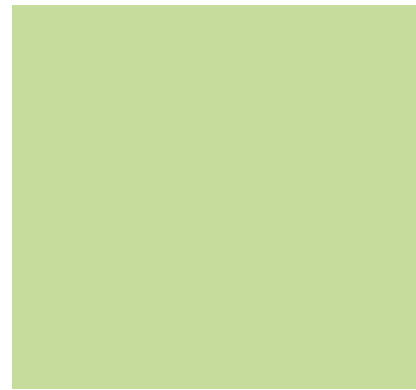
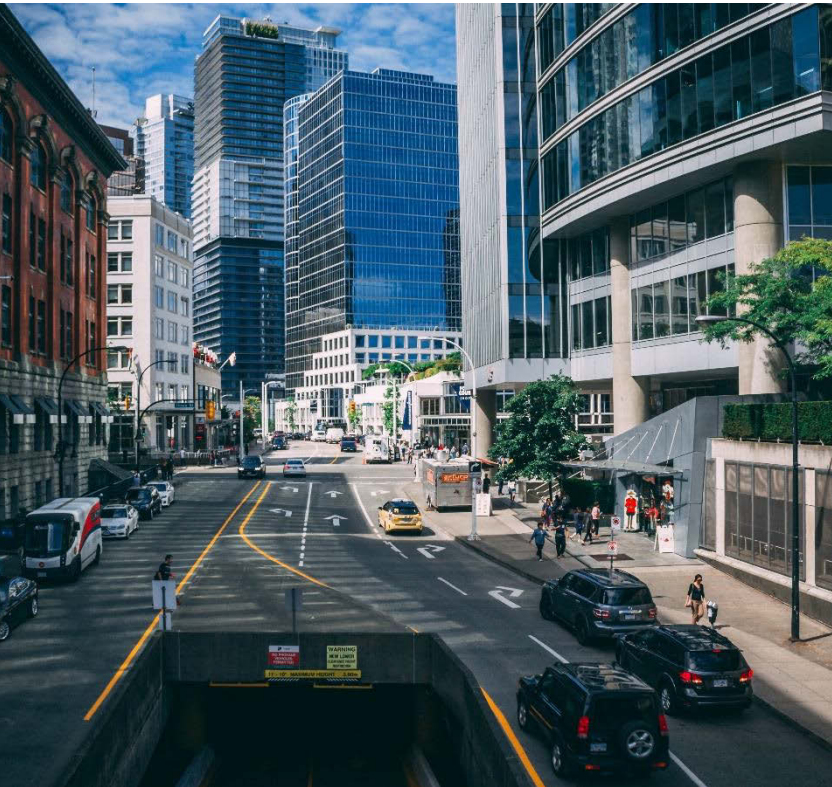


Vancouver's Employment Lands and Economy Review – External Advisory Group – Meeting #1



January 24th, 2019

Hemson Consulting Ltd.

An Introduction – Hemson Consulting Ltd.

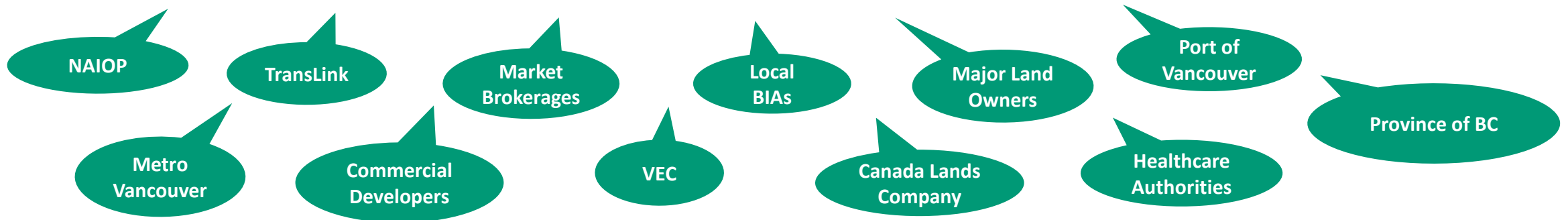
- Provides expert advice in the areas of:
 - Economic and demographic forecasting
 - Municipal finance
 - Strategic planning policy
 - Land needs assessment
 - Employment area analysis
 - Economic development
 - Real estate advisory
- Over 30 years of professional planning experience, including:
 - TOcore: Planning Downtown – Office & Institutional Study – City of Toronto
 - Development Cost Levy Update Background Study – City of Vancouver
 - Employment Land Review – City of Ottawa
 - Context Paper and Forecast for the Regional Economy, Demographic Outlook and Land Use – Metrolinx
 - *DesignRegina* Employment and Population Forecasts – City of Regina

Key Tasks

- Develop employment sector forecasts for next 30 years
- Identify future land needs and gaps
- Determine if and where land use policy change may be required

Work Completed to Date

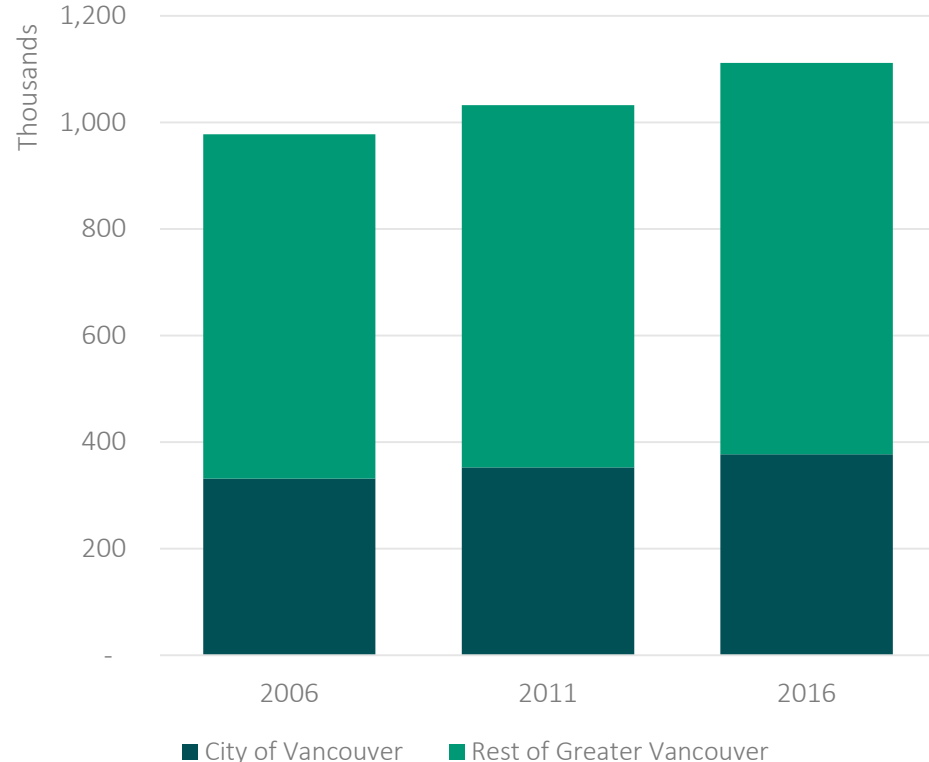
- Assessment of Census, economic, permit data, & related studies
- Interviews with local stakeholders and sectoral experts:



Key Observations to Date:

Steady Employment Growth Across City & Region

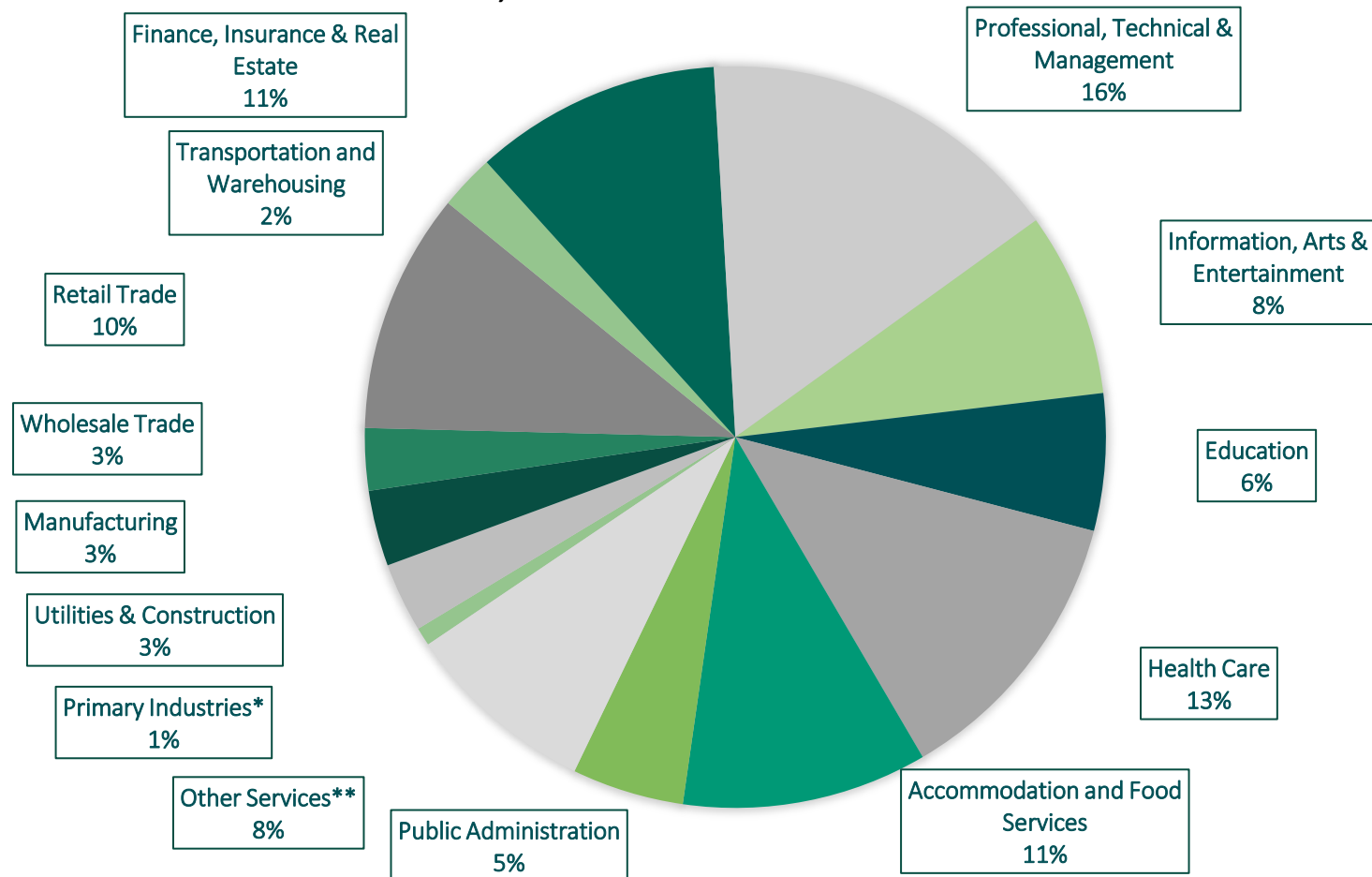
Total Employment by Place of Work, Greater Vancouver Area, Excludes No Fixed Place of Work, 2006-2016



- Vancouver 2016 employment: **377,000**
- Growth of **45,700** jobs over past 10-years (13.8% growth)
- Accounts for 34% of regional employment
- Share has remained constant over past 10 years

Key Observations to Date: Diversity of Vancouver's Economy a Strength

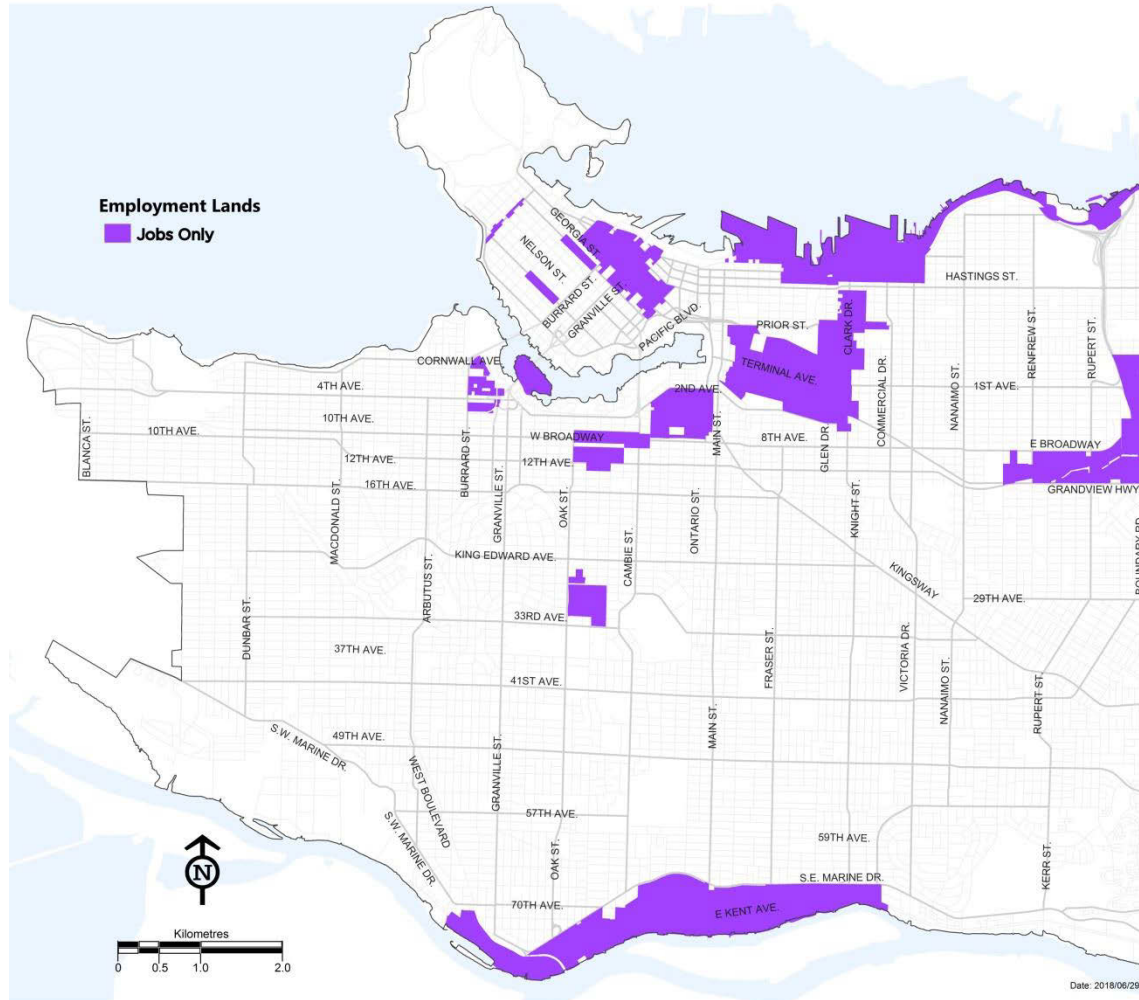
City of Vancouver Employment by 2-digit NAICS Code,
Excludes No Fixed Place of Work, 2016



- Steady growth across all sectors, except more traditional industrial
- Regional leader for professional and commercial services
- Diversity of employment helps insulate from market disruptions

Key Observations to Date:

Industrial Growth Constrained, but Existing Areas Play Important Role in Local Economy



- Only 10% of land is “jobs only”
- Approx. 20 million sq.ft. of industrial space, relatively unchanged in 15 years
- Many businesses in these areas support central city activities
- Limited opportunities to expand, increased competition for supply

Key Observations to Date:

Strong Demand for Office in Central Vancouver

Metro Vancouver Office Market Inventory by Sub-Market (Q3 2018)

Location	Office Inventory (000 sq ft)	% of Regional Total	Vacancy Rate	Average Net Rents (per sq ft)
Downtown Vancouver	29,559	45%	3.9%	\$33.35
Broadway Corridor	6,299	10%	3.6%	\$26.38
Vancouver Periphery	2,207	3%	6.9%	\$22.71
Other Metro Vancouver	27,305	42%	6.2%	\$21.53
Regional Total	65,371	100%	5.0%	\$25.85

Source: Colliers International Office Statistics Q3 2018

- Vancouver accounts for 58% of Regional commercial office supply
- Transit access, amenities and prestige factor put Downtown in high demand
- Limited new supply leading to low vacancy in Downtown and Broadway Corridor
- Offices spreading into employment areas (e.g. Mt. Pleasant)

Key Observations to Date:

Port and Related Businesses & Infrastructure Remain Key Contributor to Local Economy

- Accounts for employment across many sectors (transportation, tourism, manufacturing, office uses)
- Operations and tenants tend to be low density, land consumptive
- Linkages to many other local and regional businesses

Direct Economic Impacts of Port of Vancouver, by Location, 2016

Location	Direct Jobs (Jobs/FTEs)	Wages (\$ Millions)	GDP (\$ Millions)	Output (\$ Millions)
Vancouver	21,700	\$1,250	\$1,750	\$4,810
Metro Vancouver	42,200	\$2,500	\$3,580	\$9,490
Canada	49,000	\$3,040	\$4,590	\$11,510

Source: Port of Vancouver, 2016 Economic Impact Study

