

Planning Vancouver Together

Employment Lands & Economy Review

*Phase 2 Report: Emerging Directions for Consideration
through the Vancouver Plan*

Oct. 22 2020

Recommendations

Recommendation A:

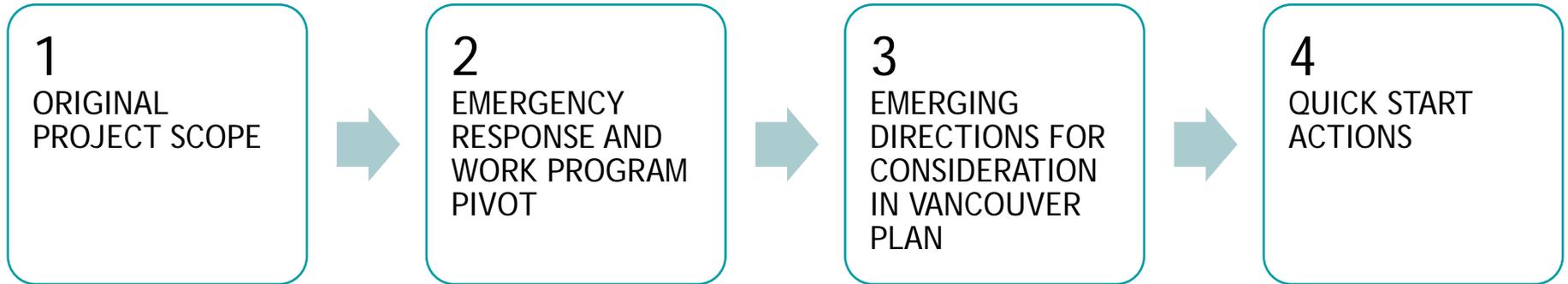
*THAT Council **receive** the Phase 2 Employment Lands and Economy Review Emerging Directions described in this report and **direct staff** to continue working with community stakeholders, the public and key partners to refine and expand the directions through the Vancouver Plan process*

Recommendations B, C & D

Direct staff to advance the ELER quick start actions

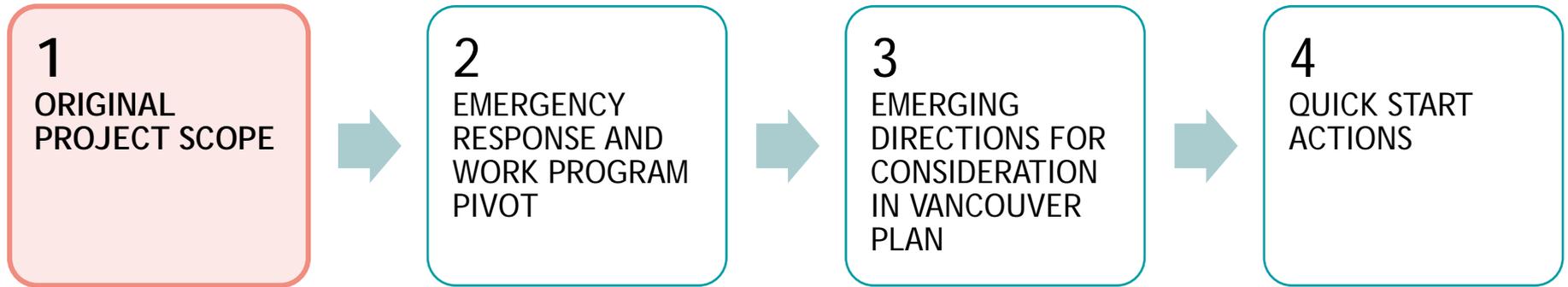
- *Zoning by-law amendments*
- *Parking by-law amendments*
- *Policies for intensification of job space in key areas*

Presentation Outline

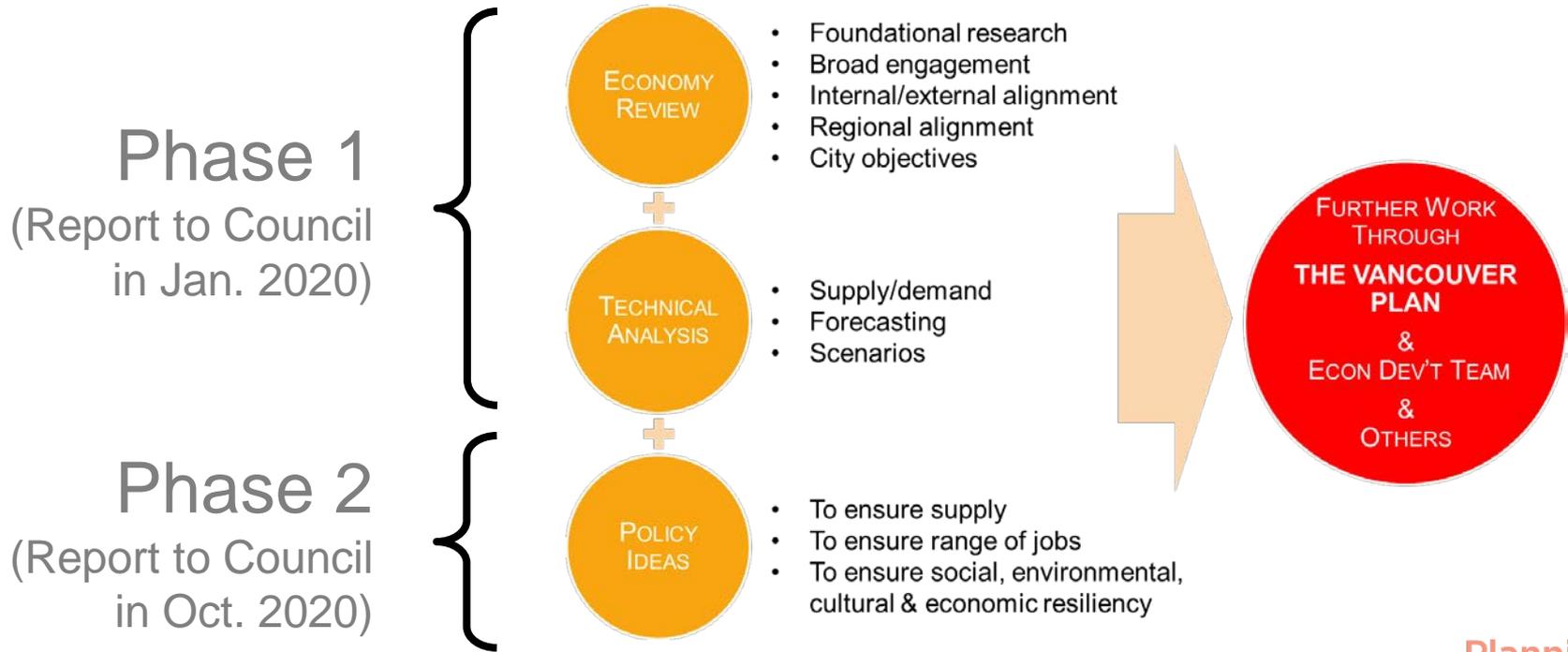


Section

1



A Comprehensive Approach for Informing the Economic Foundations of the Vancouver Plan



Integrated & Comprehensive Engagement

7400+ Engagement Contacts

- ✓ External Advisory Group (EAG)
 - Reps from Every Econ. Sector
- ✓ Business and Workers Surveys
- ✓ Key Stakeholder/SME Interviews
- ✓ Workshops with Academics
- ✓ Special Sessions with Key Sectors and Economic Stakeholders and Businesses
- ✓ Walking tours & Site visits
- ✓ Dedicated project web site

Vancouver's Economic Development 'Eco-System'



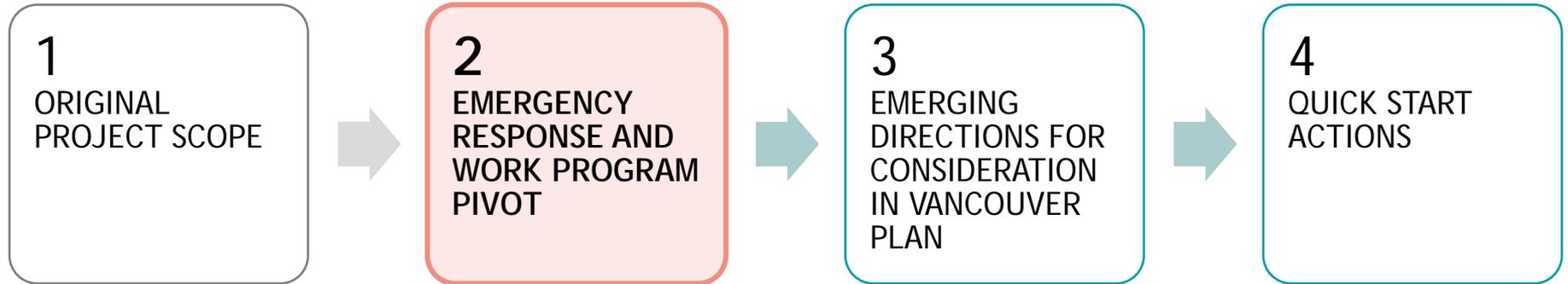
January 2020 Council Direction

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

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

Section

2



Economic Planning Team Emergency Response: Small Business Support

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

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

COVID-19 (Coronavirus) Business Communications and Support Office

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

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

Equity, Diversity & Resilience

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

Affordability

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

Small Business

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

City-Serving Industrial

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

Office & Hotel

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

Building a City with Economic Health

Q:

*What is needed to accelerate economic recovery and support the **Council COVID Recovery Committee (CCRC) and City of Vancouver's COVID-19 Recovery Program?***

*How can the **5 Council-endorsed key challenges** be best addressed?*

*How can we ensure our economy is strong and resilient and what kind of **spaces/places** are critical to a healthy diverse economy?*

*How can we build a more **equitable** economy with strong **future prosperity** for our workers and small businesses?*

*What are the **tools, actions & partnerships** needed?*

1

Diversity of Job Opportunities, Workforce Supports & Economic Resiliency

2

Job Space Affordability

3

Viability of Small Independent Business & Capacity for Growth of Commercial Services to Serve a Growing Population

4

Viability of City-Serving Industrial Business

5

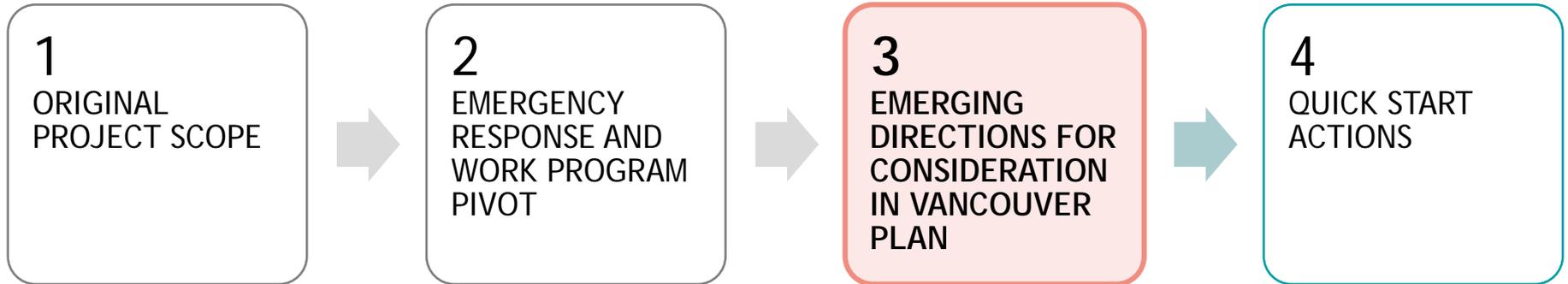
Appropriate Capacity for Office & Hotel Growth

ELER Deliverables: Ongoing Economic Development Planning



Section

3



ELER Emerging Directions

- Seeking continued **input** on emerging directions, **through the Vancouver Plan**
- www.vancouver.ca/employmentlands



ELER Emerging Directions

Overarching Values & Ec. Dev. Practices



Job Space and Employment Areas



ELER Emerging Directions

Overarching Values & Ec. Dev. Practices

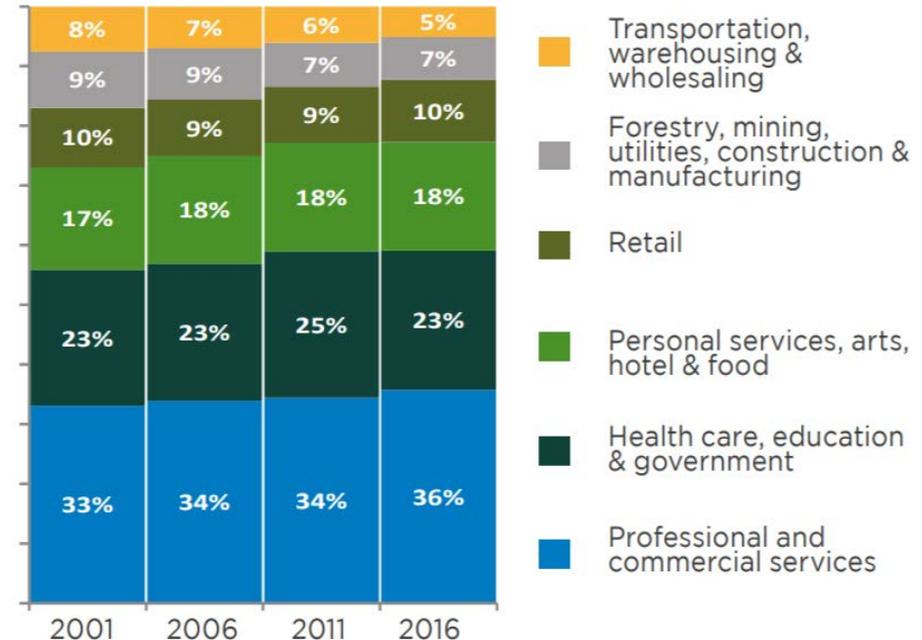


Job Space and Employment Areas

Importance of a Diverse Economy

- Economy has evolved and changed over-time.
- Economic diversity improves resiliency and protects the local economy from sector specific disruptions and market shocks.

Trends in Employment Characteristics in Vancouver, 2001-2016

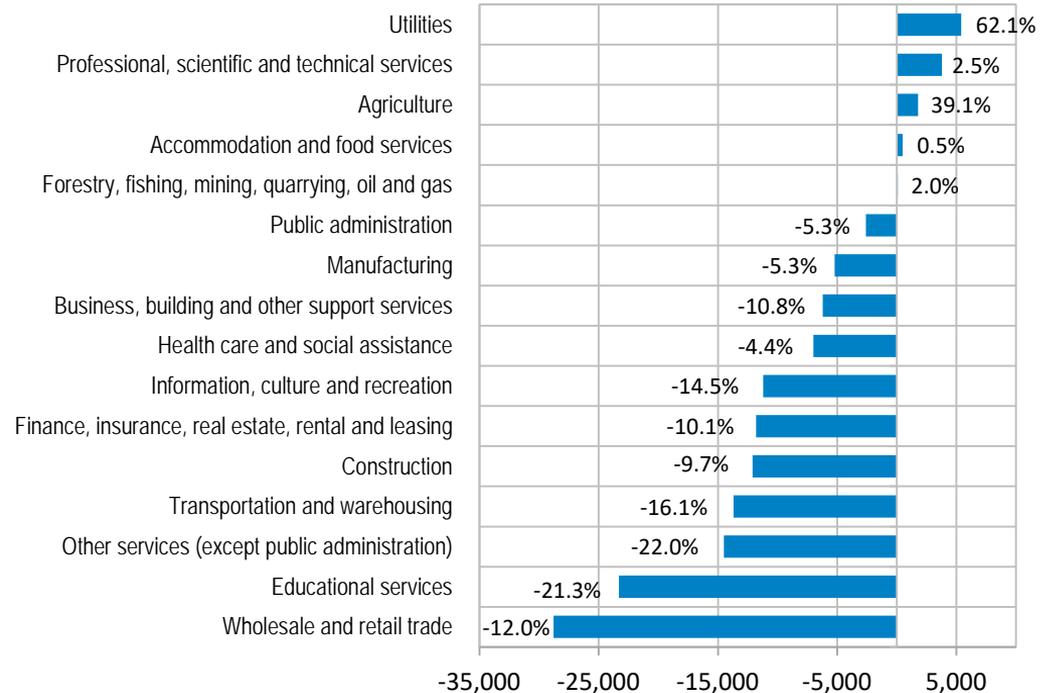


Source: Statistics Canada Census, 2001-2016: Jobs by NAICS. Sector groups defined by City staff

Inequitable Impacts of COVID: Job Losses by Sector

- Since February, the employed labour force in Metro Vancouver has **declined by ~ 105,400 workers (-7.2%)**
- In September 2020, Metro Vancouver had an **unemployment rate of 9.1%**
- Largest declines were in the **service sector**
- **Wholesale and retail trade** experienced the largest drop

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

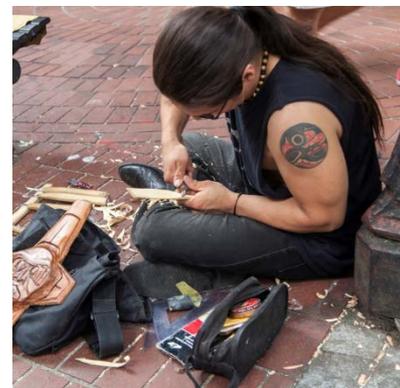


Source: Statistic Canada.

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

ELER Emerging Directions for Van Plan: Diversity, Resilience and Equity

- **A Diverse Local Economy & Opportunities for All**
 - A Diversity of Jobs & Sectors
 - Key Economic Drivers & Innovation
 - Skills Training & Just Transition
- **Support for Vancouver's Workers & Industries**
 - Access to Quality and Affordable Childcare
 - Housing Options for Workers, Particularly in Key Industries
 - Accessible & Affordable Transportation
- **Long Term Economic Equity & Resilience**
 - Equity Lens to Economic Development Planning Work
 - Community Economic Development, Social Enterprise & Social Procurement
 - Viability of Critical Non-Profit and Community-Serving Spaces
 - Viability of Arts & Culture Sector
 - Climate Change and Disasters & Complete, Connected, and Resilient Neighbourhoods



ELER Emerging Directions

Job Space & Employment Areas

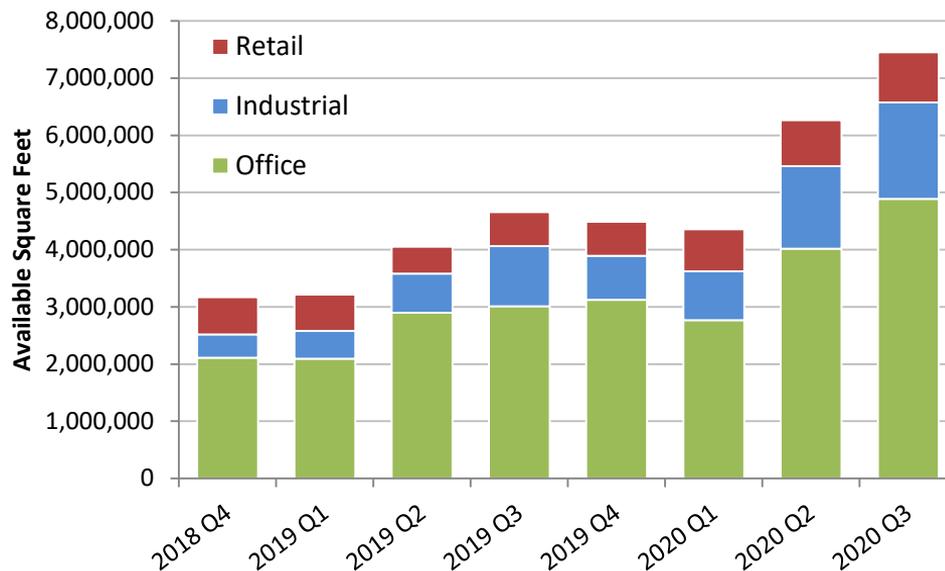
Retail/
Commercial

Industrial

Office & Hotel

COVID Impacts: Job space

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



Source: CoStar Available Square Feet

Updated Job Space Supply & Demand Modelling: Hemson Consulting September 2020

3

Updated Capacity Analysis:

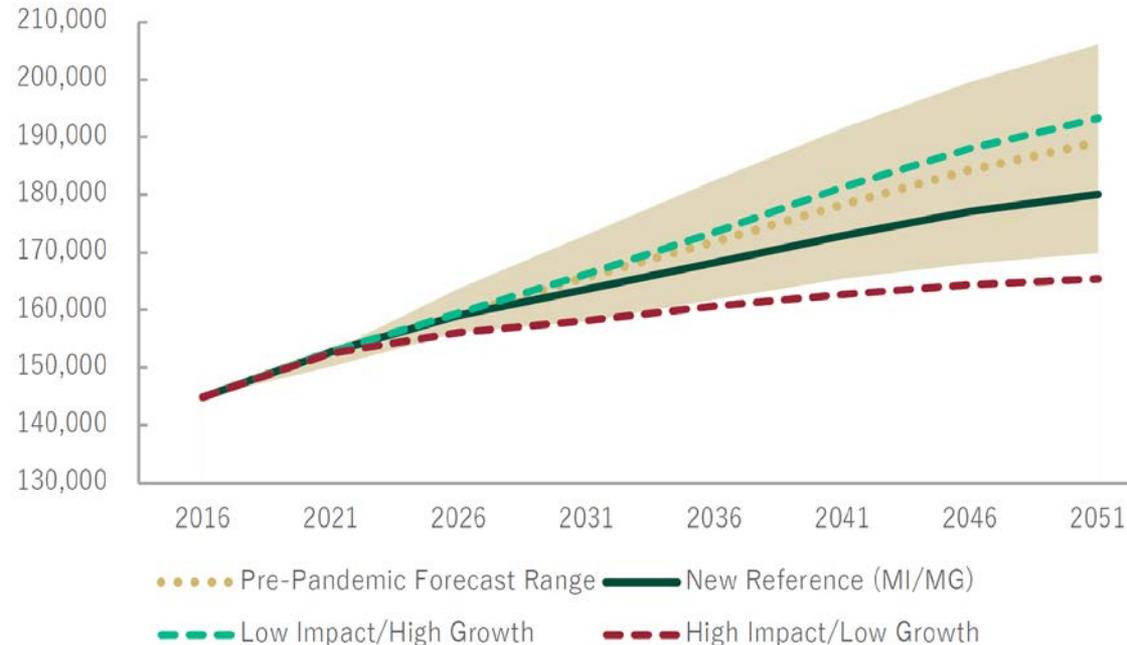
- Likely Redevelopment Sites & Net Change in Floor Space

Updated Demand Forecasts

(Retail-Commercial, Industrial, Office space)

- **Reference Scenario**
- **High Scenario:**
(Low COVID Impact, High Growth)
- **Low Scenario:**
(High COVID Impact, Low Growth)

Forecast Comparison – Total Floor Space Demand, City of Vancouver, 2016-2051



Source: Hemson Consulting, using data from Statistics Canada and City of Vancouver

ELER Emerging Directions

Job Space & Employment Areas

**Retail/
Commercial**

Industrial

Office & Hotel

ELER Emerging Directions for Van Plan: Retail/Commercial Areas & Small Business

Directions to Support Economic Recovery of Small Businesses & Retail-Commercial Areas

- Assist Businesses and Landlords to Fill Vacancies Quickly
- Supports for Small Businesses and Business District Management
- Senior Government Actions to Support Retail-Commercial Areas
- Use of Public Space for Formal & Informal Economic Activities
- Small Business Recovery & Business District Re-invention

Directions to Support Long-term Resilience of Small Businesses & Retail-Commercial Areas

- Reliable, Frequent and Affordable Transportation for Customers and Employees
- Future Shortages of Commercial Floor Area Supply



New “Approved Occupancy” Database

- Provides businesses with the ability to **avoid a change of use permit process** by choosing to occupy spaces that were last approved for occupancy by the same type of business
- Partner with BIAs and others to help fill vacancies quickly



ELER Emerging Directions

Job Space & Employment Areas

Retail/
Commercial

Industrial

Office & Hotel

Economic Importance of Urban Industrial Spaces (7% of City Land Base)

PRODUCTION

food & beverage manufacturing
apparel & textiles manufacturing/prototyping
bio tech & life sciences research
film & television production
clean tech

arts & culture spaces

food security

low-barrier jobs

space for growing green economy

DISTRIBUTION

last-mile logistics
wholesale
waste collection & sorting
e-commerce fulfillment
warehousing

circular economy

GHG reduction

REPAIR

auto repair
appliance servicing
HVAC maintenance
plumbing services
parts inventory

complete communities

employment diversity



ELER Emerging Directions for Van Plan: Industrial Areas



Protect Remaining Industrial Lands



Protect Industrial Lands for Employment Use

Intensify and Optimize Industrial Lands



Enable Balanced Industrial Intensification

Bring the Existing Land Supply to Market and Address Site Issues



Facilitate the Right Users in the Right Spaces

Ensure a Coordinated Approach



Monitor, Report and Coordinate Industrial Change

ELER Emerging Directions

Job Space & Employment Areas

Retail-
commercial

Industrial

Office & Hotel

ELER Emerging Directions for Van Plan: Office & Hotels

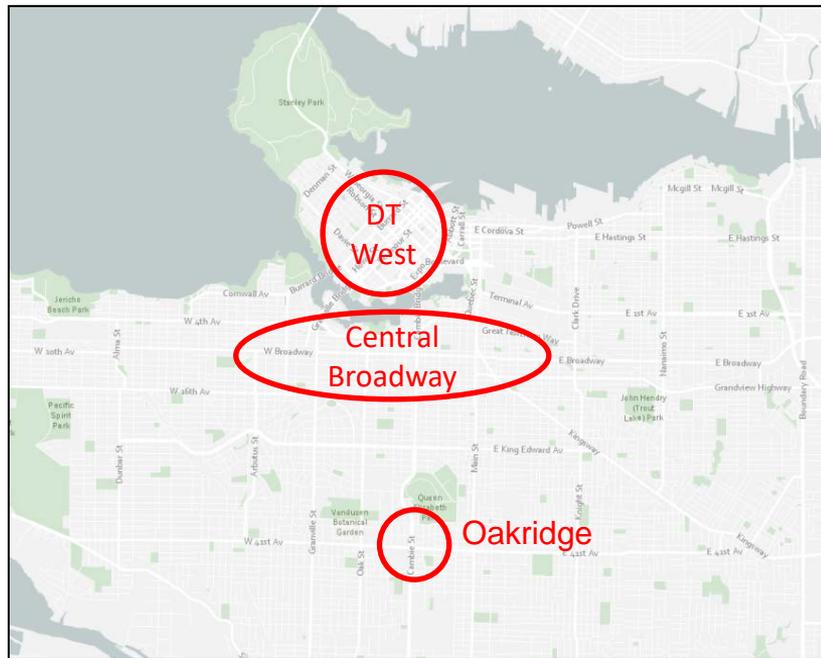
Continue to **Monitor Impacts** of COVID-19 on Office and Hotel Demand

- Maintain relationships with industry experts
- Monitor pipeline of projects to understand impacts of COVID on supply

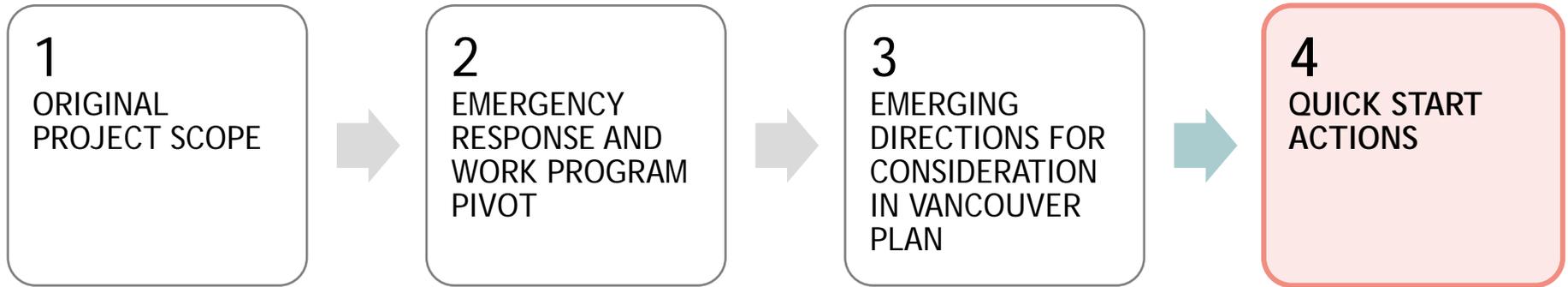
Identify **Options** for Augmenting Office and Hotel Capacity in Key Areas over the Long Term, while Considering Locational Preference

- Consider increasing capacity in mixed use and job only areas to meet needs over the long term
- Consider land use tools to support new hotels

Areas that are Expected to Continue to Attract Growth in Major Office & Hotels



Section 4



ELER “Quick Starts” for Immediate Action

1. Remove Barriers to New Work Only Artist Studios in Industrial Areas
2. Amend Zoning to Support Existing Small Neighbourhood Grocery Stores
3. Amend Retail Continuity Requirement Policies in DTES
4. Intensify Job Space Along the South Side of 2nd Avenue Between Yukon and Quebec Streets
5. Amend Parking By-Law to Extend Parking Requirement Exceptions for Small Commercial Spaces
6. Review policies for intensification of job space in key areas

ELER Priority Action #1: Remove Barriers to New Artist Studios in Industrial Areas

- COVID is amplifying space challenges for Artists
- Zoning prohibits construction of new work-only artist studios in industrial zones
- Recommend that council direct staff to report back with proposed by-law amendments for consideration for referral to public hearing



ELER Priority Action #2:

Amend Zoning to Support Neighbourhood Grocery Stores

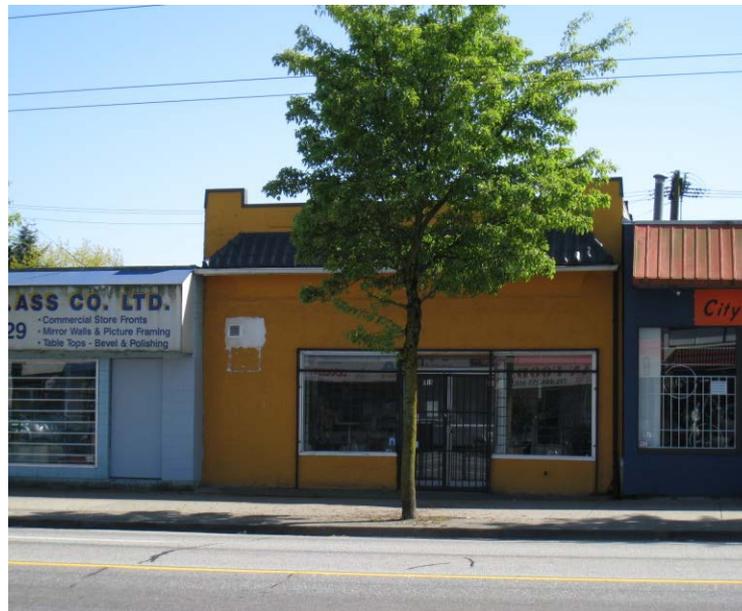
- 30+ neighbourhood grocery stores citywide
- Popular with community, providing an array of goods & services, improving food security & contributing to neighbourhood identity
- To conform to the zoning, stores need to have been “existing as of July 29, 1980”
- Recommend that council direct staff to report back with proposed by-law amendments to remove restrictions on neighbourhood grocery stores



ELER Priority Action #3:

Amend Retail Continuity Requirement Policies in DTES

- Retail Continuity policies encourage or require retail uses in some areas
- Certain sub-areas of the DEOD ODP already allow exceptions to retail continuity
- Extending the retail continuity exception clause will help fill vacancies and lower barriers to community supporting organizations
- Recommend that council direct staff to report back with proposed by-law amendments to provide additional flexibility for storefront space at grade in the DTES

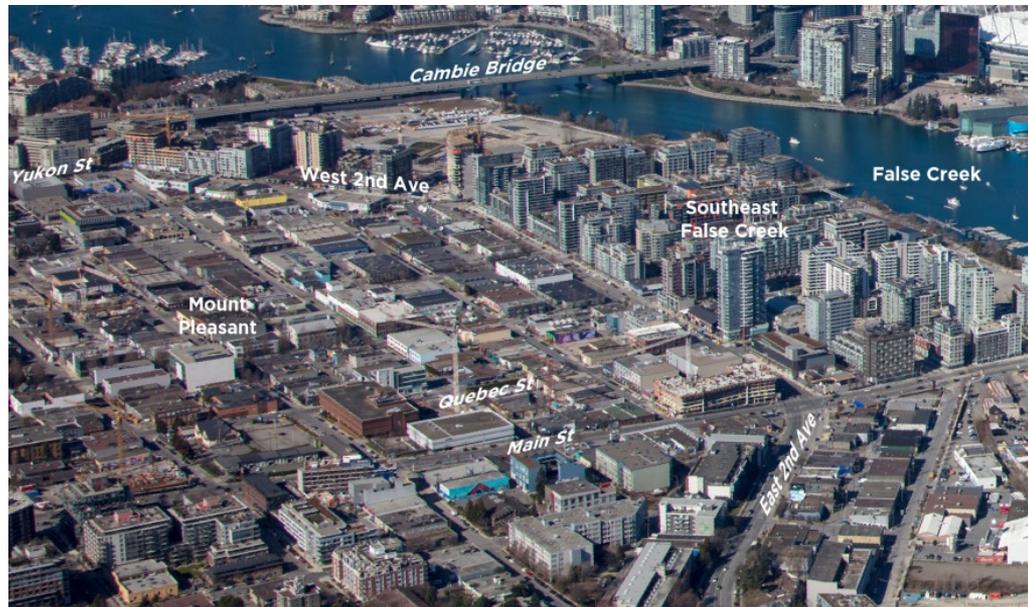


ELER Priority Action #4:

4

Intensify Job Space along 2nd Avenue (Yukon to Quebec)

- ELER showing need to consider ways to encourage multi-storey industrial space
- Broadway Plan & ELER engagement has identified south side of 2nd Ave for potential intensification
- Recommend that council direct staff to report back with proposed by-law amendments to intensify job space along the south side of 2nd avenue



ELER Priority Action #5: Extend Parking By-Law for Small Commercial Spaces

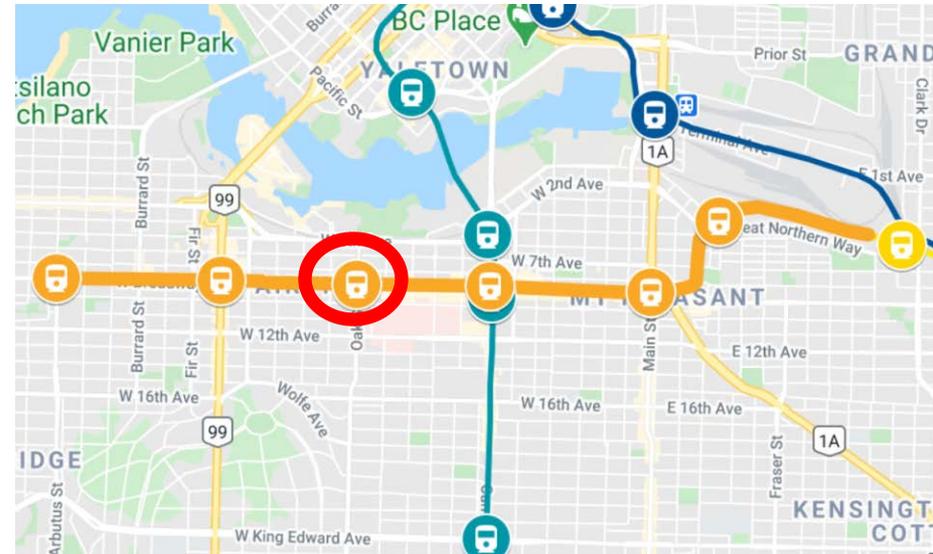
- Change of use permit process can require the addition of more parking spaces to a site
- Currently, the Parking Bylaw allows exceptions to parking requirements for spaces under 200m², but only for some commercial uses in a sub-set of commercial zones
- In order to lower barriers for small businesses seeking commercial space, staff recommend by-law amendments to extend the parking requirement exceptions for small commercial spaces (under 200m²) to all approved uses in all commercial and heritage zones



ELER Priority Action #6(a):

Enable more Job space at Oak-VGH Broadway Subway Stn.

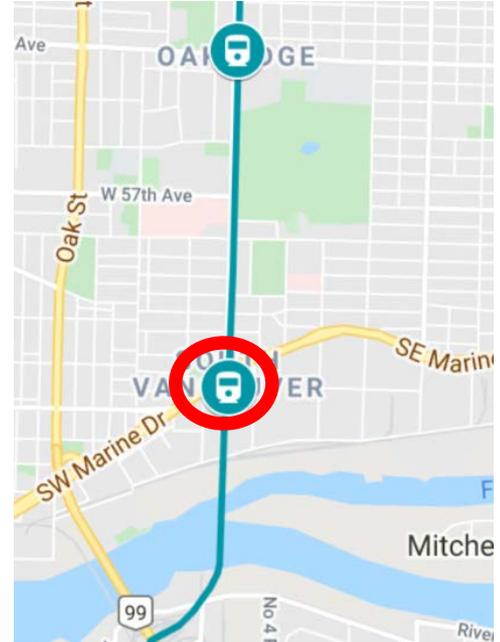
- The Broadway Subway construction project is proceeding on schedule.
- Due to COVID, Broadway Plan is now targeting completion in mid-2021.
- Recommend that Council direct staff to consider amendments to the Broadway Plan Interim Rezoning Policy to **enable integrated station design** development and additional job space at **Oak-VGH Broadway Subway station**



ELER Priority Action #6(b):

Review policies for job space intensification at Marine Dr. Stn.

- ELER showing need to consider ways to **encourage multi-storey industrial space**
- Marpole and Cambie Plans identify sites at Marine Gateway for **intensive employment**
- Council direction in Feb. 2020 to review heights in the Marine Drive Station Area
- In order to encourage multi-storey industrial, and developments that deliver 100% job space, recommend that Council direct staff to **consider projects with heights and/or densities beyond those set out in the Marpole and Cambie Plans**



Recommendations

Recommendation A:

*THAT Council **receive** the Phase 2 Employment Lands and Economy Review Emerging Directions described in this report and **direct staff** to continue working with community stakeholders, the public and key partners to refine and expand the directions through the Vancouver Plan process*

Recommendations B, C & D

Direct staff to take next steps on ELER quick start actions

- *Zoning by-law amendments (Targeting Nov. 24 Referral – Public Hearings in 2021)*
- *Parking by-law amendments (Enacting By-law in Q4 2020)*
- *Policies for intensification of job space in key areas (Public Hearing Referrals in 2021)*

Thank You