capacity in mixed use areas and exploring opportunities for new employment-priority areas*

In order to alleviate pressures on high demand high-density commercial areas, staff should explore means for increasing commercial capacity in these mixed-use areas and consider opportunities for areas where employment uses can be prioritized.

- 4.2.2. *Explore land use tools for incentivizing hotels across a range of service and affordability levels*

Staff should review and analyze the various factors in the economics for hotels in the city and report back to Council with options for incentives to encourage hotel development across the city. These incentives will recognize the need for hotels in various service and affordability levels as well as the important role of longer stay hotels for business travel and the film & television industry.

- 4.2.3. *Consider Broadway Plan short-term recovery action:*

Consider amending the Broadway Plan Interim Rezoning Policy to enable integrated design development and additional job space at Oak-VGH Broadway Subway station

Consider a rezoning application during the planning process for the site adjacent to the Oak-VGH Broadway Subway station to achieve better station integration and additional job space (e.g. office or hotel).

The Broadway Subway Project is generally proceeding on schedule, with detailed station design starting in fall 2020. Due to COVID delays, staff now anticipate a draft Broadway Plan will be ready for Council's consideration by mid-2021. Considering a rezoning application for the adjacent site during the Broadway Plan process would allow staff to work with the private landowner to achieve better station integration opportunities with private development, e.g. full overbuild of the station. The Metro Core Jobs and Economy Land Use Plan encourages intensification of job space in this "Uptown" area (residential restricted). The Broadway Plan process is not anticipated to change the land use and/or permitted height at this location due to the significant need for additional job space in the area.

VGH flight path crosses this site and limits the height of any development today and in the future. A future rezoning process for this site would include a public engagement process.

The land use, heights, densities and public benefits for other station sites within the Broadway Plan study area will be determined through the Broadway Plan process, subject to further public input and engagement.

