

COUNCIL MEMBERS' MOTION

3. Industrial Modernization and Intensification Framework Development Process Update

Submitted by: Mayor Sim

WHEREAS

1. In October 2020, Vancouver City Council received an *Employment Lands and Economy Review* report from City staff;
2. The *Employment Lands and Economy Review* included forecasts showing that, over the long term, the city is facing a potential gap between anticipated demand and potential supply. Under a high demand scenario, the city could face a gap of up to ~1.2M sq. ft. by 2051;
3. Technological innovations are fundamentally changing the relationship between employment, productivity, and how industrial lands are occupied and used. Many new businesses, notably industrial tech and high tech businesses, do not fit neatly within the traditional paradigm of 'heavy' or 'light' industrial use and may also be less impactful in terms of external nuisances while exhibiting non-traditional levels of employment density;
4. Providing for and maintaining space to accommodate industrial businesses and services, especially in the context of the rapidly changing nature of industrial activities and the importance of new technology and high tech industries, is vital to the economic well-being of our city and its success, prosperity, and sustainability;
5. As the preferred location for employers in the region, and with more than half of the city's jobs located on only 10% of the land, Vancouver's employment lands – particularly the city's industrial lands – are under tremendous pressure from competing needs for space. This has led to rising commercial and industrial rents in high demand areas and is leading some industrial businesses, and the jobs they provide, to leave the city;
6. The desired space needs, location preferences, and associated employment and transportation requirements are becoming more diverse and specialized, particularly for technology businesses and tech industry land uses, amid the rapidly evolving nature of business and industrial activities in the city;
7. City staff have outlined a number of ways in which the city's limited industrial land supply can be used more efficiently, including intensification of built forms where local development restrictions, geotechnical / soil conditions, and market factors permit;
8. The City has a draft *Industrial intensification and Modernization Framework* that is intended to provide overarching guidance for the future of Vancouver's

industrial lands, including work on recommended regulatory and policy changes that will be brought forward to implement the framework;

9. In November 2021, Mayor and Council received an update memo from the General Manager of Planning, Urban Design and Sustainability (*Industrial Modernization and Intensification Framework*). The memo made note of staff's ongoing program of work toward the development of a comprehensive policy framework for modernizing and intensifying Vancouver's industrial areas and advancing key directions identified in the City of Vancouver's *Employment Lands and Economy Review* ("ELER"), as well as key directions in the Metro Vancouver Regional Industrial Lands Strategy ("MVRILS");
10. The City's draft *Industrial Intensification and Modernization Framework* includes information regarding a series of incremental changes to facilitate the intensification of industrial land use in the city in support of employment growth over the long term;
11. The *Framework* reportedly has four key objectives:
 - i. Protect industrial lands for employment use
 - ii. Enable balanced industrial intensification
 - iii. Facilitate the right users in the right spaces
 - iv. Monitor, Coordinate and Report on industrial change;
12. The economic well-being of our city and its ongoing future success, prosperity, and sustainability require that we provide for and maintain spaces to accommodate industrial activities, businesses, and services to support employment growth, bring jobs closer to people's homes, reduce commute times, lessen the negative impacts of industrial rent price escalation over the long term, as we incrementally intensify, preserve, and even expand the city's industrial lands.

THEREFORE BE IT RESOLVED THAT Council direct staff to report back by the end of Q3 2023 with an update on the *Industrial Modernization and Intensification Framework* development process, including information regarding any additional resources required to advance key directions identified in the City of Vancouver's *Employment Lands and Economy Review* ("ELER"), as well as key directions identified in the Metro Vancouver Regional Industrial Lands Strategy ("MVRILS");

FURTHER THAT staff be directed to include specific information for Council in the update report regarding:

- i. potential opportunities and/or strategies to accelerate the *Framework's* development process, as well as challenges to date;
- ii. staff recommendations to limit land speculation on the city's vitally important, and limited industrial land base;
- iii. an overview of regulatory and policy changes that could potentially be brought forward and considered by Council to facilitate the modernization,

preservation, and intensification of the city's industrial and employment lands, including advice on any need to impose a moratorium on the rezoning of existing industrial lands for other land uses and an evaluation of the concept/principle of one-for-one and two-for-one land swaps similar to provisions in ALR policy;

- iv. a general current state overview of the city's industrial lands and any challenges faced by the City's and staff's efforts to date to preserve employment and industrial lands and spaces in the city, particularly those industrial and employment lands supported by rapid transit (planned and/or existing rapid transit and major transit routes).

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