



Employment Lands & Economy Review

PHASE 1

ENGAGEMENT SUMMARY

November 2019

APPENDIX A



CITY OF
VANCOUVER

Employment Lands
& Economy Review

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Phase 1 Engagement Highlights

January - November 2019

- 6,500+ engagement contacts
- 3 Workshops with External Advisory Group
- 2 large business & workforce surveys
- 90+ Targeted Outreach Activities:
 - » Events
 - » Workshops
 - » Meetings
 - » Interviews
 - » Site visits
 - » Walking tours

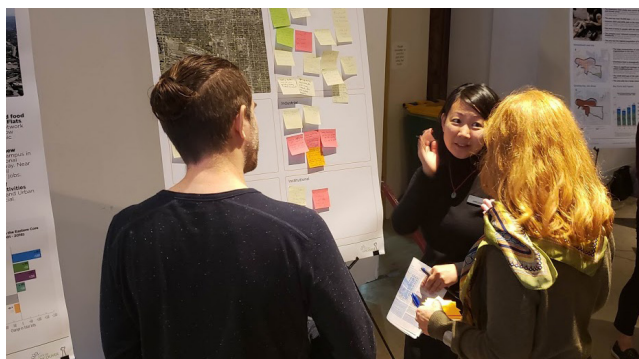
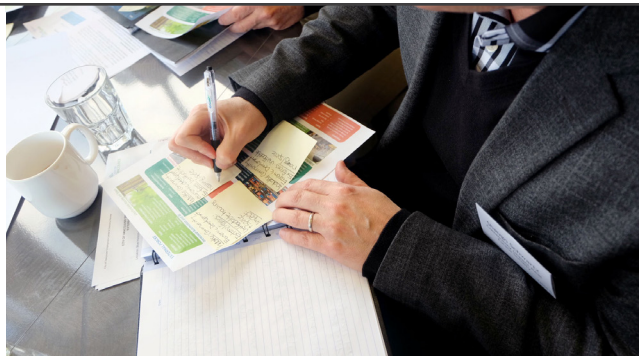




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1 Acknowledging First Peoples

The City of Vancouver is engaged in economic development planning in order to improve the economic future and quality of life of all of its diverse residents. This Review builds on all economic development work done before it on these lands—the unceded territories of the *xʷməθkʷəy̓əm* (Musqueam), *Skwxwú7mesh* (Squamish) and *səlílwətaʔ* (Tsleil-Waututh) peoples.

The 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, Tsleil-Waututh and Urban Indigenous peoples 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.

We are grateful to the Indigenous people who engaged with us in this work and know that their contributions are invaluable as we work towards true reconciliation.

To learn more about the economic development initiatives being led by the Nations visit their websites:

Musqueam Indian Band: musqueam.bc.ca

Squamish Nation: squamish.net

Tsleil-Waututh Nation: twnation.ca

Please visit our website to learn more about Vancouver’s designation as a City of Reconciliation and the Musqueam, Squamish and Tsleil-Waututh Nations:
vancouver.ca/people-programs/city-of-reconciliation

2 About This Report

The Phase 1 Engagement Summary describes the Employment Lands & Economy Review's engagement activities and feedback received from January 2019 to November 2019.

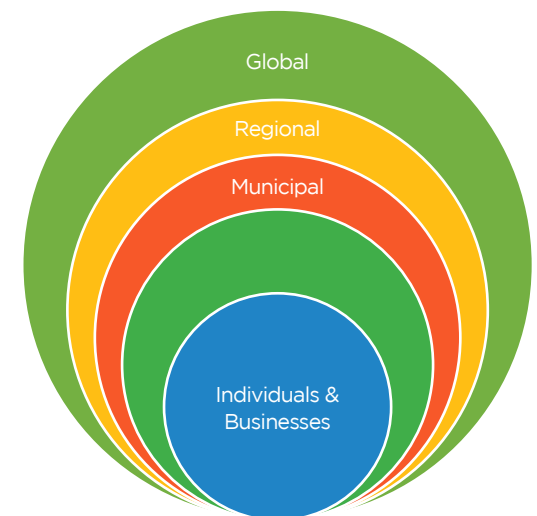
Phase 1 of the Review considered input from representatives across Vancouver's economic sectors, business and industry organizations, regional partners and other levels of government, social purpose and non-profit organizations, employers, workers, academic experts and the general public.

The feedback given has shaped the first phase of the Review, will continue to inform the next phase of the Review, and will also provide foundational input to the Vancouver Plan over the course of its planning process.

The Vancouver Economic Development 'Eco-system'



Social
Environmental
Economic
Cultural



3 Engagement Objectives

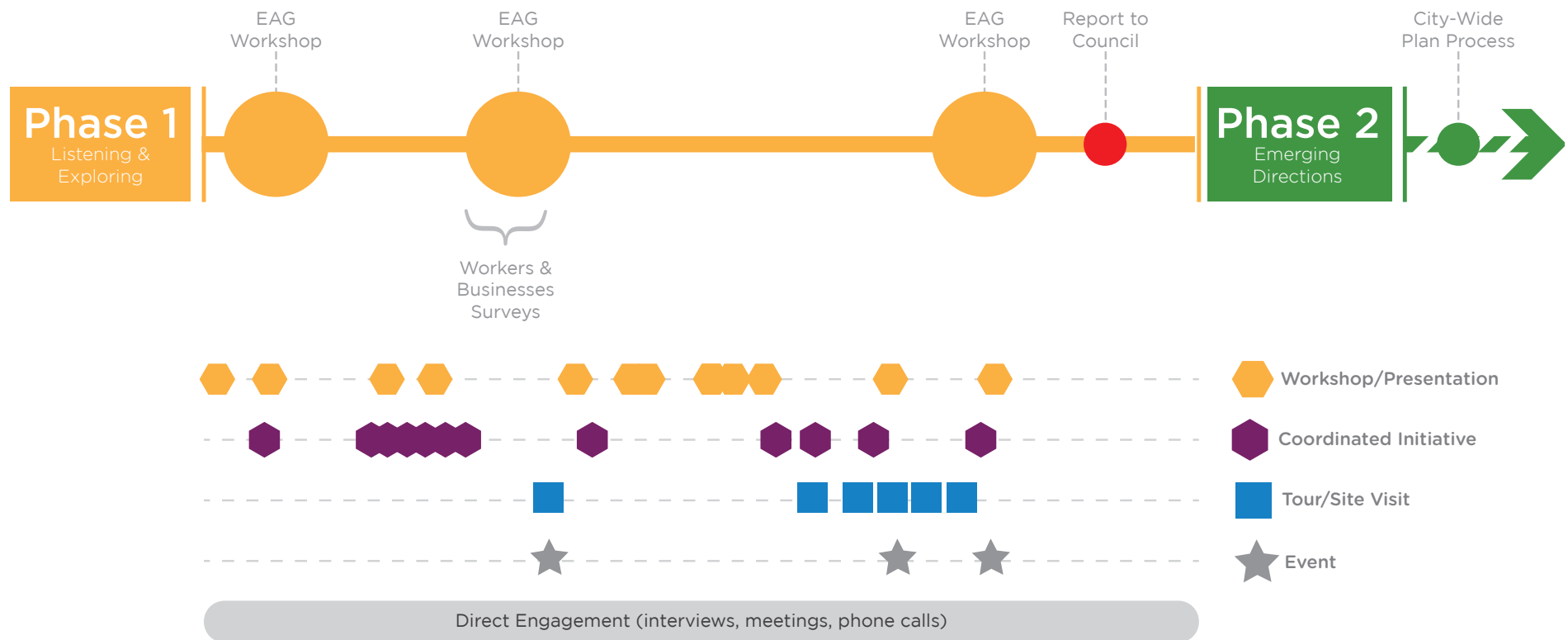
The Employment Lands & Economy Review recognizes that the City of Vancouver does not plan for the future of the economy by itself. There is an eco-system of groups and individuals who influence Vancouver's economic development and that contribute to this important work.

The Review's outreach and engagement process has several key objectives:

Maximize Inclusivity	<ul style="list-style-type: none">• Include and involve a broad range of individuals and groups• Reach out to people who don't normally get involved• Create convenient ways for people to engage
Become Informed	<ul style="list-style-type: none">• Target specific sectors• Base engagement on results of research• Connect to sources of industry news
Seek Interactive Opportunities	<ul style="list-style-type: none">• Get out and about (walking tours/site visits/events)• Use a variety of methods and creative methods• Ask for continuous feedback
Integrate with Related Work	<ul style="list-style-type: none">• Attend related engagements• Participate in partner initiatives• Use feedback from partner initiatives
Be Iterative	<ul style="list-style-type: none">• Continuously engage• Revise understanding as we progress

4 Engagement Process

Between January and November 2019 there were 90+ opportunities to engage with the Employment lands and Economy Review, resulting in 6,500+ engagement contacts.



***EAG =External Advisory Group. See page 16 for details**

How We Engaged

Phase 1 & 2 Engagement
(January 2019 - November 2019)
Broad range of activities and events

6,500+ engagement contacts during
Phase 1 of the Employment
Lands & Economy Review

How We Engaged

External Advisory
Group Workshops



3
workshops

Broad Range of
Targeted Outreach



55+
Meetings, Calls,
Interviews, &
Presentations

Online Surveys



2
engagement surveys
(workers & businesses)
2,900
respondents

Site & Walking Tours



10
tours of employment
lands and business site
visits

COORDINATED INITIATIVES



Open Houses
1,200+
people

Walking Tours
Fairview Slopes
Mount Pleasant
Strathcona
False Creek Flats

Presentations /
Workshops
Burrard Slopes
Mount Pleasant I-1
Transportation
Uptown Mount
Pleasant Industrial
Great Northern Way
Learning District



Culture|Shift:
Blanketing the City
in Arts and Culture
Vancouver Culture
Plan 2020-2029



City of Richmond
Industrial Land
Intensification
Initiative



Metro Vancouver
Industrial Lands
Strategy

5 Engagement Opportunities

Indigenous People

The staff team sought to include Indigenous perspectives into this work through meeting with and presenting to various Indigenous groups and groups that serve Indigenous communities such as the MST Intergovernmental Staff to Staff Meeting, the Metro Vancouver Aboriginal Executive Council (MVAEC), Vancouver Native Education College, Exchange Inner City, Urban Core and ACCESS/Bladerunners. In addition, the staff team attended a cultural competency tour of Musqueam with Councillor Morgan Guerin.

Stakeholder Meetings & Presentations

The staff team met with a wide range of groups and associations on a targeted and upon-request-basis. This engagement included a presentation and discussion questions for each group. Groups ranged from 1-50 people in attendance.

Expert Interviews

Recognized subject matter experts in academia and industry were approached for individual meetings to obtain their insights into opportunities and challenges faced by particular sectors or groups. Some of the interviews were

conducted by staff and others by the project consultants.

Participation in Concurrent Planning Initiative Events

The staff team attended stakeholder engagement events, open houses, workshops, walking tours and site visits for concurrent planning initiatives such as the Retail/Commercial Small Business Study, the Small Business Roundtable, the Broadway Plan and the Poverty Reduction Plan (Arts, Culture & Community Services). Groups ranged from 5-750 people in attendance.

Site Visits

Members of the ELER team were invited by some businesses and organizations to view their sites to observe innovative practices, operations, built forms and other economic activities that would be relevant for the Review.

Walking Tours

Staff participated in various walking tours to directly observe and experience specific Vancouver employment areas such as Uptown Mt Pleasant, Burrard Slopes, Strathcona, the False Creek Flats, Musqueam and the Ironworks development in Grandview Woodland.

5 Engagement Opportunities (continued)

Business and Worker Engagement Surveys

Two online engagement surveys were conducted to collect information on the issues, challenges, expectations and desires of businesses and workers in Vancouver. The surveys used the City's 'Talk Vancouver' platform and were not delivered using a random sampling method and cannot be used to make inference about Vancouver's business and employee populations. Instead, the information gathered through the surveys is being used to illustrate and complement facts and figures drawn from other sources. The key findings from both surveys are provided in Appendix 3.

The Business Survey received 684 responses from business owners and operators in Vancouver. The Business Survey asked questions about the type of businesses people run, plans for the future, what kind of spaces businesses need, challenges businesses face operating in Vancouver, and ideas for how to ensure an appropriate supply of land. Responses came from businesses across sectors and all parts of Vancouver, operating in industrial, office, and commercial spaces. A majority of responses (about 95%) were from businesses employing 50 or fewer people, and roughly 85% of respondent businesses were in spaces under 5,000 square feet.

The Worker Survey received 2215 responses and asked questions about demographics, type of job, opportunities and plans, information about work location, and likes/dislikes about working in Vancouver. Responses came from workers in all sectors and working in locations across the city. About 86% of working (not retired) respondents identified as working full time, and 15% as self-employed. Approximately 25% of working respondents identified as having a job in a non-profit, co-operative, or social enterprise.



5 Engagement Opportunities (continued)

External Advisory Group

The City of Vancouver convened an External Advisory Group (EAG) to help inform the Review. The EAG includes 58 unique organizations and 73 active members. Represented on the EAG is a diverse range of perspectives from industry associations, labour representatives, non-profit organizations, representatives from the development industry and businesses from over 18 economic sectors. The role of the EAG is to provide input and insight at key milestones throughout the planning process - including opportunities and challenges in the economy, external forces impacting economic sectors, methodology used in its technical analysis, assumptions factored into the analysis and final proposed policy recommendations. Over the course of three meetings in Phase 1, the members of the EAG shared their expertise, participated in dialogue and learning and helped build project support by providing information to member affiliations and the larger community. The EAG will continue to meet in Phase 2 of the Review. See Appendix 1 for a list of EAG organizations and Appendix 2 for summaries of feedback collected at the three meetings held in Phase 1.

External Advisory Group Meetings

External Advisory Group Meeting #1 January 24, 2019
Key Considerations & Research Questions for Study



External Advisory Group Meeting #2 April 9, 2019
Findings to Date & Emerging Approach for Scenarios



External Advisory Group Meeting #3 October 17, 2019
Gap Analysis & Identifying Options



External Advisory Group Members

Economic Sectors

Accommodation Hotel Association of Vancouver	Automotive Services Midas
Architecture/Design Mallen Gowing Berzins Architecture	Film & TV Production Vancouver Film Studios
Arts & Culture Eastside Culture Crawl Society	Finance BMO
Real Estate TRG Commercial Realty	Information Communication Tech. Microsoft
Creative Manufacturing Dutil Denim	Health Lower Mainland Facilities Management
Retail Retail Council of Canada	Legal Fasken
Digital Entertainment & Interactive DigiBC	Manufacturing BC Alliance for Manufacturing
Education Great Northern Way Trust	Social Purpose Real Estate Social Purpose Real Estate Collaborative
Entertainment Granville Entertainment Group	Restaurant BC Restaurant & Food Services Association
	Creative Co-Working Creative Co-workers HiVE

Groups, Associations & Government

Tourism Vancouver
Metro Vancouver Convention & Visitors Bureau

Community Economic Development
Exchange Inner-City

Metro Vancouver

BC Technology Association

Indigenous Business / Development
ACCESS / Bladerunners
MST Dev't Corp.

Port of Vancouver

Vancouver District Labour Council

Vancouver Board of Trade

Vancouver Economic Commission

Business Improvement Associations (BIAs)
Downtown Vancouver BIA
Hastings North BIA / Vancouver BIA Partnership
Strathcona BIA

Transportation

TransLink
BC Trucking Association
CP Rail

Logistics
Greater Vancouver Gateway Council

Real Estate, Development & Leasing

Brokerage Firms
Colliers
CBRE

Urban Development Institute

Urban Land Institute

Urban Planning
Brook Pooni

Landowners

Building Owners
MST Dev't Corp
Aquilini
Conwest

Developers
WesGroup
Concord Pacific
Holborn Group
PCI
Hungerford
Wesbild

National Assn. of Industrial/Office Properties



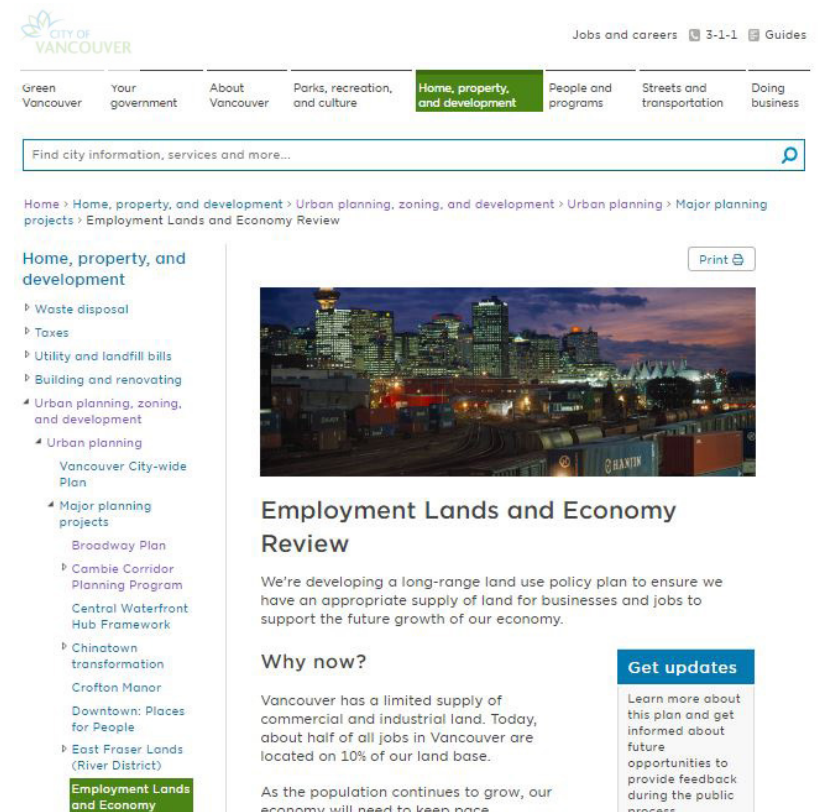
6 Communications

The Review communicated through a variety of forms including:

- Project Website
- Factsheets
- Social Media
- Engagement Summaries
- Consultant Reports

Project Website

The project website is used as the main portal for the public to access information on the current work of the Employment Lands & Economy Review team as well as displaying future scheduled engagements and Council-related activities. The website allows interested parties to subscribe to receive email announcement, browse and download factsheets, view the project timeline and access other publications and reports related to Vancouver's economy. For more information visit www.vancouver.ca/employment-lands



Factsheets

Factsheets are two to four page profiles that provide descriptive statistics about specific sections of Vancouver's economy and are made available on the project website. There are currently 22 factsheets on a wide range of topics relevant to Vancouver. Many of these facts sheets contain data collected through the 2016 Statistics Canada Census; while others contain information from other sources such as industry reports.



7 What We Heard

Key Themes

- 1** Economic Resilience
- 2** Affordability of Space
- 3** Viability of Small, Independent Business & Capacity for Growth of Commercial Services
- 4** Viability of City-Serving Industrial
- 5** Appropriate Growth of Office & Hotel

1 Economic Resilience

Climate Change & Natural Disasters

The following is a summary of what we heard regarding the impact of climate change and natural disasters on the future of Vancouver's economy.

Challenges & Issues

- Climate change causing stress on natural assets and impacts on tourism (e.g. forest fires)
- Much of Vancouver's industrial land is in flood prone areas
- Need for adaptation strategies and costing
- Loss of Port facilities due to sea level rise
- There is considerable risk of sea level rise and flooding of low-lying industrial lands
- Who pays for sea level rise and flooding mitigation?
- Contaminated soils in industrial areas could prolong and increase costs associated with flood protection efforts
- Transportation disruptions from flooding pose the greatest indirect economic impacts
- Agricultural industry in the Lower Mainland is especially vulnerable to coastal hazards
- Climate change-related building regulations. Need to upgrade skills and retrofit buildings. This will lead to increased costs for tenants

Opportunities & Ideas

- Increase in green businesses and jobs in Vancouver
- Increased demand for Vancouver designed products and services
- Need to define role of low-lying areas which may be susceptible to flooding
- Must adapt to the loss of land and rethinking land uses and densities
- Infrastructure improvements to mitigate climate change hazards can create jobs

"The world is recognizing that climate change is real and an immediate concern."

"What impact will BC's forest fires have on our tourism industry in the future?"

"Sea level rise could produce a number of direct and indirect economic impacts, including the loss of employment land."

"A major earthquake could shut down neighbourhood and city-wide economic activity for months or even longer."

Film, Tourism, Port, High Tech

The following is a summary of what we heard regarding Film, Tourism, Port and High Tech

Challenges & Issues

- Film industry has significant impact on other industries – fills vacant spaces temporarily. Need to consider that some industries (especially film) have jobs across the city (even in residential areas), not just in studios
- Port activity is growing and demand for trade-enabling land continues to intensify. Limited supply of trade-enabling land is causing higher land values, and the displacement of existing businesses
- Movement of goods in and beyond: Gateway considerations and trade; Port is Canada's port (not just serving Vancouver)
- Tourism sectors need for large parcels of land (festivals, events) is being taken up by residential development
- Need to understand the space needs of tech industry in particular (they need space for servers in the city and a connection to the underground telecommunication network; last mile problem: delivering to end user)
- Difficult for tech sector to find staff despite inclusive policies and hiring intent
- VFX companies require flexible floor space and unique but essential accommodation of viewing theatre(s)
- Downtown does not have flexible space for tech (not feasible for long-term)
- VFX industry requires lower rent to accommodate higher overhead costs

Opportunities & Ideas

- Reinforce the need for port-related transportation corridors and supportive land uses
- Vancouver has experienced strong tourism growth (3M expected by 2030). Cruise ship volume continues to grow
- BC Tech launching a program to address the gap between employers and Indigenous tech students
- Cultural tourism opportunities are important for Indigenous people
- Large tech companies are still growing following global growth trends in the sector. Tech is growing (digital entertainment, etc.)
- Public open spaces should also be considered in the employment lands because of the film industry's use of them
- Need to look at whether there's confidence to invest in Vancouver

"There are several industries – tourism, film and special events – that rely on access to public land in order to thrive."

"The tech scene here has more and more opportunities each year which is great to see."

"The Port is Canada's largest, and facilitates trade between Canada and more than 170 world economies."

"Vancouver is a hub for my industry, film animation, so there are many studios in town."

Future of Work & Economy

The following is a summary of what we heard regarding the future of work and Vancouver's economy.

Challenges & Issues

- Increasing disruption of autonomous vehicles will change the nature of work and mobility
- The 'Gig Economy' including contracting, precarious employment, and outsourcing continues to grow carrying a risk for the economy and workers
- Industries are rapidly changing and either frustrated by or not always accommodated in the zoning regulations
- New and emerging industries are creating demand for data centres and e-commerce fulfillment
- Shifting demographics: as the Baby-Boomer generation retires the workforce will shrink
- More flexible workplace arrangements such as remote work, telecommuting, work from home, flexible work hours, mobile workforce, co-working are increasingly common
- Reducing/changing floor space per worker
- Crowded workspaces/lack of workplace facilities
- Strong demand for locating in Vancouver's core
- Shortage of skilled trades increasing costs and slowing development
- There's too much reliance on growth

Opportunities & Ideas

- Many different jurisdictions study the economy with competing interests. Better regional cooperation is needed both locally in the region and more broadly such as the Cascadia corridor
- Economic restructuring and modernization provide opportunities for cleaner industries reducing potential land use conflicts or impacts
- Planning for the future of the economy should be part of a more coordinated response to community development (economic, social and environmental)
- Need to move away from the dominant view of economic development and be more creative, innovative and equitable, i.e. how do we measure success?
- Automation does not affect all sectors equally, labour will still be needed
- The 'Sharing Economy' is growing
- Need to work with other levels of government in planning our economic future
- We can't get in the way of innovation and opportunity based on current uncertainty and complexity

"Companies are shifting to remote workspaces and increased computer automation. Their headquarters will no longer need to be in capitals."

"Why are we basing everything on unlimited growth? Should we be attempting to reduce growth?"

"Even with current uncertainties and complexities, we can't let the market constrain opportunities and innovation."

"My field (web development) is rapidly de-skilling."

Diversity of Jobs & Range of Livelihoods

The following is a summary of what we heard regarding the need to maintain a diversity of jobs and opportunities for a range of livelihoods

Challenges & Issues

- Supporting good paying low-barrier jobs as economy shifts, i.e. retail is growing as manufacturing declining
- Semi-skilled and low-skilled job positions are hard to fill putting stress on the local economy
- People want to live where they work. People are not following jobs rather the jobs are following people
- Balancing the integration of new workers and businesses into historic neighbourhoods while preventing gentrification and displacement of current residents and workers
- Restrictions on working from home. e.g., can't have customers visit
- Inflexible zoning hampers efforts to meet market needs
- Maintaining diverse economy, while growth concentrated in a few sectors such as film or technology
- Key workers (people who do essential services such as police, childcare workers, teachers) need to be able to live near their workplaces
- Thousands rely on informal economic activities and need to be considered when planning for the economy

Opportunities & Ideas

- Maintain a diversity of jobs across sectors
- People-focused economic development
- Prioritize local employment creation and local businesses
- Include planning for public land and open spaces in employment lands, as they are important to several industries such as tourism, film and special events
- Support low-barrier income generation on major development sites
- Preserve spaces for the informal economy that support the livelihoods of many people
- Vancouver has a high concentration of social enterprises
- Consider occupations rather than sectors as occupations tell us more about type of job space needed

"Not a lot of big companies' headquarters are here, so certain job opportunities are lacking."

"Limited opportunities for 'senior people' (50+) with high level skill sets or experience."

"It's difficult finding staff for key lower paying reception positions ... due to housing costs in Vancouver."

"I'm trying to run my business from home and can't have customers come to me. This makes it much harder to do business."

Need for Workforce Supports

The following is a summary of what we heard regarding the supports Vancouver workers need.

Challenges & Issues

- Childcare is critical to the economy but is in very short supply
- Requirements for opening licenced childcare facilities often difficult for users or operators to meet
- Housing affordability has broad implications for working in Vancouver
- Rising cost of everyday things: housing, food, gasoline, mobile phone and internet, lowers quality of life
- Wages are comparatively low in Vancouver
- High cost of living causing people to work multiple jobs, endure longer commutes, or consider leaving Vancouver to live and work elsewhere
- Limited housing options restrict employment opportunities and deepen issues around long commutes
- Current situation especially difficult for women, people of colour, people with atypical work schedules and people with lower incomes
- High housing costs makes it hard to attract workers, especially those with children
- Concerns about the cost of living, raising a family, and saving money are prevalent regardless of earning level
- Home ownership no longer an option for most including those with well-paying jobs

Opportunities & Ideas

- Address interest in workforce childcare
- Promote development of workforce housing
- Provide support for training and skill upgrades around IT and new technology
- Facilitate workforce entry training and assistance with finding employment opportunities

“My wife has been working part time so we’re basically living on my income right now and we’re cutting into our savings to pay for daycare.”

“More supports are needed for workforce entry, training and people doing non-standard work.”

“If I can’t find an affordable place to live, I will have to leave the city.”

“Daycare is hard to find for my staff & expensive. It is ridiculously unavailable.”

Importance of the Non-Profit Sector & Challenges

The following is a summary of what we heard regarding the contribution that the non-profit sector makes to the economy, challenges the sector is facing, and the support the sector provides for workers.

Challenges & Issues

- Need more affordability, suitability, security of tenure and long-term operational security when it comes to space
- Human services can't be done digitally—they provide in-person services requiring locations near their clients
- Non-profits struggle to stay afloat as a result of displacement pressures specifically related to inability to compete for rents where they provide services
- Social services are being squeezed out of the city
- There will be service shortages if non-profits are pushed out of the city
- The social purpose sector is growing quickly and needs to be included in data and tracked
- Broader affordability issues related to housing and other costs of living make retention and hiring challenging
- ~75% of employees are female and most males are in leadership and the best paid jobs

Opportunities & Ideas

- Contributes to economic growth, employment, place-making, vibrancy—contribution back to society—not just a support to the workforce
- Develop metrics to report on the added value and current value produced by social enterprises and non-profits—it's huge
- The built form of employment lands needs to be inclusive of non-profits
- Provide secure, affordable, and suitable spaces for non-profits
- Leverage City assets to support social purpose organizations
- Add both “Social-Purpose” as an allowable use and non-profits as amenities, such as retail and childcare, in industrial areas
- Non-profit operators utilize all types of jobs space
- Need to consider people, planet, purpose and profit

“We are a non-profit with limited resources so we can't pay for a larger office at the moment.”

“I work at a legal non-profit in the social justice sector. Vancouver residents have great need for these, so our location in Vancouver serves that need.”

“There is a lot of work because so many people in the non-profit sector cannot afford to live here.”

“The value of the sector is not captured by traditional economic measures.”

Need to Consider Equity

The following is a summary of what we heard regarding the need to consider equity when planning for the future of the economy.

Challenges & Issues

- Fair access to jobs is needed
- Marginalized populations need better stream to access employment
- Need more low-barrier employment opportunities that still pay a living wage for people with less formal education or workplace experience
- Disparity in jobs in terms of the types of people who get employed
- Indigenous people are sometimes stuck in entry-level positions
- There are levels to affordability and poverty. We need to address them all in our economy
- A large potential workforce is on income assistance and want to work
- Development is resulting in displacement of Vancouver's most vulnerable residents and services
- Vancouver is becoming more polarized
- Vancouver is developer-driven—not community-driven

Opportunities & Ideas

- Need to consider a gender lens. Women are disproportionately excluded from the economy and more affected by challenges within it
- More meaningful consultation is needed in the DTES and with equity-seeking groups
- Need economic reconciliation
- Need to connect to the Healthy City Strategy
- Young people need to be included and those aging out of care
- Peer-run and co-op organizations need to be considered
- Redevelopment needs to be more equitable
- There is a proliferation of Indigenous micro businesses that can exist and be supported by both the Indigenous community and the broader community

*"It's impossible to find staff.
Too expensive a city to live in
for hourly workers."*

*"We want to hire more
equitably—we just
don't know how."*

*"We need to be talking
more about the gender
divide."*

*"The impacts of
colonization continue
to exclude Indigenous
people from our
economic system."*

Complete Communities

The following is a summary of what we heard regarding how planning for complete communities supports the economy in several key ways.

Challenges & Issues

- Some areas, like downtown, lack public and greenspace for workers
- Some employment areas lack amenities that allow workers to run daily errands
- Being close to residential areas, shops and restaurants is important to local business
- Concentrate commercial, office and residential around transit stations
- Businesses want to see more mixed use development
- Need to manage growth and intensification better
- Workers prefer to take jobs closer to downtown core because of access to amenities and transit
- Not having housing, work and access to daily needs near to each other is bad for the environment

Opportunities & Ideas

- Vancouver's compact urban design allows people to live close to work and enjoy a short commute
- People working in Vancouver appreciate the diversity and access to amenities, restaurants, and high quality public space
- More live/work could improve commute issues for local business and affordability for artists
- Downtown is the most accessible for all workers and desirable for employers

“Mixed use helps support retail/ restaurants in evening (live, work, play).”

“I wish there was a better mix of other tenants and businesses in the neighbourhood of our office.”

“Having like-minded businesses close to each other creates connection and a more collaborative environment for innovation and support.”

“Downtown space lacks greenspace -difficult to go outside for a walk to think with all the bustle/noise there is.”

Reliable Transportation

The following is a summary of what we heard regarding how Vancouver's workers, businesses and economy are dependent on effective and reliable transportation networks.

Challenges & Issues

- Traffic congestion is a major frustration for workers and businesses and increases costs
- Long commutes, often exacerbated by residential affordability issues, are a concern, especially challenging for those with multiple jobs or unusual work-times (e.g., shift workers)
- It is hard for business to hire and retain staff as commutes get longer
- Unavailability and expense of parking
- There is a need for more end of trip bike facilities
- Transit service is not available to all job areas
- Ride hailing leads to congestion
- Conflicts between goods movements and people movements
- Lack of affordable and suitable logistic and warehousing space in the city is making for longer distances to transport goods to and from city ports
- Watch out for pedestrian and truck conflicts. Look at truck routes in Mt. P I-1
- No new road infrastructure. Efficient transportation is more environmental than less. The need to move goods and people will not end
- Trucking activities transport 90% of all consumer goods and this is increasing in the region

Opportunities & Ideas

- There is value in having SkyTrain stations in job only areas
- Leverage existing transportation infrastructure
- Being near transit helps with airport access (people love YVR and coming to Vancouver for tech business visits)
- Lifestyle is key: 80% of tech workers use green modes for commute (walk, bike, or transit)
- Improvements to transit and transportation are seen as important to ensuring an appropriate supply of employment land
- A high-speed rail link is important
- Employment drives transit ridership more than housing

"80% of our employees take transit, bike, or walk—until they start having kids."

"City of Van needs to allow trades of all types to park in permit-only zones of streets, and to not have to pay metre-parking."

"Our most pressing needs are finding employees and being able to transport our products to our customers."

"Traffic congestion limits my ability to expand and hire more staff."

2 Affordability of Space

Rising Job Space Rents

The following is a summary of what we heard regarding difficulties finding and retaining affordable job space.

Challenges & Issues

- Affordability of work space is the biggest challenge for local businesses
- Thousands of workers are projected to move into the city but the affordability issues persist
- Encroachment of higher-paying uses (residential, AAA office) displacing less lucrative uses (industrial, hotels)
- Developers are driving processes with community's needs becoming secondary
- Affordable commercial kitchen space is needed for Indigenous catering companies
- Gentrification in many areas displacing businesses and people
- Replacement of affordable older stock with pricey new development contributing to unaffordability (i.e. loss of lower-tier office spaces)
- No protection from rent and assessment increases causes great uncertainty for businesses, assessments can go up 10 million in one year
- Many businesses pay property taxes but do not benefit from rising land prices
- Affordability is more challenging for businesses with lower profit margins or larger space needs
- A thriving city has room for all price points and types of use
- Affordable coworking spaces with facilitation spaces and office amenities are useful to Indigenous service providers

Opportunities & Ideas

- Need to use City-owned assets to create affordable job space
- Explore ways to make business tenancy more secure and rents more stable
- Should ensure reduction in assessments benefits businesses tenants—not the property owner
- Curb encroachment of residential onto employment lands since it will drive up costs
- Develop broad range of office space types with good supply of C all the way to A and AAA
- Explore commercial rent controls

“I do not know what my new rent will be. My landlord could raise it by however much he likes and I don't have much of a leg to stand on to fight it.”

“As a small business that is leasing - ie. the landlord gets the big uptick in value with rezoning - the small business tenant get the bill because of triple net lease.”

“Lease and overhead costs of doing business downtown are forcing me to significantly increase the cost of my services to my clients.”

“Retail rent is out of control in the city. It is the single biggest factor in stopping us growing.”

Rising Costs of Working and Living in Vancouver

The following is a summary of what we heard regarding rising costs and decreased affordability and the impacts these are having on workers, businesses and the economy overall.

Challenges & Issues

- The high cost of housing is forcing longer commutes and a demand for higher wages
- Businesses are struggling to find and retain staff, especially for entry level jobs and lower paying positions
- The workforce affordability challenges and a labour scarcity are driving up wages
- Businesses are also facing increasing fees/ costs of goods from suppliers
- Increased congestion raises the cost of delivery and service calls
- Rising costs of parking/limits of parking affects business costs and ability to attract staff
- Onerous City processes and permitting raises costs of starting or changing business operations and reinvesting in work spaces
- As residents pay higher rents, they have less income to purchase goods and services
- Businesses unable to increase the costs of goods and services due to limits on consumer buying power
- Rising business costs and constraints on price increases reduces profit margins, challenging overall business viability
- Businesses less able to reinvest and improve productivity/maintain innovation
- Businesses reducing “non-productive” space (e.g., lunch rooms, meeting rooms) or staying in smaller spaces than their growth demands, reducing productivity
- Decreased affordability is reducing competitiveness of the city and businesses

Opportunities & Ideas

- Ensure information from City related to business is consistent, coherent and clear
- Set up an ombudsman or similar person in City Hall to review complaints of unfair leasing practice /gouging
- Become more business friendly and supportive
- Tax deduction or subsidize payroll for small businesses
- Foster a free and user-friendly platform/job site for workers and employers to connect together
- Allow trades to park in the city with a special permit

“I have to work 2 jobs to pay the rent. Living and working in Vancouver is too expensive. I don’t get paid enough money in my jobs to pay for the cost of living in Vancouver.”

“It’s unrealistic that a business owner can have enough money saved to make sense of investing and expanding their businesses.”

“Very hard to get by even with a well-paying job. Hard to pay the bills on a single income. In debt with no money for vacation or the food, entertainment and recreation that is available.”

“Being able to pay employees enough that they can live in Vancouver. If we charge more to pay our employees, we lose

Vulnerability of Arts, Culture & Non-Profit Sectors

The following is a summary of what we heard regarding how Vancouver's arts, culture and non-profit sectors are vulnerable.

Challenges & Issues

- Artist communities and studios are becoming increasingly displaced
- Arts and culture providers need specialized spaces and workshops that are only provided in industrial lands
- Arts and cultural spaces are being lost to other uses in industrial areas
- Industrial spaces support necessary but competing uses such as city-serving activities, rail and back-of-house work for arts & culture
- Affording work space is especially challenging for non-profits, artists, independents, new businesses and entrepreneurs
- Artist production should be differentiated from creative manufacturing
- The supply of space for artists, culture and non-profits in industrial areas is rapidly shrinking
- Loss of large event space in Vancouver for festivals and performances
- Non-profit organizations are often functioning at maximum capacity and in need of more space

Opportunities & Ideas

- More work needs to be done to address depth of demand for non-profit uses so they are adequately supplied
- Protect existing older spaces to assist with provision of inclusive, low-barrier, high-paying employment as well as training and skills development
- Arts and culture has high growth in jobs
- Create an east-side artist production district and implement a no net loss of space while including growth policy for adding supply

"As an art studio rental business we are all at a high risk of losing a presence in Vancouver due to increasing unaffordability of lease rates and fees."

"I'm losing studio space... after 10 years in the same studio space in Strathcona. I, and 14 other artists, were evicted for redevelopment."

"The long-term operational sustainability of non-profits is critical."

"Our near heritage building is full of internationally known artisans ...We all fear having the building razed for condos."

3 Viability of Small, Independent Business & Capacity for Growth of Commercial Services

Challenges Faced by Small, Independent Commercial Businesses

The following is a summary of what we heard regarding the challenges faced by small independent commercial businesses.

Challenges & Issues

- High rent and property tax increases are especially difficult for small businesses to absorb
- It is hard to attract and retain workers given affordability and transportation issues
- Redevelopment is displacing existing businesses
- After losing a space to redevelopment; change of location (even across the street) has big impacts for businesses that rely on foot traffic/local clientele base
- New developments are focused on residential development, so retail/commercial is an afterthought and often of lower quality
- Stratified commercial units are too expensive
- Housing gets developed but ground floor retail remains empty
- Spaces are remaining empty due to speculation or permits/building code issues
- A slow and onerous permit process and unnecessary permit issues means businesses have to pay rent but can't operate
- Complexity/cost favours chains/big-box retailers with expertise and resources to pursue permits
- Restrictive and out of date zoning limits adaptive space use, stifles innovation
- Creativity in use of space is becoming increasingly important for retailers
- Increasing competition from chains and large corporations for space, customers, and employees
- Retail changing due to tech and e-commerce and small businesses are less resourced to invest and adapt in the new technology
- E-commerce is driving storefronts smaller and warehouses bigger

Opportunities & Ideas

- Allow some types of light industrial in C-zones (e.g. food manufacturing)
- Support the construction/supply of subsidized incubator spaces, including cubicle spaces with support spaces like meeting rooms, etc
- Indigenous businesses in all fields (tech, decor, clothes, alternative medicine) are important not only to tourists but also to all Canadians as way to share culture
- Prioritization of local businesses which employ local workers over multinational corporations to ensure as much capital as possible is retained in the local economy
- Eliminate tiny retail spaces stuffed around ground floors of condo towers, suitable only for dollar pizza/nail salons.

"All of the small shops in my neighbourhood are closing down."

"Mom and pops - no resources to compete with e-commerce."

"Diversity leaves when retail leaves."

"I can't afford to wait for months for a permit and keep paying rent on an empty space."

4 Viability of City-Serving Industrial Business

Scarcity & Need for Industrial Land

The following is a summary of what we heard regarding the scarcity and need for industrial land to the overall all economy.

Challenges & Issues

- Industrial land is under pressure while the sector grows
- Industrial spaces with high ceilings and large floor plates on the ground-level are most desirable but becoming harder to find and difficult to replace once lost
- Low vacancy for industrial buildings but many are left empty due to permit issues and speculation
- Mixed-use development at transit stations may limit growth of traditional industrial space
- Loss of infrastructure and warehousing space impacts the movement of goods
- Some industrial zones limit the development build out of Production, Distribution and Repair uses and service uses
- Increased need for city-serving industrial space
- Industrial businesses are being displaced from Vancouver (and sometimes from the region)
- There are not enough 1,000 sq. ft. industrial spaces for small manufacturing such as industrial design, sculpture and furniture building and design. Production spaces for the creative industry are the most needed
- Protect light industrial spaces from conversion to condos, real estate-related enterprises (staging, interior decoration), micro-breweries and assorted “new economy” businesses

Opportunities & Ideas

- Provide bonus to developers who provide Production, Distribution and Repair uses on the ground floor
- Mixed-use development at transit stations can subsidize construction of more ground-floor industrial
- Promote inter-regional cooperation on licensing, regulation and permitting to improve compatibility across municipalities
- Increased demand for local products and services creates increased need for city-serving industrial space
- Central industrial lands create more accessible low barrier industrial jobs

“Nothing is being done to provide work space in the inner-city to accommodate a work force that requires industrial space.”

“We need to consider the future expansion of port and rail.”

“There is an increased need for city-serving industrial space (repair, laundry, bus tourism, food distribution).”

“We are running out of industrial land.”

Affordability of Industrial Space

The following is a summary of what we heard regarding the affordability of industrial space.

Challenges & Issues

- There is a lack of affordable and appropriate industrial space (right size, characteristic, price)
- Industrial land is especially vulnerable to encroachment by higher revenue uses and users (e.g., office, residential)
- The constraints and requirements of industrial land (e.g., large floor plates, access to transportation) further limits supply, increases price
- Industrial users that cannot afford higher industrial lease rates in Vancouver are attracted to lower cost land outside of the city
- As high land prices push industrial businesses further out, transportation increases the prices of goods and services
- Finding affordable space is challenging for contractors, landscapers and others who need easy access to work tools
- The cost of intensified industrial is not supported by some lower-revenue industrial users
- As industrial land costs increase, non-industrial users are the only viable businesses in those locations

Opportunities & Ideas

- Enforce existing zoning (to curb encroachment)
- Do not permit residential/condo development in industrial/commercial areas
- Limit the amount of institutional and office use in industrial space
- Explore mixed use and flexible zoning so higher revenue uses can offset the cost of providing industrial space
- Consider mixed use that combines residential and light industrial
- Break down the rigid zoning regulations in place. There just isn't enough flexible use zoning. More I-3 zoning, for example, change all RM-4 zoning to I-3.
- Rezone south of 2nd avenue to mixed commercial and residential to match the growth in Olympic Village while encouraging developers to accommodate wholesale businesses with street front access

“Residential vs. industrial value gap is high and there’s conflict there.”

“I can’t find affordable warehousing in Vancouver and am close to giving up on warehousing in Vancouver all together.”

“Everyone wants industrial land because it’s cheaper. Ironically, this is driving the price of it up.”

“There’s no affordable industrial property! It’s insane and will increase the cost of everything especially as more land becomes multi-family.”

Social, Cultural & Environmental Value of Industrial Lands

The following is a summary of what we heard regarding the social, cultural and environmental value of industrial lands.

Challenges & Issues

- Displacement of individual artist spaces in industrial lands erodes artist communities
- Lack of affordable and suitable logistics or warehousing space increases travel time and fuel consumption to and from the Port
- Changes to public spaces such as parks, alleyways, and sidewalks negatively impact the informal economy where many with barriers to formal employment earn a living
- Lack of definitions for cultural spaces makes obtaining new spaces difficult
- There is a concentration of arts and culture spaces in industrial areas and they are being displaced
- Don't need a college degree to work in many industrial jobs. There's a need for those jobs too
- The new St. Paul's hospital is going to have an impact on the areas around it

Opportunities & Ideas

- Ensure room for social purpose real estate in industrial zones
- Preserve arts & cultural spaces in industrial areas
- Keep city-serving industrial near core to cut down on travel distances
- Need to maintain distribution centres within the city to reduce GHG emissions
- Food security is linked to Vancouver's industrial lands in a big way

"Having artists in the inner-city contributes to the vibrancy of Vancouver. What will happen if they all leave?"

"Vancouver's Produce Row is critical to food distribution in Vancouver, in particular."

"Binnars provide a huge environmental service to the city."

"Imagine if every hotel in Vancouver had to drive out to Mission to get their linens laundered every day."

Review of Uses on Industrial Land

The following is a summary of what we heard regarding the need to review uses on industrial land and deal with competing uses vying for scarce space.

Challenges & Issues

- Zoning flexibility
- Permitted uses in industrial zones
- Industrial lands are being used for non-industrial uses (i.e. mini storage, climbing gyms, doggy day cares). Need to re-claim these lands for better uses through policy
- Increased competition for use of industrial lands is processing out lower-profit sectors
- Encroachment into industrial land by non-industrial uses is reducing supply and increasing prices
- Some industrial users need a more flexible definition of 'office'

Opportunities & Ideas

- Need a review of M2 lands. Do they still serve the economy? Are they evolving?
- Must take adjacency issues into account especially with industry, rail and trade enabling lands
- Can we use the ALR for food production and processing?
- Need to be more efficient with what industrial land we have
- Businesses want to co-locate. Need to explore this opportunity

"Providing flexibility in uses and spaces."

"Conflicting uses in the industrial zones need to be addressed."

"Consider broad changes to attract higher density, multi-level industrial."

"You need to review land zoning to ensure commercial/ industrial sticks around."

5 Appropriate Capacity of Office and Hotel

High Demand & Affordability Issues for Office

The following is a summary of what we heard regarding the current demand and affordability challenges for office space.

Challenges & Issues

- Low vacancy, lots of demand for a variety of office space
- Preferences for access to SkyTrain/transit, central locations, safe areas, and room for the entire business to be on one floor
- Increasing amount of office workers per square foot
- Mt Pleasant popularity due to new smaller companies that will have space issues when they grow
- Meeting rooms or venues for large meetings are needed
- Not enough supply being built
- High rents in some areas
- Lack of affordable office space (e.g., older, lower grade spaces)
- Affordability issues resulting in crowding and new ways of working (remote, flex days, hot desks, etc.)
- Hard to find office. Some tech companies considering leaving the city. Some moving to rest of region
- Office towers force large companies across more floors reducing informal interactions or the circulation and interaction among staff
- Ideally the work environment would be accommodated on one floor (or few floors) with open space/ flexible space
- Multifloors are culture killers
- Amenities are necessary for site location selection
- Type of sq. ft is more important than amount

Opportunities & Ideas

- Allow for flexibility and scalability of space for tech industry. (e.g. variety of floorplates, share common spaces, meeting rooms, etc.)
- Key location requirement is flexible space and connectable space (to network)
- UBC would be very attractive (to some companies) if subway comes. (Jericho too)

“More land needs to be zoned for high-density office space near Skytrain stations.”

“We need more B and C quality spaces for startups to move into. Not everyone can afford (or wishes to afford) AAA office space.”

“Relax and allow for a greater portion of office, service/ restaurant and commercial/retail uses as opposed to strict light industrial or heavy”

“Companies are tight for space and starting to incorporate hot-desking within the organization.”

High Demand for Hotel

The following is a summary of what we heard regarding the current demand for hotel space and implications for the overall economy.

Challenges & Issues

- The conflict between development of office and hotel spaces is an issue of concern as hotels are less viable to develop in Vancouver
- There has been an increase in business travel and need for hotel space and meeting facilities
- Loss of hotel spaces is an issue as they support the economy, need to be central and well-connected to transportation and destinations
- Billions of dollars could be lost to the downtown area if there aren't enough hotel rooms
- Vancouverites have trouble accommodating friends and family when they visit
- High demand for hotel space downtown results in highly inflated prices. The peak summer rates are currently \$700 per night

Opportunities & Ideas

- Hotels should be given their own category as the use has difficulty competing with other uses
- Encourage development of hotel space to generate net new supply
- Consider business travel instead of only tourism travel. There is a huge corporate demand for hotel rooms
- The growth of the tech sector leads to a large growth in business travel—cities like Seattle have had to accommodate this

“There’s a shortage of hotels, which are employment-generating.”

“If new supply is piecemeal, it won’t solve the constraints we have in Vancouver.”

“The impacts of the shift of hotel supply from 2 and 3 stars to 5-stars needs to be examined.”

“We are turning away large conferences because of lack of capacity.”

Thank You

The Employment Lands & Economy Review staff team would like to thank the individuals, groups and organizations that contributed to the work. The following is a list of organizations that were involved in various engagement activities throughout the course of the Review. The list also includes umbrella organizations that represent a collective of organizations whose individual member organizations are not listed.

ACCESS	Commissary Connect	Mallen Gowing Berzins	TransLink
Anthem Properties	Concert Properties	Architecture	TRG Commercial Realty
Aquilini (MST)	Concord Pacific	Marpole BIA	TTT Studios
Arts Factory	Convergence Strategies	MAVI Jeans	UBC Department of Geography
Association for Neighborhood & Housing Development (New York)	ConWest	Metro Vancouver	UBC School of Community & Regional Planning
Avison Young	Coriolis	MVAEC	UBC Sauder School of Business
BC Alliance for Manufacturing	CP Rail	Microsoft	unbuilders
BC Provincial Health Services	Creative BC	Midas Auto Services	United We Can
Authority	Creative Coworkers	MST	Urban Core
BC Restaurant and Food	DigiBC	NAIOP	Urban Development Institute
Services Association	Downtown BIA	NYC Economic Development	Urban Land Institute
BC Tech Association	Dutil Denim	Corporation	Urban Manufacturing Alliance
BC Trucking Association	Eastside Culture Crawl Society	PCI	Urban Spirit Foundation
Bentall Kennedy	Exchange Inner-City	Pockit Storage	Vancouver BIA Partnership
Blackbird Interactive	Fasken	Polygon Homes	Vancouver Board of Trade
Bladerunners	FED	Port of Seattle	Vancouver City Planning
BMO	Fraser Health	Port of Vancouver	Commission
BOMA	Granville Entertainment Group	Poverty Reduction Plan Advisory	Vancouver Community College
Brook Pooni	Great Northern Way Trust	Our Place	Vancouver District Labour
Canada Lands Company	Greater Vancouver Gateway	Recycling Alternative/greenHUB	Council
CBRE	Council	Retail Council of Canada	Vancouver Economic
Cinesite Studios	Hastings North BIA	SAP Software Solutions	Commission
City of Miami	HiVE	SFU Community Economic	Vancouver Farmers Market
City of Richmond	Holborn	Development Program	Vancouver Film Studios
City of San Francisco	Hotel Association of Vancouver	SFU Radius: Local Economic	Vancouver Film Studios Board
City of Seattle	Hungerford Properties	Development Lab	VanEx
City of Surrey	Image Engine	SFU Urban Studies Program	Wesbild
CN Rail	International Longshore &	SPRE	WesGroup
Colliers	Warehouse Union	South Granville BIA	West Broadway BIA
	Mainframe Studios	Strathcona BIA	WildBrain
		Tourism Vancouver	Woodshop Workers Coop