



NEWSLETTER #2

Step 2: Projecting The Future

Metropolitan Core Jobs & Economy Land Use Plan

Highlights

- The City of Vancouver is engaged in a major study to ensure that we have land to accommodate future job growth and economic activity in the Metro Core.
- Comparisons of the future demand for job space and the potential future supply of job space under current zoning show that policy interventions are needed to ensure a diverse and adequate supply in the Metro Core.
- This newsletter also provides details on upcoming Council decisions and opportunities for public input into the Metro Core Study.



Land for jobs

The City is working on a major review of land use needs in the Metro Core over the next 25 years. The goal is to ensure that there is enough land supply - and transportation capacity - for future job growth.

This study was initiated to ensure that the successful development of new housing over the last several years will continue to be balanced with space to accommodate new jobs.

Metro Core economy yesterday and today

Step 1, completed in Spring 2006, looked at the Metro Core economy today and at the trends over the past 30 years. Two key highlights:

- The Metro Core plays a key economic role in a growing region.
- The number of jobs in the Metro Core has been growing; jobs are diverse across economic sectors; and the economy is changing and adapting to reflect broader economic trends.

The future

Step 2, just completed, looks into the future. Key conclusions are:

- Projections show continued and diverse job growth in the Metro Core.
- Current zoning in the Core can accommodate much of this job growth.
- However, in the longer term, demand for job space could exceed what current zoning could supply.
- There are a number of ways to change zoning to ensure there is enough supply in the future.

The following pages of this newsletter provide more information on these conclusions.

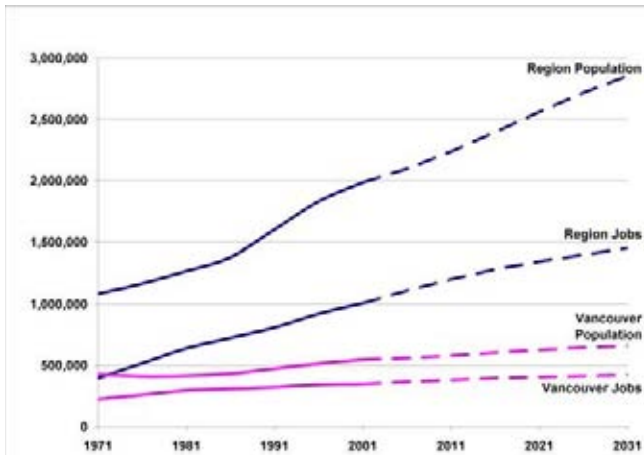
Metro Core Jobs and Economy Land Use Plan Overview

- Step 1: Understanding Yesterday & Today
- **Step 2: Projecting the Future**
- Step 3: Issues, Directions, Ideas
- Step 4: Policies for the Future

This Newsletter reports on Step 2 and introduces Step 3. Newsletter #1 (June 2006) reported on Step 1 findings and is available on our website.

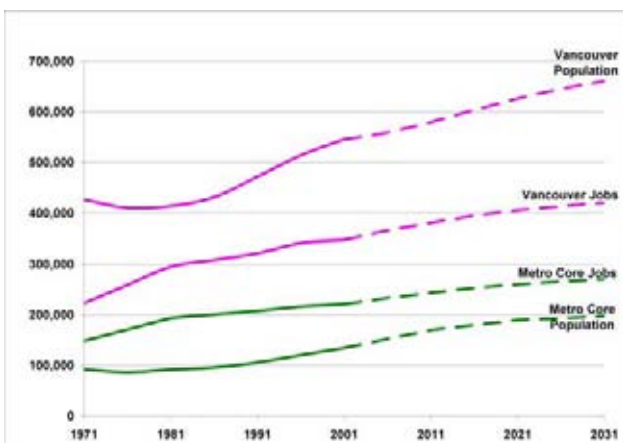
Projections show continued and diverse job growth in the Metro Core.

In the 30 years from 1971 to 2001, population and jobs grew in the region and in the city of Vancouver. Projections show this growth continuing over the next 30 years. The relationship between the number of residents and the number of jobs also continues, with about 1 job for every 2 residents in the region.



Jobs and population grew in the city and region over the last 30 years, and growth is expected to continue over the next 30 years. (Source: Statistics Canada, 2001; Urban Futures Institute, 2003)

In the Metro Core there are more jobs than residents and this continues in the future. Both jobs and population have grown and projections show continued growth.

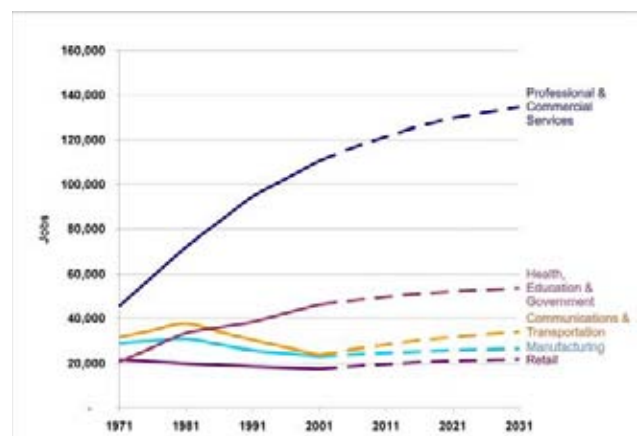


Jobs and population will continue to grow in the city of Vancouver over the next 30 years, with the majority of the city's jobs locating in the Metro Core. (Source: Statistics Canada 2001; Urban Futures Institute, 2003)

Jobs will continue to grow in various jobs sectors, with Professional and Commercial Services continuing to dominate.

When Metro Core jobs are broken into the various economic sectors, the projections show that some trends from the past continue, but there are also changes to come.

The Professional and Commercial Services sector continues to be the largest and fastest growing sector. This includes such industries as finance, hotels, and business services. Business services (law, computer services, engineering, etc) is the largest and fastest growing group within Professional and Commercial Services.



Before 2001, jobs in some economic sectors increased while others decreased, but looking into the future, projections show jobs increasing in all sectors (Source: Statistics Canada, 2001; Urban Futures Institute, 2003)

More commercial and industrial space will be needed to accommodate a growing number of jobs.

The job growth projected for the Metro Core will increase the demand for space in new offices, hotels, stores, warehouses and other buildings.

How much space is needed for these jobs depends on the answers to these questions:

- What percent of people will work at home in the future?
- Will workspace be used more efficiently in the future (e.g. more workers in less space)?

For this study, space needs are shown as a range to reflect different possibilities in the answers to these questions.

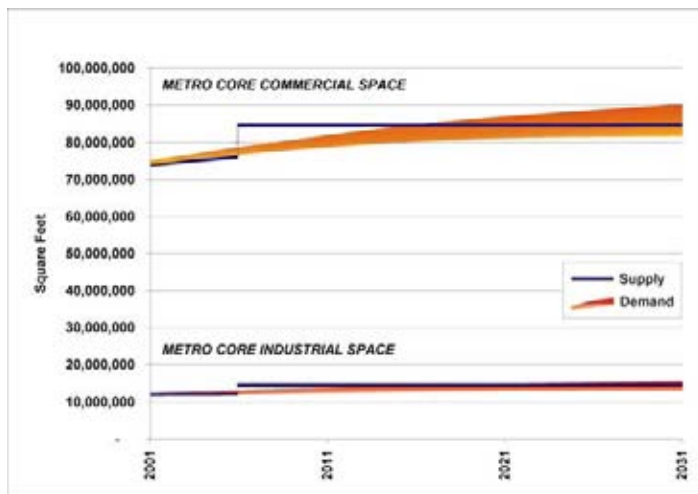
The other side of the coin is how much job space can be built. To test the City's current zoning, the analysis assumes that what is built depends on what the zoning allows and how the zoning is used. (Zoning can be changed if necessary, and this is part of the next steps of this work.)

Where the zoning permits mixed-use developments, staff looked at long term trends to determine how much commercial space could be expected. Where the zoning permits industrial uses, new developments usually provide less space than the maximum amount permitted.

Staff also considered building age, ownership patterns, and other factors to determine potential supply. This analysis was verified with a group of commercial brokers from various large firms to ensure that the potential supply was reasonable.

The following graphs compare the demand for job space with the supply of job space under current zoning for the Metro Core as a whole, as well as for the Downtown, South of False Creek and the Eastern Core.

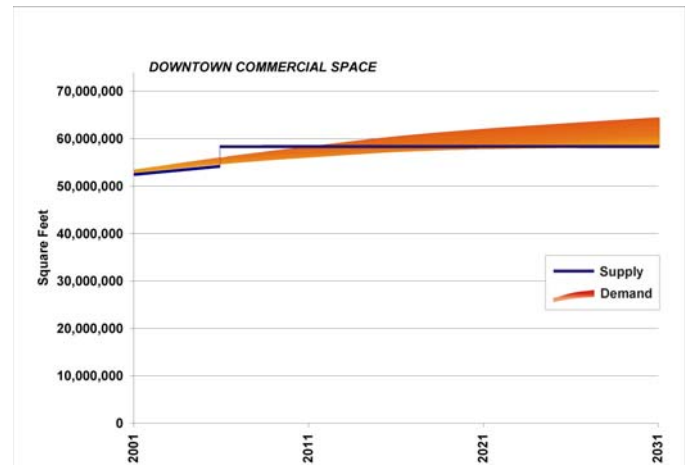
Current zoning in the Metro Core can accommodate the job growth. But in the longer term, job growth will likely need more space than what current zoning would provide.



For the Metro Core as a whole, the demand for commercial and industrial job space could exceed the supply under current zoning. If and when the supply is exceeded depends on whether real demand is at the high or low range of the demand curve.

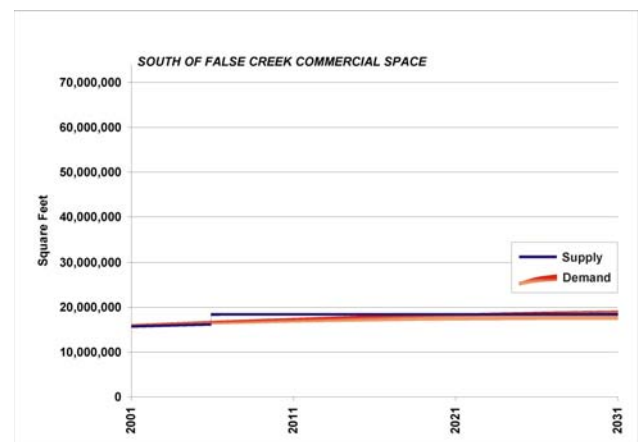
For the Metro Core as a whole, the potential supply for job space under current zoning (indicated by the flat blue line) falls within the future demand for job space (indicated by the demand range in the orange curve). This comparison shows that there may be a shortage of commercial and industrial space over the next 30 years, depending on whether demand is high or low.

In the Downtown, the comparison of the range of demand for job space with the supply that could be built under current zoning shows that there will likely be a shortage of commercial space.

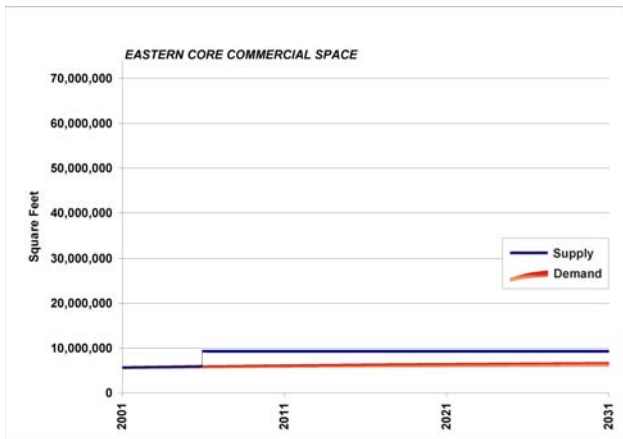


On the downtown peninsula, the demand for job space is likely to surpass the supply of job space that could be built under current zoning.

South of False Creek, the future demand could exceed the supply of job space under current zoning. This is different from the Eastern Core where there is likely excess supply of future job space.



South of False Creek, the demand for job space could surpass the supply of job space that could be built under current zoning.



In the Eastern Core, the demand for job space is likely to be less than the supply of job space that could be built under current zoning

There are a number of ways to change zoning to ensure there is enough supply in the future.

The projections for future supply are based on current zoning and policy. A number of policy directions and detailed policy options will be considered to increase the potential supply of future job space.

Some examples of policy directions and options include:

- *Reinforcing the economic role of the Central Business District* (e.g. Increase commercial heights and densities? Limit residential in CBD expansion areas?)

- *Reinforcing the economic role of the Broadway Corridor* (e.g. Another Broadway commercial hub? Require more commercial in mixed use developments?)
- *Supporting a more balanced mix of commercial and residential uses in heritage areas* (e.g. Encourage commercial space as a tool for heritage revitalization?)
- *Intensifying employment density and land use in industrial areas* (e.g. Allow more commercial in industrial developments? Allow more types of commercial in industrial, such as retail and office?)

All of these options will have to be balanced with diverse City policies for affordable housing, urban design, transportation, and area initiatives such as Downtown Eastside Economic Revitalization.

WHAT'S NEXT?

- Staff are sharing the findings widely with diverse stakeholders and economic interests. If you would like us to meet with your group, please contact us at corejobs@vancouver.ca
- Staff are reporting to Council on the issues arising from the analysis and consultation. We will be seeking Council guidance on policy directions prior to developing more detailed policy options later this summer. Please visit our website or join our listserve for notification of key decisions.
- A draft Jobs and Economy Land Use Plan will be ready in the fall, with additional public consultation. The final plan will go before Council in late 2007.

Sources / Contacts

For more details on the information and data described in this newsletter, please see www.vancouver.ca/corejobsstep2report

This Newsletter was published by the City of Vancouver. It is one in a series of Newsletters produced for the Metropolitan Core Jobs and Economy Land Use Plan. The purpose of this initiative is to develop a long term land use policy plan to accommodate future economic activity and jobs in the Metro Core. For further information, please e-mail corejobs@vancouver.ca or visit the website www.vancouver.ca/corejobs