VANCOUVER’S INNOVATION ECONOMY
Current Situation, Planning & Next Steps

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AGENDA

1  Vancouver’s Innovation Economy
   a  Scope
   b  Background
   c  Importance as generator of economic benefits

2  Planning for Innovation

3  Quick Starts
Evolution of the global economy
Characteristics of an Innovation District
Benefits of encouraging innovation
The emerging innovation economy cluster in Vancouver
How can the City foster innovation and continued growth?
01/ Economic Evolution
“A new growth model and economic vision is emerging... a next economy where we export more and waste less, innovate in what matters, produce and deploy more of what we invent, and build an economy that works for working families”

- Katz & Wagner

The Metropolitan Revolution
EVOLUTION OF ECONOMY & THE TRANSFORMATION OF CITIES

1784 - STEAM REVOLUTION

1920 - ELECTRICITY REVOLUTION

2016 - AUTOMOBILE REVOLUTION

2016 - DIGITAL TECHNOLOGIES
TECHNOLOGY SHAPING CITIES

Smart Energy
Smart Transportation
Smart Government
Smart Networks
Smart Infrastructure
CITIES ARE A FOCAL POINT FOR INNOVATION

DE SILVA AND LEGGE

Cities are the key to Canada’s future.
Let’s unlock it

JAN DE SILVA AND ADAM LEGGE
Contributed to The Globe and Mail
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EXAMPLE FRAMEWORK FOR INNOVATION ECOSYSTEM

City Innovation Ecosystem Framework: World Bank (2016)

“Geographic area where anchor institutions and companies cluster and connect with small firms, start-ups, business incubators and accelerators”.

“Physically compact, transit-accessible, and technically wired, they offer mixed-use housing, office and retail.”

- Katz & Wagner

The Metropolitan Revolution
Vancouverites are innovating in:

- social
- tech
- health
- green jobs
- film/TV
- makers
- telecom
- tech apparel
- among others

EMERGING INNOVATION ECONOMY IN VANCOUVER
“The creation of brand-new firms could be the most promising source of new trade and productivity growth.”

“A new firm with a new product or service tends to see giant leaps in productivity as it goes from being a start-up to the ‘hockey stick’ growth phase. A firm only makes that transition once, but an economy can reap the benefit over and over if there is a strong trend in new firm creation”.

- Steven S. Poloz
  Governor, Bank of Canada

Vancouver’s Innovation Ecosystem

Jobs & Clusters
INNOVATION CLUSTER USING BUSINESS DATA
Having grown by 12 percent since 2007, BC’s tech industry experienced the second highest growth rate of all BC industries.

Source: Profile of the British Columbia High Technology Sector, BC Stats, March 2014

Not-for-profit national centre of expertise for the digital economy

- Employment in 2015
- Projected hiring requirements to 2019

Total

Vancouver

British Columbia - other

Victoria

Source: ICTC Labour Market Outlook 2015 – 2019
TECH SALARIES

AVG. EARNINGS - BC TECHNOLOGY VERSUS BC

Source: KPMG analysis of data from Profile of the British Columbia High Technology Sector, BC Stats, March 2014

Tech Jobs in BC earn **66% more** than BC average salary.
UNIQUELY VANCOUVER INNOVATION: FROM TECH TO SOCIAL TO GREEN
VANCOUVER’S INNOVATORS ARE GLOBAL LEADERS FOR A NEW URBAN STRATEGY

- Stimulating growth & creating jobs
- Leaders in innovation & technology
- Seeking an end to poverty
- Searching for reconciliation
- Mitigating climate change
- Making strong local connections

Generally building a better, healthier, more resilient city that is globally connected
HOW CAN THE CITY FOSTER INNOVATION?

When considering the definition of innovation districts, our primary enabler for the City is land use planning and place-making.

Policies that enable the innovation clusters to thrive through the management of physical space:

- Transit
- Digital Infrastructure
- Mixed-Use Housing, Office, Industrial, Retail
- Amenities
INNOVATION DISTRICT: THE PHYSICAL INGREDIENTS

- Anchors; Smaller Firms; Incubators
- Wireless Infrastructure
- Cycling Infrastructure
- Rapid Transit
- Vibrant High Street
- Local Transit
- Parks, Road & Pedestrian Infrastructure
- Wired Digital Infrastructure & Underground Utilities
03/ Planning for Innovation
...it uses a hand-held “mouse” - a small pointing device which enables the user to select programs, and move data from one part of the screen to another...

...Apple calls it your “desk top”. What you see on your screen looks a lot like what you might find on a desk. Instead of just a blinking cursor you see pictures, called icons, that graphically represent the things you can do with the computer...

*Macintosh Shapes Up a Winner*
by Lawrence J. Magid
The Los Angeles Times
January 29, 1984
HUMAN INGENUITY AS KEY DRIVER OF ECONOMIC GROWTH
1970s:
OVERSUPPLY OF JOB LANDS IN THE DOWNTOWN.
POPULATION STAGNATES.
RAIL ASSETS DIVESTED.
A NEW VISION FOR VANCOUVER EMERGED PLACING PEOPLE AS THE PRIMARY FOCUS FOR DOWNTOWN
‘LIVING FIRST’ SUCCESS LEADS TO NEW CHALLENGE
PRESSURES ON EMPLOYMENT LAND

10% of land area
50% of jobs
Metro Core is Home to 64% of the city’s jobs

**CONTEXT**
- Highest concentration of jobs in BC
- More jobs than the next three largest regional municipalities combined

**PROCESS**
- Four-year multi-stage process
- Involved business interests, academics, industry, and citizens
- In 2007 City Council adopted the Metropolitan Core Jobs and Economy Land Use Plan
- Still implementing plan through zoning and policy changes

5.8 Million sq ft. Deficit in zoned capacity
SINCE 2009

- 25 projects have been completed, are under construction, or approved, with five under review
- Over 5,500,000 square feet of new office space

CHALLENGES
- Insufficient office capacity
- Residential speculation

SOLUTIONS
- Removed residential from the CBD
- New rezoning policy
- Increased base commercial zoning
- Office conversion policy

RECENT PLANNING FOR INNOVATION

DOWNTOWN OFFICE SUPPLY

COMPLETION 2009
Intensify without displacing

Remain within existing overall density and height limits

Maintain downtown serving industrial uses (noxious and obnoxious)

Increased permitted densities of selective office and service uses

Match 1 FSR of industrial with 1 FSR of office up to 3 FSR

Selective additions to the types of office and service uses permitted

11 projects have been completed, are under construction, or approved, with two under review

Totalling over 300,000 sq.ft.
PLANNING IN THE ‘INNOVATION DISTRICT’
PLANNING IN THE ‘INNOVATION DISTRICT’

CURRENT ECONOMY PLANNING WORK:
- Railtown
- DTES - CED Strategy
- False Creek Flats
- Mount Pleasant Main Street

POTENTIAL FUTURE ECONOMY PLANNING WORK:
- Broadway Corridor & Burrard Slopes
PLANNING IN THE ‘INNOVATION DISTRICT’

- TRILLIUM PARK
- ANDY LIVINGSTONE PARK
- CREEKSIDE PARK
- MACLEAN PARK
- GUELPH PARK
- JONATHAN ROGERS PARK
- THORNTON PARK
- SCIENCE WORLD

- STRATHCONA PARK
- FALSE CREEK FLATS
- CHINATOWN
- STRATHCONA
- MOUNT PLEASANT COMMUNITY
- NORTHEAST FALSE CREEK
- GASTOWN
- DOWNTOWN EASTSIDE/OPPENHEIMER DISTRICT
- DOWNTOWN
- YALETOWN
- BROADWAY

- New St. Paul’s Hospital
- Emily Carr Art + Design University
- Centre for Digital Media
- MAIN STREET
- COMPLETED 2009
- COMPLETED 2013

- COMMUNITY ECONOMIC DEVELOPMENT STRATEGY (CEDS)
- HISTORIC RAILTOWN

- CITY OF VANCOUVER

- PLANNING IN THE ‘INNOVATION DISTRICT’
“Innovation districts constitute the ultimate mash up of entrepreneurs and educational institutions, start-ups and schools, mixed-use development and medical innovations, bike-sharing and bankable investments—all connected by transit, powered by clean energy, wired for digital technology, and fueled by caffeine”.

- The Brookings Institute
Accommodate the growing tech cluster
Retain important industrial space immediately adjacent to the Port
Older heritage buildings in the area

Council approved local area plan and directed staff to review zoning to accommodate the growing tech without displacing the industrial
Emerging policy is to consider a mix similar to the Mt. Pleasant Industrial Area with creative manufacturing uses
DOWNTOWN EASTSIDE
Community Economic Development

EMPLOYEES 19,500

CHALLENGES & OPPORTUNITIES
- Resident Poverty (60%) High Unemployment (11.3%) and Low Local Labour Market Participation (13%)
- Displacement of local serving retail and high retail vacancy rate (28%)
- Street disorder impacts of informal economy (vending, binning)

SOLUTIONS
- Infrastructure investments for informal economy (501 Powell, 62 W. Hastings)
- Long-term Community Economic Development Strategy (CED)
- Continue supporting growth of social enterprise and social innovation
THE FLATS
Framework for Innovation

AREA SIZE 470 ACRES

No. OF EMPLOYEES 8000

ZONING I-2 & I-3 LIGHT INDUSTRIAL

CHALLENGES & OPPORTUNITIES
- High & increasing land values
- Pressures on cultural production space
- Lack of connectivity
- Lack of amenity space
- New major anchor institutions
- Well served by transit

SOLUTIONS
- Build off unique characteristics
- Build amenities & connections
- Deliver opportunities not available elsewhere in Vancouver
- Intensify employment opportunities near existing & future transit stations
- Create infrastructure to support becoming the ‘greenest place to work in the world’
MOUNT PLEASANT
Main Street Corridor

ZONING  I-1 LIGHT INDUSTRIAL

CHALLENGES & OPPORTUNITIES

• High and increasing land values
• Well served by amenities
• Well served by transit
• Close to housing
• Provides a dynamic mix of industrial, service and office uses
• Overall “vibe” is highly attractive to the new economy

SOLUTIONS

• Maintain the production, distribution and repair role of Mount Pleasant
• Identify opportunities near Main Street to further intensify job space near existing and future transit stations
• Improve relationship of industrial edge with future mixed use on Main Street
WE HAVE LONG PUT PEOPLE FIRST IN PLANNING OUR MIXED-USE NEIGHBOURHOODS. PLANNING FOR INNOVATION MEANS PUTTING PEOPLE FIRST IN OUR EMPLOYMENT ZONES AS WELL.
04/ Quick Starts & Next Steps
WHAT ROLE CAN THE CITY PLAY IN INNOVATION?

- Protect & enhance employment land
- Develop policy frameworks that put people at the center of economic areas while investing in place making
- Build shared infrastructure for healthy resilient environments
- Leverage our assets to support innovative models
- Explore public benefits that support business
- Support connections & build awareness of Vancouver innovators
QUICK STARTS

1. Deliver Planning Along Main Street
2. Launch Innovation Economy Round Table
3. Explore Branding Opportunities
4. Enhanced Business License Data
QUICK START: PLANNING ALONG MAIN STREET

Bring planning forward to Council for:

• Railtown
• DTES Community Economic Development Strategy
• False Creek Flats, and
• Mount Pleasant Main Street

Targeted date: Fall & Winter 2016
Assemble a key group of public and private sector stakeholders to advise on City’s contribution to the growth of the innovation economy:

- Urban planning
- Social policy
- Modernizing Regulations

Targeted date: Fall 2016
Work to define Vancouver’s competitive advantage in innovation & celebrate and connect local innovators

Review opportunities to align and refresh City brand / logos with Innovation Economy and other city objectives

Targeted date: Winter 2016
QUICK START: ENHANCED BUSINESS LICENSE DATA

Bring amendment forward for refined business license data to:

• Simplify process for businesses
• Better align definitions with current industries
• Improve data on innovation in Vancouver

Targeted date: Winter 2016
ENABLERS

Enablers to be further discussed today:

• Update from VEC
• Filming Activity Update
• Business License Rationalization Report