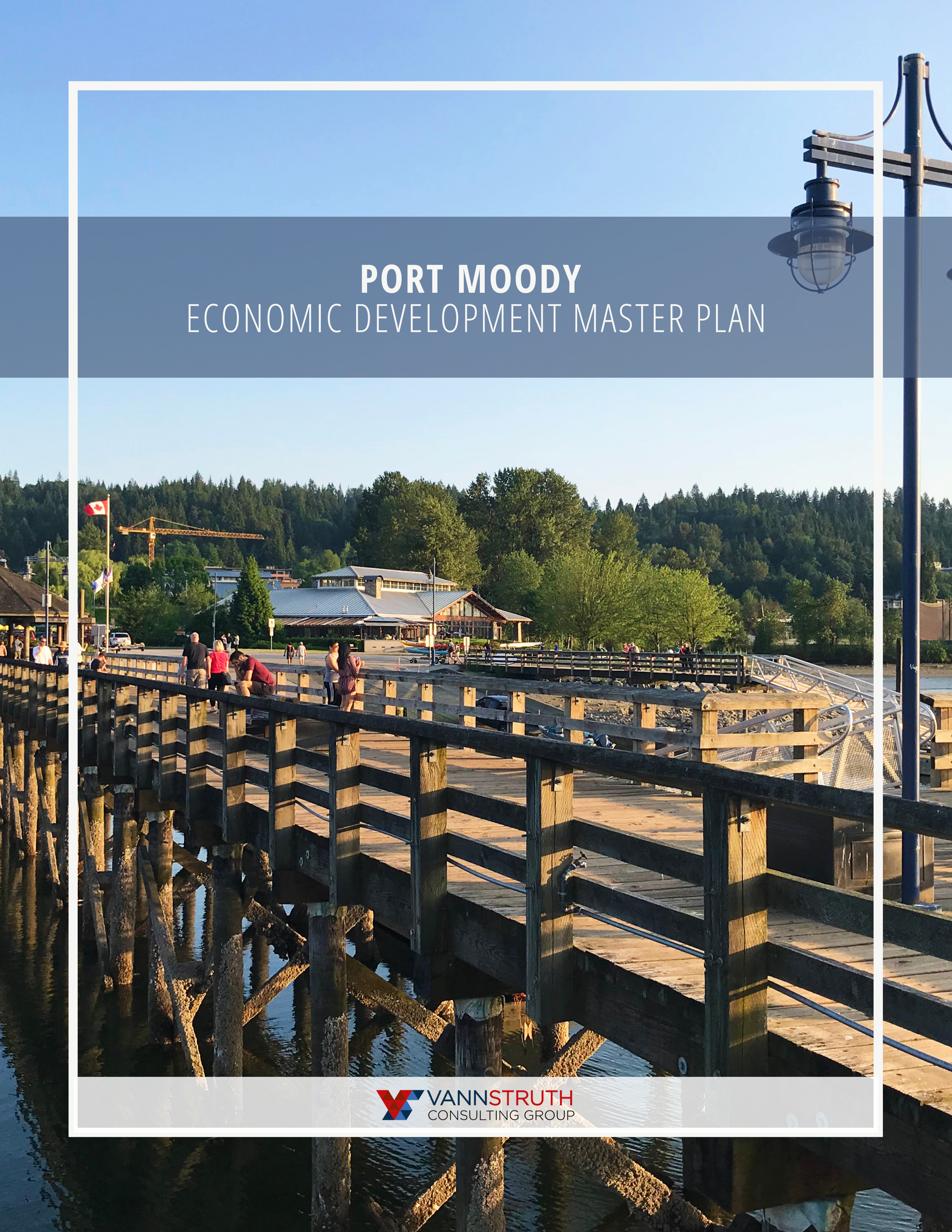

# PORT MOODY
## ECONOMIC DEVELOPMENT MASTER PLAN

VANNSTRUTH CONSULTING GROUP

# PORT MOODY ECONOMIC DEVELOPMENT MASTER PLAN

JUNE 2022

PREPARED BY:

VANN STRUTH CONSULTING GROUP INC.

FOR:

CITY OF PORT MOODY

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# EXECUTIVE SUMMARY

The Port Moody Economic Development Master Plan builds on priorities and direction previously established by Council and the community. The community wishes to achieve **increased local employment**, with a particular focus on **knowledge-based employment** that aligns with the skills and education of Port Moody residents. Council has targeted the creation of an **innovation-focused office district** in Moody Centre, as well as the **retention of industrial activity** and the leveraging of existing strengths in **arts and culture and recreation**.

These priorities are tempered with market analysis to ensure that objectives are realistic. Analysis suggests the City's current goal of 0.42 jobs per resident is unlikely to be achieved, given the relative lack of land for new employment-focused development and Port Moody's role in the regional and sub-regional economies.

Of the three broad categories of employment space – industrial, office, and retail/service – only office has potential to grow significantly faster than local population. Industrial growth is constrained by the limited land base, while retail and service employment is primarily oriented toward serving the local population and will grow in proportion.

Port Moody's economic development initiatives will:

- **Prioritize office development** in Moody Centre and elsewhere
- Pursue and remain open to a **range of industry opportunities**
- Improve the **local business climate** for all industries

Attracting significant office tenants will be challenging and many other suburban communities are targeting a similar market. A major office development might have the largest impact on the community, but there is also great value in pursuing other opportunities as secondary priorities, including health services, marine-based opportunities, clean energy, film, and mixed industrial.

Economic development does not always occur in great leaps, but through steady, incremental improvement over time. Pushing forward on these other opportunities (and new ones that emerge), while working to improve the local business climate for all, will also lead to progress in reaching Port Moody's economic development goals.

## OBJECTIVES

There are five measurable objectives that will indicate progress in employment, non-residential tax base, and a complete community:

#1: Increase total **employment floorspace** development across the community.

#2: Increase **upper-floor employment space in Moody Centre** and other potential office locations. Job space above the ground floor is highlighted to represent office space for knowledge-based industry.

#3: Increase the number of **operating businesses** in the community.

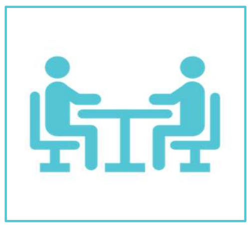
#4: **Improve the balance** between Port Moody-based jobs and residents. This addresses the total number of jobs available locally.

#5: **Improve the alignment** between Port Moody workforce and Port Moody jobs. This addresses the specific type of jobs available locally and how well they align with local skills.

## ELEMENTS OF THE MASTER PLAN

### OPPORTUNITIES

Office Jobs
Health Services
Mixed Industrial
Marine Services
Tourism
Clean Energy
Film



### BUSINESS CLIMATE

Minimum Employment Standards
Industrial Land Retention
Transportation System
Development Approval Process
Exceptional Sense of Place

### ECONOMIC DEVELOPMENT

Alignment of Activities
Business Resources
Business Liaison Program
Online Material

The Master Plan has 16 recommended strategies, summarized above in three areas – Capitalizing on **Opportunities**, Enhancing the **Business Climate**, and Aligning the **Economic Development Office**. The strategies contain a total of 40 prioritized actions, most of which are the responsibility of the Economic Development Office with some actions related to other City initiatives.

Implementation of the Master Plan will proceed through annual work plans that take account of available financial and staff resources, feedback from the results of previous initiatives, and can incorporate emerging opportunities and priorities that help the City achieve its economic development objectives.

# 1 INTRODUCTION

Port Moody is a city of approximately 35,000 people located within a Metro Vancouver region of 2.8 million.

The Tsleil-Waututh and Kwikwetlem Nations frequented the shores of Moody Inlet long before it became the original West Coast terminus of the Canadian Pacific Railway, completed in 1885. The years before and after the railway's arrival featured rapid growth and industrial development and the community that exists today came into focus.

Over the following decades, residential development gradually expanded on both the north and south of the inlet. Port Moody's population reached 10,000 around 1970, then 20,000 around 1995, and 30,000 people in 2008. Today, the community retains many aspects of its industrial heritage, including port facilities, but the large waterfront sawmill and other industrial operations have gradually disappeared.

Port Moody today has a rapid transit line linking it to downtown Vancouver and the rest of the region, a mix of traditional neighbourhoods and newer multi-family residential areas, and an evolving business mix that contains elements of the industrial past as well as new strengths in health care, professional services, arts and culture, real estate and construction, and beverage manufacturing.

Despite clear areas of strength in its economy, Port Moody has far more working residents than jobs and is a significant net exporter of workers to the rest of the region. Sustaining and expanding its industrial and commercial base will provide more local employment opportunities, ensure a strong municipal tax base to support valued services and infrastructure, and lead to a more complete community.

# STUDY PROCESS

Work on the Port Moody Economic Development Master Plan was initiated in early summer 2021 and completed in spring 2022.

The major elements of the process include:

**Market Analysis**

- Employment capacity analysis, estimating employment creation potential given current land base
- Regional employment location analysis, identifying the range of industries that are possible growth targets for Port Moody
- Targeted analysis of specific issues that arose in the course of the study

**Consultation**

- 24 detailed interviews with a range of local business owners and managers, as well as select senior government and industry officials outisde Port Moody
- Five discussions with Port Moody Economic Development Committee and multiple consultations with City staff across a range of departments

**Secondary Research**

- Review of extensive volume of previous research and analysis completed in Port Moody
- Topic-based research from other jurisdictions, academia, think tanks and published media

**Strategy Development**

- Synthesis of all content into recommended 16 strategies, refined with the input of City staff and the Economic Development Advisory Committee

# 2 BUILDING ON THE PAST

The strategic direction outlined in this Master Plan builds on priorities and direction previously established by Council and the community. These foundational documents and Council motions are outlined below.

## COUNCIL STRATEGIC PLAN

Council's 2019-2022 Strategic Plan identifies **Economic Prosperity** as one of five strategic priorities for the future. There are four objectives under this priority:

- Support the growth of businesses and business neighbourhood development.
- Attract well-paid jobs and new businesses in key sectors.
- Ensure a sustainable and resilient municipal economy and diversify the City's revenue sources.
- Create an attractive and vibrant community through events, arts, and culture.

The Strategic Plan identifies a City vision for economic development:

> *"Foster an environment where businesses can thrive and good local jobs abound, and ensure Port Moody's economy and the City's financial position are sustainable."*[1]

## OFFICIAL COMMUNITY PLAN

Port Moody's current OCP, adopted in 2014, contains a set of **Community Goals for Economic Development**, which address:

- Range of Opportunities (providing a variety of businesses that meet local service needs and support a more complete community)
- Improved Economic Base (expanding local economic activity with high technology, environmentally sensitive, and employment intensive businesses that provide a better balance between resident labour force and jobs)
- Moody Centre (strengthening this shopping and business district as a core commercial area)

The OCP contains a Regional Context Statement that outlines how Port Moody will fulfill its projected level of growth in the Metro Vancouver Regional Growth Strategy. This includes specific employment growth targets for Inlet Centre and Moody Centre due to their status as Frequent Transit Development Areas.

[1] City of Port Moody, Council Strategic Plan 2019-2022, p. 6.

An updated OCP is currently in process, which this Economic Development Master Plan will support by providing guidance on the integration of economic development and employment growth priorities into City policies. It will include a new Regional Context Statement that aligns with the recently completed Metro 2050 Regional Growth Strategy.

## MAY 2021 COUNCIL MOTION

The following **Council motion (RC21/269a-c)** was carried at the May 4, 2021 Special Council meeting:

> THAT Council and staff prioritize the rebuilding of Port Moody's economy in proper balance (0.42 jobs/person) with residential growth, including the following elements:
>
> > a) foster good jobs in promising and innovative industries, with the Moody Innovation Centre as a key component;
> > b) prioritize a restored business district within the Moody Centre TOD area and adjacent lands, along with residential and related shopping/services; and
> > c) consider business building across all suitable city centre areas.

Subsequent motions at the same meeting addressed the desire to evolve industrial land uses and to consider an arts and entertainment zone. These motions reflect Council's support for the goal of achieving 0.42 jobs per resident, based on analysis by the Economic Development Advisory Committee comparing Port Moody's employment base to Coquitlam and Port Coquitlam.

## OTHER CITY MASTER PLANS

Several other City Master Plans have some degree of overlap with Economic Development:

- The **Master Transportation Plan** has targets such as reducing the average vehicle distance driven by Port Moody residents and increasing trips by walking, cycling and transit. These are more effectively achieved with more local employment opportunities for Port Moody residents.

- The **Climate Action Plan** has similar targets to increase walking, cycling and transit as a percentage of total trips, as well as highlighting new job growth potential from the clean energy transition.

- The **Arts and Culture Master Plan** establishes a goal of expanding the role of arts and culture in economic development and tourism, including by leveraging the City of the Arts brand in attracting creative workers and enterprises.

- The **Parks and Recreation Master Plan** has fewer direct linkages to economic development, but the natural setting and recreational amenities in Port Moody are a key advantage that has been and will continue to attract entrepreneurs, skilled workers and investors to the community.

# 3 A RENEWED STRATEGIC DIRECTION

Based on the priorities and objectives in existing City policies and plans, the community wishes to achieve:

- Increased local employment that leads to a more even balance between local jobs and local population, which in turn supports a more complete community and more sustainable municipal finances.

- Particular focus on knowledge-based employment that aligns with the skills and education of Port Moody residents.

- Council has targeted the creation of an innovation-focused office district in Moody Centre, as well as the retention of industrial activity and the leveraging of existing strengths in arts and culture and recreation.

These priorities are tempered with market analysis (summarized in the appendices and in Section 4) to ensure that objectives are realistic. Analysis suggests the City's current goal of 0.42 jobs per resident is unlikely to be achieved, given the relative lack of land for new employment-focused development and Port Moody's role in the regional and sub-regional economies.

Of the three broad categories of employment space – industrial, office, and retail/service – only office has potential to grow significantly faster than local population.

- **Industrial employmen**t is limited by the industrial land base, which has been eroding over time as competing uses replace industrial activity. There is some potential for growth through intensifying use of existing industrial parcels, but most industrial activity requires fewer people than in past years so growth potential is minor.

- **Retail and service employment** in Port Moody is primarily oriented toward serving the local population. This employment will grow over time, but in proportion to population. Port Moody is not centrally located for most of the region and Coquitlam is the commercial centre of the sub-regional Northeast sector.

- **Office-based employment** has traditionally been a small part of the Port Moody economy, similar to most suburban communities. But emerging trends suggest greater potential for office employment (see Strategy 1) that is not linked to local population growth. Office development can be accommodated within existing commercial areas as part of a mixed-use project with residential.

On average, workers employed in office jobs have more education than other types of workers and are a better fit for Port Moody's well-educated population. This includes the technology sector, which has been a major source of increased office demand in Metro Vancouver in recent years.

Based on these factors, as well as input from the Economic Development Advisory Committee and industry consultation, the **highest priority opportunity for Port Moody economic development is office development**, including the technology sector and in Moody Centre. Significant office development is likely to occur only through a comprehensive development that balances significant residential development against office and other employment uses.

Attracting significant office tenants will be challenging and many other suburban communities are targeting a similar market. A major office development might have the largest impact on the community, but there is also great value in pursuing other opportunities as secondary priorities, including health services, marine-based opportunities, clean energy, film, and mixed industrial (these are outlined in Section 5).

Economic development does not always occur in great leaps, but through steady, incremental improvement over time. Pushing forward on these other opportunities (and new ones that emerge), while working to improve the local business climate for all, will also lead to progress in reaching Port Moody's economic development goals.

# TACTICAL SUMMARY

Port Moody's economic development initiatives will:

- **Prioritize office development** in Moody Centre and elsewhere
- Pursue and remain open to a **range of industry opportunities**
- Improve the **local business climate** for all industries

# OBJECTIVES AND KEY MEASURES

The following are specific, measurable objectives that will indicate progress in employment, non-residential tax revenue, and a complete community. They are mutually reinforcing such that success in one objective will often create improvement in another objective.

## Objective #1:
## Increase total **employment floorspace** development across the community.

In recognition of Port Moody's very limited land base for new development, most employment growth will occur through redevelopment into higher density uses. While the level of employment-supporting development that is appropriate and financially viable will vary across different areas of the community, there is potential for growth across the city.

**Key Metrics:**

- **Growth in assessed value of industrial and commercial improvements** (Property Classes 4, 5 and 6). This can be calculated in total for the entire city or by zone or appropriate sub-area of the city. Focusing on the value of property improvements is a better indicator of the actual change in investment and the value of productive real estate assets. Land value is excluded from this calculation because it is often affected by market factors that are independent of what is contained on a given site.
- **Ratio of industrial/commercial improvement values to residential improvement values.**
- **Total floorspace for employment-supporting uses in approved developments, or share of total floorspace.**

## Objective #2:
## Increase **upper-floor employment space in Moody Centre** and other potential office locations.

This is a more focused version of Objective #1, focusing on upper-floor employment space in Moody Centre and other areas that are reasonable office locations (Inlet Centre, Suter Brook, etc.). The focus on upper-floor space (2$^{nd}$ floor or higher) is a proxy for office space, which for most technology and similar knowledge-based industries will not locate on the ground floor.

**Key Metrics:**

- **Total floorspace for upper floor employment space in approved developments in Moody Centre and other potential office locations.**

## Objective #3:
## Increase the number of **operating businesses** in the community.

Businesses occupy commercial and industrial space and are vital contributors to the City's non-residential tax base. They also provide local employment opportunities and many provide services and amenities that enhance quality of life.

**Key Metrics:**

- **Change in number of business licenses, for all of Port Moody and/or by priority areas.** Business license types that do not reflect a separate, operating business will be excluded, including automatic teller machines, billiards tables, one day licenses, signs, and any others that do not reflect a separate, operating business.
- **Retention rate of business licenses, calculated as the percentage of licensees in one year who renew the following year, for all of Port Moody and/or by priority areas.**
- **Number of business incorporations each year, relative to previous year and/or per capita relative to comparable municipalities.**

- **Change in number of business counts with employees in Statistics Canada's Business Register, for all of Port Moody and/or by priority areas.**

## Objective #4: **Improve the balance** between Port Moody-based jobs and residents.

Working toward a complete community means providing residents with more opportunities to work locally, meaning that local jobs need to be a good match for resident skills and earning potential. These metrics can be updated every five years from the Census.

**Key Metrics:**

- **Ratio of Port Moody jobs to employed Port Moody residents.** This metric speaks to the *potential* balance between local jobs and local workers, although does not guarantee that local workers will actually hold local jobs.
- **Percentage of Port Moody jobs held by local residents.** This metric addresses the actual "complete community" concept of people living and working in the same community.
- **Percentage of Port Moody jobs held by "Northeast sector" residents.** The reality for many Port Moody businesses is they must recruit workers from beyond municipal borders, but a slightly enlarged concept of a complete community regards the Northeast neighbours of Port Coquitlam, Coquitlam, Anmore, and Belcarra along with Port Moody as a tightly inter-related sub-regional economy and could achieve a "complete community" more effectively as a group than individually.

## Objective #5: **Improve the alignment** between Port Moody workforce and Port Moody jobs.

A healthy complete community will have a range of employment types that align with the skills, educational qualifications, and earning potential of the resident workforce. The greatest mismatch currently in Port Moody is between the relatively highly skilled resident workforce and an insufficient number of comparable jobs.

**Key Metrics:**

- **Percentage of jobs in Port Moody in industries paying higher-than-average wages, based on BC or Metro Vancouver wage levels.**
- **Difference between percentage of Port Moody jobs in high-skill occupations (Level A and B)[2] and percentage of employed Port Moody residents working in high-skill occupations.**
- **Total difference between occupational skill level among Port Moody working residents (Levels A to D) and jobs based in Port Moody.**

[2] The skill classification system for occupations is explained on page 15.

# 4 PORT MOODY IN CONTEXT

The competitive strengths and weaknesses of Port Moody's economy are best understood in the context of long-run trends in the evolution of community population and employment. This includes the demographics and labour force backgrounds of people who live and work in Port Moody, the industries that are expanding or receding in the city's economy, and the land supply and physical infrastructure that has developed over time and influences the type and scale of future opportunities.

This section of the report reviews a variety of data on the Port Moody economy, building on the work done in 2021 by KPMG in their Port Moody Economic Study. This type of analysis is always limited by the availability and timeliness of data, particularly detailed labour force and employment analysis. At a community level, the Census is the only source of reliable and consistent data over time, meaning that large parts of this analysis rely on 2016 data. Despite this limitation, many of the fundamental characteristics of the community are relatively slow-changing over time and comments are provided on likely changes since 2016, including from the COVID-19 pandemic.

## DEMOGRAPHIC CHARACTERISTICS

Port Moody's population (as of 2016) was younger than the regional average by two years (average age of 39 compared to 41 regionally), with more children under 14 and fewer seniors over 65 compared to the region and neighbouring communities like Coquitlam and Port Coquitlam.

These demographics translate into a significantly higher rate of labour force participation as more adult residents are of prime working age.

## EVOLUTION OF EMPLOYMENT AND POPULATION

Port Moody has undergone significant change in the last few decades, roughly doubling in population in the last 30 years.

In the early part of this period, population growth significantly outpaced job growth as apartment growth in areas like Inlet Centre and Suter Brook caused large population increases at the same time as major industrial employers were reducing their operations.

More recently, after 2001, employment growth has consistently outpaced population growth. As shown in Table 1, total employment increased an average of 3.8% per year from 2001 to 2016 while population was growing by 2.3% per year.

### TABLE 1. EVOLVING POPULATION AND LABOUR FORCE INDICATORS, PORT MOODY, 2001 TO 2016

| INDICATOR | 2001 | 2006 | 2011 | 2016 | GROWTH 2001-2016 |
|---|---|---|---|---|---|
| **Census Population** | **23,816** | **27,512** | **32,975** | **33,551** | **2.3% per year** |
| Resident Labour Force | 13,685 | 16,300 | 19,130 | 19,400 | 2.4% |
| Employed Residents | 12,895 | 15,535 | 17,780 | 18,385 | 2.4% |
| **Estimated "Total Jobs" in Port Moody** | **5,625** | **7,363** | **8,450** | **9,783** | **3.8%** |
| …Work from Home | 965 | 1,345 | 1,455 | 1,865 | 4.5% |
| …Regular Workplace Out of the Home | 4,085 | 5,120 | 5,895 | 6,625 | 3.3% |
| …Estimated Port Moody Share of Jobs with No Fixed Workplace[3] | 575 | 898 | 1,100 | 1,293 | 5.6% |
| Jobs to Labour Force Ratio | 0.41 | 0.45 | 0.44 | 0.50 | +0.09 |
| Jobs to Population Ratio | 0.24 | 0.27 | 0.26 | 0.29 | +0.06 |
| Share of Port Moody Residents Working in Port Moody (not including no fixed workplace) | 14% | 16% | 16% | 19% | +5% |

Source: Statistics Canada Census 2001 to 2016, including custom purchase of employed by Place of Work, consultant estimates

### GROWTH SINCE 2016

Not shown in the table above is the initial Census release for 2021 that shows Port Moody's population at 33,535, or virtually unchanged from 2016. At the same time, several indicators of business growth are showing strong increases. Pending confirmation of 2021 employment from the Census, **the business changes suggest strong employment growth of 10% or more from 2016 to 2021**, which would increase the jobs to population ratio to 0.32 or higher, compared to 0.29 in 2016.

## RECENT BUSINESS TRENDS

Total active business licenses increased by 11% from 2016 to 2021, with easily the largest increase occurring in the relatively new neighbourhoods of Suter Brook and Klahanie. Some of the older residential neighbourhoods with significant counts of home-based businesses saw declines, particularly Heritage Mountain/Heritage Woods. The loss of home-based businesses in these older neighbourhoods is consistent with the lack of population growth in the city that quite likely includes population decline in older neighbourhoods (due to natural demographic change) and modest growth in newer areas. Future Census releases will allow for a more detailed review of population change and demographic evolution by sub-area.

[3] It is common in industries like construction for workers to have no regular workplace. Following the approach used by Metro Vancouver in their regional employment projections, Port Moody's share of these "no fixed workplace" jobs is estimated based on Port Moody's share of total regional employment.

### TABLE 2. ACTIVE BUSINESS LICENSES BY SUB-AREA, 2016 TO 2021

| SUB-AREA (BASED ON CENSUS TRACT) | 2016 | 2021 | GROWTH 2016-2021 |
|---|---|---|---|
| Moody Centre, Barnet, Coronation Park (South) | 597 | 660 | 11% |
| Inlet Centre (Suter Brook, Klahanie) | 119 | 196 | 65% |
| Inlet Centre (Civic Centre, Newport), Coronation Park (North), Mountain Meadows, Noons Creek | 157 | 170 | 8% |
| Heritage Mountain, Heritage Woods | 146 | 128 | -12% |
| April Road, Pleasantside, Twin Creeks | 106 | 109 | 3% |
| Seaview (North & West), College Park, Harbour Heights | 84 | 82 | -2% |
| Glenayre, Westhill, Seaview (South & East), Easthill | 66 | 66 | 0% |
| Sunnyside, Ioco, NW Port Moody | 6 | 7 | 17% |
| **TOTAL** | **1,281** | **1,418** | **11%** |

Source: City of Port Moody

TABLE 3 shows changes in business licenses for home-based businesses only.

### TABLE 3. ACTIVE HOME-BASED BUSINESS LICENSES BY SUB-AREA, 2016 TO 2021

| SUB-AREA (BASED ON CENSUS TRACT) | 2016 | 2021 | GROWTH 2016-2021 |
|---|---|---|---|
| Heritage Mountain, Heritage Woods | 102 | 87 | -15% |
| April Road, Pleasantside, Twin Creeks | 70 | 65 | -7% |
| Seaview (North & West), College Park, Harbour Heights | 56 | 53 | -5% |
| Inlet Centre (Civic Centre, Newport), Coronation Park (North), Mountain Meadows, Noons Creek | 48 | 49 | 2% |
| Inlet Centre (Suter Brook, Klahanie) | 36 | 47 | 31% |
| Moody Centre, Barnet, Coronation Park (South) | 42 | 44 | 5% |
| Glenayre, Westhill, Seaview (South & East), Easthill | 35 | 39 | 11% |
| Sunnyside, Ioco, NW Port Moody | 1 | 1 | 0% |
| **Total** | **390** | **385** | **-1%** |

Source: City of Port Moody

Statistics Canada's Business Register provides a periodic snapshot of the number and size of businesses in Port Moody, based on federal administrative data such as payroll and GST accounts. Comparing June 2016 (one month after the previous Census) to June 2021 shows total growth of 12% in the number of businesses with employees. These figures differ from business licenses for a variety of reasons, including that they exclude businesses with no payroll employees.

Of particular interest is the range from 20 to 199 employees, which combined had an increase from 57 to 84 businesses in this period. Using these business counts to estimate city employment suggests growth of more than 20%.

### TABLE 4. BUSINESS COUNTS BY EMPLOYMENT RANGE IN PORT MOODY, 2016 TO 2021

| EMPLOYMENT RANGE | JUNE 2016 | JUNE 2021 | GROWTH 2016-2021 |
|---|---|---|---|
| 1-4 | 683 | 749 | 10% |
| 5-9 | 145 | 179 | 23% |
| 10-19 | 107 | 100 | -7% |
| 20-49 | 43 | 59 | 37% |
| 50-99 | 11 | 20 | 82% |
| 100-199 | 3 | 5 | 67% |
| 200-499 | 0 | 1 | - |
| 500 + | 2 | 1 | -50% |
| **Total, with Employees** | 994 | 1,114 | 12% |

Source: Statistics Canada Business Register

## COMPARATIVE ADVANTAGE BY SECTOR

The industrial composition of Port Moody employment has evolved over the years based on natural features (ocean port), past infrastructure investments (rail and highway connections), public investments (hospital and civic facilities), and many more business investments designed to serve major industries, the growing population, and in some cases, markets around the world.

The specific industrial strengths of Port Moody compared to the rest of BC are shown in Table 5. Due to the hospital and related medical and social services, the health care sector has 62% more jobs in Port Moody (as of 2016) than the BC average for an economy of this size. Other sectors that are relatively more concentrated in Port Moody include various other services (dominated by the many repair and maintenance shops in the light industrial areas), arts/entertainment/recreation, construction and real estate, and professional, scientific and technical services.

Some of the industries that are less concentrated in Port Moody than average include retail, education (due to lack of post-secondary facilities), and manufacturing.

## TABLE 5. PORT MOODY EMPLOYMENT AND COMPARATIVE ADVANTAGE BY SECTOR, 2016

| INDUSTRY SECTOR | JOBS BASED IN PORT MOODY | LOCATION QUOTIENT (RELATIVE TO BC)[4] |
|---|---|---|
| Health care and social assistance | 1,705 | 1.62 |
| Other services (e.g., repair & maintenance, personal services like hair salons) | 605 | 1.47 |
| Arts, entertainment and recreation | 275 | 1.34 |
| Construction | 440 | 1.28 |
| Real estate and rental and leasing | 255 | 1.26 |
| Professional, scientific and technical services | 930 | 1.25 |
| Public administration | 475 | 0.98 |
| Administrative and support, waste management and remediation services | 255 | 0.94 |
| Accommodation and food services | 730 | 0.91 |
| Utilities | 40 | 0.90 |
| Retail trade | 945 | 0.85 |
| Information and cultural industries | 195 | 0.85 |
| Educational services | 545 | 0.82 |
| Finance and insurance | 305 | 0.81 |
| Wholesale trade | 205 | 0.67 |
| Manufacturing | 400 | 0.66 |
| Transportation and warehousing | 155 | 0.42 |
| **TOTAL** | **8,490** | **1.00** |

Source: Statistics Canada Census 2016, custom purchase of employed by Place of Work. Several minor sectors with less than 40 jobs are excluded from the table.

It is useful in thinking about the future for employment in Port Moody in the next 10-20 years to understand how the community has changed in the last 20 years. TABLE 6 shows the same data as the table above, adding 2001 and the change in both total employment and the Location Quotient (this time measured relative to Metro Vancouver, not to BC).

There are many useful insights from this table, including:

- The largest employment growth was in health care and professional, scientific and technical services, both of which indicate positive trends in expanding Port Moody's knowledge-based employment
- The largest employment declines were in utilities (reduced activity at the Burrard Thermal Generating Station) and manufacturing (downsizing at the sawmill, winery, and other traditional manufacturers).

[4] A Location Quotient is a relative measure of each industry's size in Port Moody compared to BC, where 1 is average. The LQ of 1.62 for health care and social assistance means that compared to an average location in BC, Port Moody has 62% more health care employment. The value of 0.85 for retail trade means that compared to an average location, Port Moody has 15% less retail employment.

- Retail trade increased by nearly 300 jobs, but declined in terms of its relative concentration due to faster growth elsewhere.

### TABLE 6. EVOLVING EMPLOYMENT AND COMPARATIVE ADVANTAGE BY SECTOR, 2001 TO 2016

| INDUSTRY SECTOR | 2001 JOBS | 2016 JOBS | CHANGE IN JOBS | 2001 LQ | 2016 LQ | CHANGE IN LQ |
|---|---|---|---|---|---|---|
| Health care and social assistance | 820 | 1,705 | 885 | 1.59 | 1.79 | 0.20 |
| Professional, scientific and technical services | 360 | 930 | 570 | 0.79 | 1.03 | 0.24 |
| Accommodation and food services | 305 | 730 | 425 | 0.74 | 0.95 | 0.21 |
| Retail trade | 665 | 945 | 280 | 1.11 | 0.90 | -0.21 |
| Other services (except public administration) | 390 | 605 | 215 | 1.54 | 1.49 | -0.04 |
| Public administration | 270 | 475 | 205 | 1.18 | 1.25 | 0.07 |
| Construction | 235 | 440 | 205 | 1.78 | 1.36 | -0.41 |
| Finance and insurance | 120 | 305 | 185 | 0.42 | 0.66 | 0.24 |
| Administrative and support, waste management and remediation services | 90 | 255 | 165 | 0.53 | 0.88 | 0.34 |
| Real estate and rental and leasing | 100 | 255 | 155 | 0.81 | 1.11 | 0.30 |
| Arts, entertainment and recreation | 125 | 275 | 150 | 1.19 | 1.40 | 0.21 |
| Information and cultural industries | 80 | 195 | 115 | 0.40 | 0.64 | 0.25 |
| Transportation and warehousing | 110 | 155 | 45 | 0.38 | 0.37 | -0.01 |
| Educational services | 505 | 545 | 40 | 1.35 | 0.81 | -0.53 |
| Wholesale trade | 225 | 205 | -20 | 0.80 | 0.54 | -0.26 |
| Utilities | 130 | 40 | -90 | 3.94 | 0.84 | -3.10 |
| Manufacturing | 500 | 400 | -100 | 0.97 | 0.67 | -0.31 |
| **TOTAL** | **5,045** | **8,490** | **3,445** | **1.00** | **1.00** | **-** |

Source: Statistics Canada Census, 2001 and 2016, custom purchase of employed by Place of Work. Several minor sectors with less than 40 jobs are excluded from the table.

# MATCHING LOCAL JOBS AND LOCAL WORKERS

Located in a large metropolitan area, Port Moody residents and businesses are part of an integrated labour market with crisscrossing commuting patterns throughout the region and beyond. Expecting all working residents to find jobs in their home community is not realistic, but there are benefits to encouraging local employment that better matches the skills of local workers. This will give more residents a chance to work closer to home, promoting a more complete community and reducing traffic congestion and related greenhouse gas emissions.

The KPMG study showed not only are Port Moody residents younger on average, they are more likely to work in professional occupations and earn higher incomes. Rather than looking at industries, the next table compares the skill level of occupations based in Port Moody to the skill level of working residents.

There are four broad skill categories:

- Level A – senior managers or professional occupations requiring a university education
- Level B – technical occupations requiring a college diploma or trades training
- Level C – intermediate occupations requiring a high school diploma
- Level D – labour occupations that require only on-the-job training

This table partly uses 2011 numbers, so it badly needs to be updated, but it confirms that Port Moody's resident workforce has a higher concentration of workers at higher skill levels than the rest of Metro Vancouver. There were 28% more managers and professionals and 8% more working in technical occupations.

Jobs based in Port Moody as of 2016 also had a higher skill profile than the rest of the region, but only slightly. There were 6% more jobs at the manager/professional level and 15% more at the technical level, and 17-19% fewer jobs at the lower skill levels. This is likely influenced by the lower number of retail, agriculture, and accommodation and food industries compared to the region.

### TABLE 7. SKILL LEVELS OF PORT MOODY JOBS AND WORKFORCE, RELATIVE TO METRO VANCOUVER, 2011/2016

| INDUSTRY SECTOR | JOBS BASED IN PORT MOODY (2016) | PORT MOODY EMPLOYED RESIDENTS (2011) |
|---|---|---|
| Skill Level A (Managers, University) | 1.06 | 1.28 |
| Skill Level B (College, Trades) | 1.15 | 1.08 |
| Skill Level C (High School) | 0.83 | 0.81 |
| Skill Level D (No formal education requirements) | 0.81 | 0.56 |

Source: Statistics Canada Census 2011 and 2016, custom purchase of employed by Place of Work.

# PORT MOODY'S ROLE IN THE REGIONAL ECONOMY

The complete version of this analysis can be found in **Appendix A.** It provides a deeper understanding of the types of jobs in Port Moody and the functional role they play in the regional economy, as well as how the city differs from other municipalities in the region and what types of jobs might be attracted in the future.

The first categorization is based on whether employment industries are export-focused (outside the region) or primarily sell to local businesses or households.

### TABLE 8. JOBS PER 100 POPULATION BY CUSTOMER LOCATION TYPOLOGY, 2016

| TYPE | METRO VANCOUVER | PORT MOODY | COQUITLAM | PORT COQUITLAM | VANCOUVER | RICHMOND | BURNABY | SURREY | NORTH VAN CITY |
|---|---|---|---|---|---|---|---|---|---|
| Traded | 11 | **4** | 5 | 8 | 14 | 15 | 14 | 6 | 7 |
| Business Support | 6 | **3** | 5 | 7 | 7 | 11 | 9 | 4 | 4 |
| Household-Serving | 19 | **13** | 15 | 15 | 25 | 20 | 19 | 13 | 18 |
| Household/Business Mix | 10 | **6** | 6 | 6 | 15 | 14 | 13 | 7 | 7 |
| **TOTAL** | **45** | **25** | **30** | **36** | **60** | **60** | **54** | **30** | **36** |

Relative to population, Port Moody has fewer of each type of job than most other municipalities, with the largest gap in traded industries. There is clearly room for Port Moody to grow in the traded category, but these are the hardest type of jobs to attract as they are not drawn by local markets (although they could be drawn by proximity to workforce).

Port Moody also has the lowest rate of business support jobs. Growth potential in this category is likely limited because proximity to other concentrations of employment (and a central location in the region) are important factors. Port Coquitlam's strong performance in business support is related to its high level of employment on industrial land, as well as proximity to Highway 1.

Port Moody has limited scope to increase household-serving jobs at a faster rate than population as it already has a broadly comparable level of household-serving employment as other non-core municipalities.

The second categorization of industries is based on their predominant land use requirement, including standard categories like commercial and industrial as well as more specialized locations.

### TABLE 9. JOBS PER 100 POPULATION BY LAND USE TYPOLOGY, 2016

| TYPE | METRO VANCOUVER | PORT MOODY | COQUITLAM | PORT COQUITLAM | VAN-COUVER | RICH-MOND | BUR-NABY | SURREY | NORTH VAN CITY |
|---|---|---|---|---|---|---|---|---|---|
| Commercial | 16 | **10** | 13 | 12 | 22 | 21 | 17 | 10 | 14 |
| Industrial | 12 | **5** | 8 | 14 | 11 | 21 | 18 | 9 | 6 |
| Institutional | 6 | **5** | 4 | 4 | 7 | 4 | 7 | 5 | 5 |
| Office | 10 | **5** | 5 | 5 | 18 | 10 | 12 | 5 | 11 |
| Other* | 1 | **0** | 0 | 1 | 1 | 3 | 0 | 1 | 0 |
| **TOTAL** | 45 | **25** | 30 | 36 | 60 | 60 | 54 | 30 | 36 |

*Other includes recreational, residential, and special locations, each of which are a small share of total regional employment.

Comparing employment by the predominant land use requirement of each industry once again shows Port Moody lower in each category than the regional average, but only slightly lower in Institutional (due largely to Eagle Ridge Hospital).

The table provides an excellent snapshot of why Port Moody has historically had fewer jobs than its neighbours:

- Compared to Port Coquitlam, Port Moody has 11 fewer jobs per 100 population. Jobs requiring industrial land account for 9 of the difference. This gap is unlikely to close as Port Moody is currently challenged to retain its current industrial employment, with limited scope for expansion. The difference in industrial jobs also accounts for more than half the difference between Port Moody and Coquitlam.

- Port Moody has 2-3 fewer jobs per 100 that require commercial space. There will be future growth in retail and service floorspace in Port Moody, but often accompanied by population growth as part of a mixed-use project. Coquitlam is the retail centre of the Northeast sector and it will be difficult for Port Moody to bridge this gap completely.

- Employment by office-using industries relative to population is nearly identical across the three Northeast municipalities (as of 2016).

- From a regional perspective, North Vancouver City stands out in the table with 11 office-based jobs per 100 population. They benefit from the ICBC head office (1,600 jobs in 2016), but also have historic advantages from a location directly across the water from downtown Vancouver and a resident workforce oriented toward office-based professionals. The Skytrain extension has brough Port Moody “closer” to downtown and other major centres, but in some respects, this simply levels the playing field with communities like Surrey and New Westminster that are also pursuing more office employment.

The key findings of this analysis of regional employment include the following:

- Expanding commercial and office employment is the most likely source of future employment growth in Port Moody. This is due to growth limitations for industrial land.

- Port Moody has a shortage of traded industry employment, which is most often located in offices or on industrial land. Attracting office-based, traded industry employment is the most impactful way to expand the local economy, but also among the most challenging and regionally competitive.

- Commercial employment (retail and services) is heavily oriented toward household-serving industries. This type of employment will grow in Port Moody, but largely in response to population growth and without requiring significant focus from the economic development office.

# EMPLOYMENT CAPACITY ANALYSIS

The complete version of this analysis can be found in **Appendix B.** It is a detailed analysis of Port Moody's employment growth potential. The city has very little vacant land in developable areas, leaving redevelopment as the primary route to acquire the additional employment space that is desired.

Based on a detailed review of property data and discussions with City staff, properties were identified that appear most likely to experience redevelopment within the next several decades. The likely density of redevelopment is estimated, with varying assumptions based on prevailing OCP designations and what the market appears to support. The volume of new employment space is converted to job growth estimates using standard assumptions about employment density.

Assuming full build-out of the approximately 180 parcels that were identified, which may take multiple decades to occur, yields the following impacts:

- Total new employment floorspace of 2.2 million square feet, which replaces 400,000 square feet of existing employment space currently found on these parcels. The net increase is more than 1.8 million square feet.

- An estimated 8,700 jobs contained within new development, less an estimated 600 displaced, for a net increase of 8,100 under the baseline density assumptions (referring to employment density per unit of floorspace). The net employment increase is 9,600 under a "More Density" scenario and 7,100 under the "Less Density" scenario.

The timeframe of the analysis is intended to reflect redevelopment potential over the next few decades and there are no guarantees about exactly how quickly a full development of all 180 identified parcels would occur.

Projected total employment in the community at full build-out is shown below. The jobs total combines existing jobs, projected growth in home-based jobs as the population increases, and the net increase in jobs from redevelopment.

### TABLE 10. JOBS TO POPULATION RATIO SCENARIOS (ASSUMES FULL EMPLOYMENT SPACE BUILD-OUT AT BASELINE EMPLOYMENT DENSITIES)

| | AT 50,000 POPULATION | AT 60,000 POPULATION | AT 70,000 POPULATION |
|---|---|---|---|
| Jobs | 20,300 | 21,000 | 21,700 |
| Jobs to Population Ratio | 0.41 | 0.35 | 0.31 |

While this analysis does not calculate the accompanying rate of population growth that would go along with the employment floor space development described above, it seems optimistic that all the employment space could be created (representing more than 10,000 net new jobs) while the population only increases by about 15,000 to a total of 50,000. If that were the case, then Port Moody would come close to achieving the City's 0.42 target, but if higher population growth is required to facilitate and support the employment growth, then the ratio would be 0.35 (at 60,000 population) or 0.31 (at 70,000 population).

This analysis suggests that even with an expansive view of redevelopment potential in Port Moody, the community is very unlikely to reach its current goal of 0.42 jobs per resident.

## SUMMARY OF PORT MOODY COMPETITIVE POSITION

The creation of the Economic Development Master Plan benefited greatly from consultation interviews with 24 individuals from a variety of industries, locations, and organization size, including several representing senior governments or industry associations from outside Port Moody.

Many of the insights and ideas gathered through the consultation are reflected in the discussion of individual strategies and action items in Sections 4 and 5. Other more general points are included in the SWOT (Strengths, Weaknesses, Opportunities, Threats) Summary below.

In addition to consultation and statistical analysis, several other recent projects provide valuable insight into Port Moody's competitive position. These include a *Metro Vancouver SWOT and Scenario Analysis* prepared by Deloitte in 2020 for Metro Vancouver and the 2021 KPMG Economic Study in Port Moody. Dozens of other studies completed in Port Moody and elsewhere were reviewed for background information.

Port Moody's competitive position with respect to economic development is summarized below.

### TABLE 11. SWOT SUMMARY

| STRENGTHS | WEAKNESSES |
|---|---|
| • Favourable reputation and sense of identity in the region – strong lure to professionals and entrepreneurs leaving Vancouver due to combined urban and natural amenities<br>• Rapid transit access to Vancouver and region via Skytrain<br>• City staff highly regarded and considered very helpful in facilitating projects and developments<br>• Higher household incomes and younger population than region and neighbouring cities<br>• Greater share of residents working in high-skill occupations and higher rates of university, college and trades qualifications<br>• Deep sea port facilities and beautiful waterfront location with park and major development site (Flavelle)<br>• Local hospital in the community | • Heavy rush hour traffic through main arteries and limited vehicle access across rail exacerbates congestion<br>• Limited highway access for goods shipment by road<br>• Limited commercial or industrial space for lease<br>• High lease rates for available space<br>• Limited land base for new commercial or industrial development<br>• Perceived challenging development approval process, including inconsistent messaging that causes uncertainty and increases risk<br>• Perceived limited local retail and service amenities<br>• High housing prices limiting in-migration of skilled workers/entrepreneurs and families<br>• Significant anti-development sentiment in the community that may limit some employment generating opportunities<br>• Relatively high municipal taxes |
| **OPPORTUNITIES** | **THREATS** |
| • Increased prevalence of work from home (WFH) and hybrid work creating opportunities for daytime amenities<br>• Variety of specialized retail and services to capitalize on high household incomes and knowledge workers<br>• COVID-accelerated shift toward hybrid work models may increase demand for smaller offices located closer to where workers live (speculative)<br>• Due to COVID impacts, desirable local labour market, Skytrain, and attractive environment, increased office-based employment for knowledge-based industries<br>• Depletion of most available industrial land in the region prompting innovative new models of mixed-use (with office, commercial, occasionally residential) to help sustain light industrial space<br>• Indigenous historical sites create opportunity for indigenous-led tourism<br>• Clean energy production, including green fuels and green power production<br>• Health and related ancillary services due to growing hospital and currently under-development of such services compared to other communities<br>• Marine-based commercial services and tourist amenities | • High housing and commercial lease rates pushing some of the arts and culture sector to lower-cost communities<br>• Encroachment of new development into traditional industrial areas, and high lease rates for new space, pushing some of the traditional light industrial sector to lower-cost communities<br>• Global geopolitical uncertainty reducing international trade and growth potential<br>• Long-term fiscal and monetary stability (inflation risk) in aftermath of massive COVID-induced government expenditures<br>• Accelerating rates of innovation in artificial intelligence and automation causing increasing disruption to established businesses and labour markets<br>• COVID-induced change in consumer behaviour toward online shopping and limited personal contact permanently shrinking some retail, entertainment, recreation, and service industries<br>• Aging of the population (nationally and locally) reducing local workforce and consumer market<br>• Increased office development in other suburbs increasing competition for office growth in Port Moody |

# 5 CAPITALIZING ON OPPORTUNITIES

This is the first of three sections of strategies – the first is focused on Port Moody's best opportunities to achieve its investment, employment, and business growth objectives. The second is outlined in Section 6 and is focused in improving the local business climate, while Section 7 has several strategies to align the Economic Development Office to this Master Plan.

Most of these opportunity-based strategies require the direct involvement of the economic development office, while the business climate strategies involve a wide array of municipal and regional partners, many of which are already working on the issues.

# STRATEGY 1: ATTRACT OFFICE-BASED EMPLOYMENT, INCLUDING TECH

The market for office development in Port Moody is on an upward trajectory, spurred by a confluence of factors outlined below. While the technology sector is most often identified as a source of major office-based investment, other industries in professional and business services, the public sector, health and education, and corporate offices in all sectors are also potential sources of well-paying, knowledge-based office employment.

Positive trends for office-based growth:

- The addition of Skytrain access, combined with the natural amenities of the area and growing built amenities, such as Brewery Row, that are appealing to knowledge-based workers.
- Rapid growth in major office-based industries across the region, primarily among major technology companies, which are attracted by more affordable labour costs, a desirable quality of life, limited US immigration for skilled foreign workers, and recognition of the growing base of world-class tech companies in this region. While more a regional than Port Moody factor, this element is increasing the total demand for office space across the region.
- A well-educated workforce in Port Moody that benefits from the many lifestyle amenities already mentioned and lower housing costs than Vancouver
- The COVID-prompted shift in working patterns that are likely to support more hybrid models in future (partly working in an office, partly at home) and the desire of many skilled workers to work closer to home. While the long-run resilience of these trends is unclear, there appears to be a modest decentralization of working locations underway.
- The precedent of recent office developments in Port Moody, including in Suter Brook and part of the Coronation Park proposal.
- At least anecdotally, regular inquiries with the economic development office on the availability of space that is currently not being met in the market.
- Positive feedback from tech-related contacts in the consultation for this study on Port Moody's appeal, but also uncertainty about the ability to move forward quickly.

Recognizing the positive story that Port Moody has to tell, the City's initial focus should be serving as a liaison between landowners/developers for major projects and potential "anchor tenants" for office development. Landowners are understandably reluctant to commit to major office development "on spec," but if the City can help identify and facilitate the interest of larger tenants, a greater level of office development can be achieved. The tech sector should be a primary focus of this strategy, but not exclusively. Various other knowledge-based industries are also potential office tenants.

**Moody Centre** is the mostly likely location for near-term office growth for many of the reasons listed above (Skytrain, proximity to amenities), as well as having existing interest from the landowner group and the City's own extensive work with the Innovation Centre Task Force. The experience of some other suburban tech or office developments is they have an industry-specific focus where companies in related and complementary industries cluster together. Most of these clusters are not pre-planned, but start with a key investment from a significant company (or a small local company becomes a big local company) and gradually evolve toward a recognizable cluster as other companies are attracted by the presence of the initial investors.

Part of the attractiveness of a potential employment location is the presence of amenities within walking distance, such as restaurants, personal services, retail shops, and entertainment venues. While most of Port Moody is relatively well situated in this regard compared to other suburban locations (nearby recreation, beautiful setting, Brewery Row, an active and authentic local business community), a focus on attracting tech and other knowledge-based workers should consider the types of amenities present in vibrant office districts.

For example, an analysis of business license data in the transforming Mount Pleasant neighbourhood of Vancouver (home to a mix of residential, light industrial, retail/service, and fast-growing office tech businesses) from 2013 to 2021 shows large increases in a variety of "workforce amenity" type of businesses as well as business support services and core office and light industrial uses.

### TABLE 12. LARGEST INCREASE IN BUSINESS LICENSE TYPES IN MOUNT PLEASANT, 2013-2021

| TYPE | LICENSE CATEGORY | INCREASE 2013-2021 |
|---|---|---|
| **Core Office / Light Industry** | Office | 36 |
| | Computer Services (could also be business support) | 21 |
| | Instruction | 9 |
| | Manufacturer - Food | 7 |
| | Manufacturer - Food with Ancillary Retail (also serves local workforce) | 5 |
| **Business Support** | Contractor | 13 |
| | Contractor - Special Trades | 5 |
| | Real Estate Dealer (also serves local workforce) | 4 |
| | Contractor | 3 |
| | Landscape Gardener | 2 |
| | Electrical-Security Alarm Installation | 2 |
| | Moving/Transfer Service | 2 |
| | Janitorial Services | 2 |
| | Caterer | 2 |
| **Workforce Amenities** | Exhibitions/Shows/Concerts | 4 |
| | Liquor Retail Store | 4 |
| | Financial Services | 3 |
| | Auto Parking Lot/Parkade | 3 |
| | Entertainment Centre | 2 |
| | Restaurant Class 2 | 2 |
| | Fitness Centre | 2 |
| | Entertainment Services | 2 |
| | Retail Dealer – Food | 2 |
| | Health and Beauty | 2 |

Source: City of Vancouver open data

## ACTIONS

**1.1 Develop a basic promotional package for office-based investment in Port Moody, based on the factors identified in this study. If focused on a specific location (in partnership with a developer), the material could provide more detailed locational description and highlight neighbouring amenities.**

**1.2 Become an active participant in relevant regional organizations in technology, real estate, and perhaps region-level general business organizations. Attend events to build the personal relationships that help to achieve word of mouth and identify investment opportunities.**

**1.3 Where possible, leverage the arts and culture focus of the community – City of the Arts – to highlight commitment to creative industries.**

**1.4 Enlist the support and resources of Invest Vancouver, which includes digital media and infotech/software as priority sectors that overlap with Port Moody's interests.**

**1.5 Consider using density bonusing and other common incentives to increase the level of employment floorspace above minimum standards.**

**1.6 Continue to regularly engage with post-secondary institutions to encourage location of a post-secondary research facility or satellite campus in Port Moody.**

**1.7 Work with developers to curate a range of retail, food service, and personal service leaseholders who enhance the attractiveness of Moody Centre as an office location.**

# STRATEGY 2: ATTRACT MEDICAL AND ANCILLARY HEALTH SERVICES INDUSTRIES

Health care is one of the pillars of the Port Moody economy due to the presence of Eagle Ridge Hospital, which serves a vital role as the primary health centre for the Northeast Sector. Yet compared to some other communities with a major health facility, there are relatively few ancillary health-related businesses nearby. These include professional health offices (private offices of doctors, surgeons, specialists) or a wide variety of support services (laboratories, medical supplies, equipment rental, retail/food for visiting patients, etc.).

Looking ahead, Port Moody and the surrounding communities are continuing to demonstrate strong population growth, but also have an aging population. Future expansions or upgrades to hospital facilities, including Eagle Ridge Manor (a long-term care facility) may create even more opportunity for related businesses to emerge.

Port Moody has very few family health services (family physicians), which means residents have lesser health care amenities, and the city does not capture the employment and related economic activity. There are clear advantages to a Port Moody location, including proximity to Skytrain as health clinics must account for patients with financial and mobility challenges.

The challenges to having more family health services in Port Moody are typically identified as the high cost of office space compared to neighbouring communities, and to some degree to a lack of commercial space overall.

## ACTIONS

**2.1 Maintain ongoing dialogue with Fraser Health over expansion plans at Eagle Ridge and ancillary business opportunities that may arise.**

**2.2 Given the broader community benefits of enhanced family health services, consider using publicly controlled amenity space in new developments as a "health incubator" for young family physicians to establish a practice in Port Moody.**

# STRATEGY 3: ATTRACT MIXED-EMPLOYMENT INDUSTRIAL DEVELOPMENT

There is a separate strategy in the Business Climate section regarding the retention of industrial land. This one is more proactive, but complementary to land retention.

While certain industrial parcels (such as those in the Moody Centre TOD area) will be subject to a larger planning and approval process, the redevelopment of smaller industrial parcels (or consolidated parcels) elsewhere will gradually occur over time.

Spurred by the shortage of industrial land throughout Metro Vancouver, a variety of innovative industrial developments have been completed in the region in recent years, including multi-storey industrial (sometimes with loading ramps to the 2nd floor), and the mixing of core industrial uses with office, ancillary commercial uses like food service and retail, and in rare cases, residential. Aspects of this trend are already occurring in Port Moody with the breweries, which combine industrial manufacturing with ancillary beverage service and retail. While not suitable for all industrial users, many light industrial uses can be retained on mixed-use projects (mixing different types of employment uses) that become more financially viable by adding additional density from ancillary uses.

This strategy is also support of the Regional Industrial Lands Strategy from Metro Vancouver that prioritizes “Facilitate the Intensification / Densification of Industrial Forms Where Possible.”

## ACTIONS

**3.1 Pending the results of the Industrial Land Strategy, which should provide additional clarify on mixed-use and densification options and potential areas of the city where they apply, actively engage with the developers of mixed-use industrial projects to promote Port Moody opportunities.**

**3.2 Continue to consult with industrial businesses through ongoing business liaison activities and ensure the retention of industrial activity remains a priority in new project development.**

# STRATEGY 4: SUPPORT EXPANSION OF MARINE-BASED SERVICES

Port Moody has a variety of businesses that provide marine-related services and take advantage of the city's waterfront location. Yet commercial access to the water is relatively limited. Reed Point Marina is more oriented toward recreational use rather than commercial use and the same is true of the City boat launch at Rocky Point Park.

Opportunities have been identified for a variety of marine-based services that could more effectively be provided from a Port Moody base, including servicing construction projects and marine-only camps and homes up Indian Arm. There are also a variety of tourism opportunities, such as boat tours to downtown Vancouver or Indian Arm. These may include indigenous opportunities.

Maximizing the commercial impact would also require some adjacent land and infrastructure like a barge ramp. Moody Inlet is under the navigational jurisdiction of the Port of Vancouver and any new construction or expansion of existing facilities requires Port approval and an environmental impact review, including consultation with community interests, including First Nations. No specific location has been identified with such facilities might be constructed.

## ACTIONS

**4.1 Explore creation of new or expanded commercial launch facilities in Port Moody.**

**4.2 Explore expansion of commercial marina space in Port Moody, which is in high demand throughout coastal BC and could create new tourism and business linkages between Port Moody and downtown Vancouver, Lonsdale Pier in North Vancouver, False Creek, and other marine locations.**

**4.3 Ensure Pacific Coast Terminals is part of ongoing business community liaison to monitor future opportunities for on-site employment growth or increased economic spinoffs in the community.**

# STRATEGY 5: ENCOURAGE GROWTH IN TOURISM

From an economic development perspective, there are two main benefits to tourism to highlight. The first is the direct economic impact of the increased spending by visitors in local Port Moody businesses, including retail stores, food and beverage services, transportation providers, and arts, culture and recreation outlets. These expenditures indirectly support higher value commercial operations and more tax revenue for the City.

At the present time, the direct impacts of tourism are muted in Port Moody due to the lack of any large accommodation properties (recognizing there are multiple smaller operations like bed and breakfasts and at least one current development proposal includes a hotel). Overnight visitors spend more in a host community than day-trippers. Consequently, tourism should be viewed as a valuable industry in Port Moody with growth potential, but not as a fundamental driver.

The second benefit that may be less widely appreciated is the way that tourism supports a greater number and variety of lifestyle amenities than a community could support on its own. Examples include restaurants, arts and culture organizations, and recreational amenities that may earn a sizable chunk of their revenue from tourists, helping to sustain their operations for the benefit of the local population that could not otherwise support them to the same degree. While there is not perfect overlap between the things that tourists do and the things that residents do, it can be argued that this alignment is improving as tourists increasingly value authentic experiences rather than packaged, sanitized activities that have limited appeal to residents.

A variety of tourism development opportunities were identified through consultation. Some relate to heritage assets like resolving the long-run location of the Museum to allow for a capital renewal, building on the popularity of local breweries, enhancing the active transportation options with trails, bike lanes, and parks, working with indigenous Nations to increase access to historic sites, expanding marine-based tours or recreational activities, and many more.

The City has not had an active Tourism Advisory Committee in recent years, but it is expected to be revived and strictly tourism-related items will, in future, be addressed more effectively through that dedicated committee than through the Economic Development Advisory Committee.

## ACTIONS

**5.1 Support the implementation of the City's Wayfinding Strategy.**

**5.2 Continue to assist companies and organizations working on creating new or improved tourism products in the community.**

**5.3 Initiate and maintain contact with business development representatives of the Kwikwetlem and Tsleil-Waututh Nations to indicate support of any future Indigenous-led tourism businesses within Port Moody.**

**5.4 Assist interested developers of accommodation properties who approach the City, and highlight the value of growing office-based employment in supporting business travel.**

# STRATEGY 6: SUPPORT EXPANSION OF CLEAN ENERGY GENERATION

BC Hydro's Burrard Thermal site had the largest natural gas-fired power station in BC after it was completed in 1975. The site's function was changed in 2016 to a synchronous control station, which modulates the voltage of the power system, and its long-term role will be determined by BC Hydro, the Province, and Indigenous partners.

The current use of the station will cease in 2025, after which much of the infrastructure will remain (foreshore leases, power grid connections, deep water port). It is a natural location for clean energy production due to grid connections and deep-water access.

In addition, Suncor has announced an agreement to manufacture low-carbon hydrogen fuel at their Burrard Terminal facility in Port Moody. This builds on the site's many built-in advantages, including tidewater access for both import and export.

## ACTIONS

**6.1 Work with BC Hydro and other partners to identify possible spinoff opportunities for Port Moody from the establishment of new industrial activity on the Burrard Thermal site (pending resolution of the site's future).**

**6.2 Maintain ongoing relationship with Suncor and support their expansion into clean energy production.**

# STRATEGY 7: SUPPORT SUSTAINABLE EXPANSION OF FILMING ACTIVITY

Filming in Port Moody is a relatively modest contributor to the local economy, but has some potential for increased activity.

With no dedicated filming facilities in the community, current activity is location shoots that are attracted by a particular locale, such as heritage architecture, natural surroundings, or a specific building. Other than the COVID-impacted year of 2020, the number of film permits has ranged from 22 to 27 per year since 2018, for a total of 76 to 93 days of activity in the community (including prep, shooting, and wrap). Total permit revenue reached a high of nearly $12,000 in 2021.

Current growth potential is modest as many filming locations require an industry partner willing to accommodate filming on their site (e.g., the former Flavelle sawmill site, which has a temporary lease for the construction of a historic Japanese village for the series *Shogun*).

A longer-term opportunity as part of industrial redevelopment in the community could include the integration of dedicated filming infrastructure. Digital media is a related field that could be targeted as an office tenant in the community.

## ACTIONS

**7.1 Through routine engagement with the local business community and developers, explore options for filming sites and possible film facilities that, if identified, could be communicated to the industry.**

**7.2 Invite Creative BC staff to visit Port Moody to communicate industry needs and trends and increase the level of engagement with the film sector.**

**7.3 Support ongoing City liaison with film production companies to identify potential service requirements and business opportunities related to film.**

# 6 IMPROVING BUSINESS CLIMATE

Port Moody's business climate is the overall environment for businesses and organizations operating in the city. It includes a wide variety of factors, including operating costs, the ease of moving goods and people, the ease and cost of regulations, the natural and built environment for workers to spend their day, the level of support in the business community, and much more.

The strategies outlined in this section of the report are targeted at these broad issues that affect many types of industries. Several of the recommended strategies are also implemented primarily by other City of Port Moody departments.

## STRATEGY 8: ESTABLISH EMPLOYMENT STANDARDS FOR NEW DEVELOPMENT

The growth of Port Moody's economy is currently constrained by the lack of employment space. Increasing employment floorspace will provide increased non-residential tax revenue, support increased local employment opportunities, and help make progress toward a more complete community.

The City is currently approaching this issue through a targeted jobs to population ratio, set at the same level as Coquitlam.

A more direct and flexible solution is to identify a minimum standard for employment floorspace for each area of the city, talking into account that some areas will support higher density employment development than others. This transparent approach will allow interested developers to incorporate the City's expectations for employment space into their initial project concepts. This should lead to faster approvals and more construction of employment floorspace sooner.

There are multiple possible ways to set this standard. One way is to establish minimum employment floorspace percentages in the Zoning Bylaw for all commercial and mixed-use zones. Another option is to set an Employment Floor Space Ratio (FAR), such as the assumed FARs for each OCP designation shown in the Appendix B analysis. These can be converted to employment floorspace percentages for each zone that has a maximum total FAR.

For example, the assumed employment FAR in the Moody TOD area is 0.85. If the maximum FAR is 5.5, then the employment floorspace percentage is 15.5%.

Implementation of these minimum employment standards should follow from the OCP, which establishes where employment should be most concentrated and what type of employment (industrial, commercial, office) is allowed. Specific employment standards could be added to the Zoning Bylaw for relevant zones, which is the approach in Coquitlam.

A process to establish minimum employment standards is required that incorporates Planning staff and should have input from the development community. The risk in setting standards too high is that development is deemed financially unviable, and Port Moody does not realize the employment floorspace it needs. If the standard is too low, developers will typically build more residential space and Port Moody will not fully capitalize on its opportunities.

## ACTIONS

**8.1 Initiate a process with Planning staff and consultant support, if necessary, to establish minimum employment standards for sub-areas of the city. These may correspond to OCP designations and/or zoning. The assumptions found in TABLE 20 in Appendix B can be used as a starting point for these discussions.**

**8.2 Solicit input from the development community on proposed employment standards and their impact on project viability and other considerations.**

# STRATEGY 9: SUPPORT THE RETENTION OF INDUSTRIAL LAND OPTIONS

Port Moody has a very strong industrial heritage, not only in large operations like port facilities and sawmills, but a wide range of smaller industrial businesses in repair and maintenance, metal fabrication, and industrial and marine support services. These mostly small businesses are at risk of being pushed out of Port Moody due to redevelopment pressure affecting their current premises and rising land and lease costs that are not affordable to smaller companies.

The City's forthcoming Industrial Land Strategy will explore these issues in greater depth and identify specific best practices for retaining industrial uses and employment in an urbanized environment with significant development pressure from non-industrial uses. The completion of the Industrial Land Strategy will help the City fulfill its role in Metro Vancouver's Regional Industrial Lands Strategy by assessment current industrial and providing recommendations on increasing utilization. The study should also highlight some of the selling features of industrial land to the local economy, such as the wage premium for industries requiring industrial land.

## ACTIONS

**9.1 Use the Industrial Land Strategy process to gain a deeper understanding of current industrial utilization, long-term prospects for current operators in Port Moody, and possible solutions to retain a strong industrial base.**

**9.2 Work with owners of the Reichhold Chemical site to determine their long-term plans and ensure the site maintains an industrial role.**

**9.3 Pending the outcome of the Industrial Land Strategy, consider creating a Brownfield Development Strategy to make full use of limited industrial land.**

## STRATEGY 10: SUPPORT TRANSPORTATION SYSTEM IMPROVEMENTS

Traffic congestion through Port Moody, particularly in the afternoon rush hour, was a common business challenge identified in the industry consultation. It was identified as a negative aspect of Port Moody across a variety of industries, primarily by limiting ease of movement across the community and negatively impacting restaurants and other public-serving businesses in high-traffic areas like Moody Centre.

Goods movement is also a challenge for companies in industrial areas who have limited highway access and many who need to access limited rail crossings.

With continued population growth locally and regionally, and the desire expressed in this Master Plan for significant local employment growth, traffic challenges are a threat to quality of life and the operating efficiency of local businesses.

### ACTIONS

**10.1 Support City and regional initiatives to create long-term transportation system improvements.**

**10.2 Ensure that goods movement and personal traffic impacts are considered in the decision-making process for major development projects.**

## STRATEGY 11: SUPPORT ENHANCED DEVELOPMENT APPROVAL PROCESS

The City embarked on a process in early 2022 to streamline the development approval process. Working with a consultant, all stages of the process are under review, from first indication of interest to completion of construction and servicing. This has been done in recognition of rise of developer interest in Port Moody within the last decade and the complexity of many development proposals.

This process has important overlap with the Economic Development Master Plan objectives to increase employment floorspace, as well as the value in attracting new residents to deepen the local talent pool and consumer market.

### ACTIONS

**11.1 Provide economic development rationale and support to the Enhanced Development Approval Process project.**

# STRATEGY 12: CONTINUE INVESTING IN AN EXCEPTIONAL SENSE OF PLACE

Place-building has been growing in importance and recognition as a vital component of 21st-century economic development. As people and companies are increasingly flexible in their location decisions, communities and neighbourhoods where people want to live and spend their working days are essential.

Sense of place is influenced by the natural setting, the standard of the built environment, and the type and quality of both commercial and public services. The industry consultation for this study showed that perceptions of Port Moody, from both new and long-established business owners, are already very favourable for sense of place. The recommended action items are intended to reinforce and support continued investment in making Port Moody a desirable place to live and work.

## ACTIONS

**12.1 Support the continued implementation of the City's Arts and Culture Master Plan and Art in Public Spaces Master Plan.**

**12.2 Support the operational and growth needs of the Port Moody Arts Centre, including by providing technical support to a future capital campaign with an economic impact study of its benefits to Port Moody.**

**12.3 Support the continued implementation of the City's Parks and Recreation Master Plan.**

# 7 ALIGNING THE ECONOMIC DEVELOPMENT FUNCTION

The City of Port Moody currently has a modest commitment to economic development, with funding for the Manager of Economic Development position (within the Community Development Department), operating the Economic Development Committee, and minor ancillary support services.

This is less than some Metro Vancouver municipalities who fund multi-person teams and ongoing program expenses, although they are mostly larger communities. It is also a larger commitment than some municipalities that have no dedicated resources committed to economic development.

The strategies in this part of the master plan are designed to support the implementation of the plan, but within the context of a single-person office with limited financial and staff resources.

## STRATEGY 13: ALIGN ANNUAL WORK PLANS AND MASTER PLAN REPORTING

Upon adoption of the Master Plan, it will provide the over-arching direction for economic development initiatives. It is also recognized that new issues and opportunities will continually emerge that also require time and attention from the City.

Any significant new economic development initiative should also support the City's overall economic development objectives outlined in Section 3, which focus on expanding employment-supporting floorspace, particularly office space, growing the number of operating businesses, and increasing both the number of employment opportunities and their alignment with resident skills.

### ACTIONS

**13.1 Prepare a baseline performance measurement package, using new 2021 Census and other data, to be updated annually.**

**13.2 Formulate annual economic development work plans based on the action items and priorities in the Master Plan, with adjustments from new priorities and by learning from the previous year's outcomes.**

# STRATEGY 14: MAINTAIN CATALOGUE OF BUSINESS SUPPORT RESOURCES

Regular contact with local businesses is an important part of economic development (see next strategy) and identifying and monitoring business challenges and opportunities should be a focus of these interactions.

After identifying these issues, the role of the economic development office is to be a generalist facilitator who can help link companies with resources who can help. One-on-one business counseling is beyond the capacity of a single-person office (or even a small team) and other organizations with topic-based expertise are better positioned to provide support.

There are many possible examples, such as Business Development Bank of Canada for financing support, the World Trade Centre (part of the Greater Vancouver Board of Trade) for export development assistance, various Environment and Climate Change Canada programs to support sustainability initiatives, Small Business BC for managerial skills development seminars, local colleges for staff training courses, and many more.

The catalogue of business support services is not intended to be a comprehensive, polished product to be distributed, but rather a mostly internal database of key support programs and contacts that can be used for quick referrals for local business when the need arises. The list of programs and organizations will be constantly evolving, but creating it can be fast-tracked by following the lead of many other economic development organizations who provide resource links. The City could include some of these resource links on its Economic Development webpages.

Labour shortage is currently one of the most important challenges facing local businesses, an issue shared with many other parts of BC and Canada. Initiatives to support workforce development are best implemented at the level of the local labour market, meaning regionally (Metro Vancouver) or possibly sub-regionally (Tri-Cities/Northeast), rather than by a single municipality.

## ACTIONS

**14.1 Create and maintain an evolving list of resource supports and funding programs for common business challenges, primarily for internal use to support local companies.**

**14.2 Regularly engage with regional and provincial peers in economic development to share experiences and enhance knowledge of useful business support tools.**

**14.3 Support regional and sub-regional workforce development initiatives in partnership with other local governments, region-wide organizations, and post-secondary or training institutions.**

# STRATEGY 15: FORMALIZE BUSINESS LIAISON PROGRAM

This strategy builds on two pre-existing features of Port Moody. First is the strong sense of identity that local businesses feel for the community and the desire, particularly emerging from the isolation of the pandemic, for building a more cohesive and connected Port Moody business community. Organizations already exist to provide social and networking opportunities (Tri-Cities Chamber of Commerce, Shop Local Port Moody), which local businesses should be encouraged to participate in, but additional opportunities through community events or ad hoc meetups should be used to build the connections between Port Moody businesses.

The second feature is the current informal activity of the Economic Development Manager in meeting with local businesses. Building these on-the-ground connections and local knowledge are an essential part of a good economic development program and should be encouraged, with an additional emphasis on slightly formalizing these business visits.

Business retention and expansion (BRE) programs are considered among the most important economic development activities because they focus on supporting and growing the businesses that are already invested in the community. There are specialist software packages available to manage a BRE program that contain a list of suggested questions, analytical tools for the survey results, and various customer relationship management (CRM) features. The BC Economic Development Association (BCEDA) has a master license for such a program in wide use in BC.

The downside of a fully formalized BRE program is the time commitment that is simply not realistic for a single-person office with many other commitments. That is why the recommended approach is to "slightly" formalize these visits by being systematic in choosing interview subjects and by reviewing examples of BRE surveys for ideas on topics and issues to discuss. A common approach is to have tiers of contacts. In this example, one-third of the interviews could be with each tier:

- Tier 1 – the largest, most important companies in the community (every 1-2 years)
- Tier 2 – mid-sized companies or companies in priority sectors (cover as many of these companies as possible, and repeat over a longer time cycle of perhaps 3-5 years)
- Tier 3 – other companies, including new ones, that have never been interviewed before

The value of business interviews is the identification of new issues and challenges, particularly if common issues are emerging across different types of companies. It is therefore important to record responses, even in a simple notes file, that is available for future reference.

## ACTIONS

**15.1 Create a somewhat more formal approach to business interviews, with a reasonable target number of completed interviews each year, a systematic approach to interview targets, and considering BRE interview best practices.**

**15.2 Encourage local companies to participate in business events to build upon the emerging sense of a distinct Port Moody business community.**

## STRATEGY 16: UPDATE CITY'S ONLINE ECONOMIC DEVELOPMENT MATERIAL

An online presence is an important complement to an economic development program by providing information to those interested in the community, highlighting top opportunities and marketing messages, and contacts.

The City of Port Moody already has many of these features in place, but its current economic development material needs refreshing. Some information in the Industry Profile is dated and there is relatively little statistical data on local industries, labour force, or household demographics.

The potential to create an economic development micro-site (which is a separately branded City website focused on economic development) has been explored in the past, but was deemed unworkable due to branding confusion and resource constrains to manage a separate site. This may be revisited in future if the City becomes more active in promoting specific investment opportunities.

### ACTIONS

**16.1 Create dashboard of key indicators, based on priority metrics from this strategy, and any other community profile data the City may wish to highlight.**

**16.2 Provide information on the City's priority opportunities, starting with those in the Master Plan, and supplemented with any marketing materials that may be developed and new opportunities over time.**

**16.3 Consider subscribing to an economic development microsite or data platform to modernize data presentation and visual appearance and simplify the update process. This may be particularly valuable if the City undertakes a major marketing initiative to attract investment (e.g., tech-based office tenants).**

# 8 IMPLEMENTATION AND MEASUREMENT

## IMPLEMENTATION

Implementation of the Economic Development Master Plan will proceed through annual work plans by the Economic Development office as well as continued implementation of related initiatives by other City departments.

A summarized implementation schedule can be found in TABLE 13 below. It consolidates each of the individual Action Items and provides additional information:

- **Priority –** each Action Item is assigned one of three priority levels, based on what is likely to create the greatest impact in achieving the City's economic development objectives. The levels are intended to guide the work focus of the **Economic Development Office**:
  - 1st – highest impact, should be implemented as soon as budgets and schedules allow
  - 2nd – significant impact, but should be worked into the implementation plan only after 1st priorities are accounted for
  - 3rd – modest impact, or occurring over a longer period of time. Time and resources should be allocated to these items after the 1st and 2nd priorities are underway or resolved
  - Non-EDO – indicates Action Items whether the staff effort is partly or mainly outside the economic development office.

  Adjustments to these priorities will naturally occur over time as opportunities and challenges emerge or recede.

- **EDO Financial Impact –** The exact budget implications of each Action Item should be considered as part of creating an annual budget and work plan and general guidance on likely budget implications is provided, including whether financial impacts are one-time or ongoing, and whether cost sharing or grant funding opportunities might allay some costs.

## TABLE 13. IMPLEMENTATION SUMMARY

| STRATEGY | ACTION ITEM | EDO PRIORITY | EDO FINANCIAL IMPACT |
|---|---|---|---|
| 1 Office Jobs | 1.2 Participate with regional organizations in tech and general business | 1st | Modest ongoing costs for more association memberships and event registrations. |
| 1 Office Jobs | 1.4 Enlist Invest Vancouver | 1st | |
| 1 Office Jobs | 1.5 Consider density bonusing and other tools | 1st | |
| 1 Office Jobs | 1.6 Engage with post-secondary | 1st | |
| 1 Office Jobs | 1.7 Work with developers to curate amenity services in Moody Centre | 1st | |
| 13 Align EDO | 13.1 Prepare baseline performance measurement package | 1st | One-time research support costs likely required. |
| 13 Align EDO | 13.2 Formulate annual work plans following Master Plan priorities | 1st | |
| 2 Medical | 2.1 Dialogue with Fraser Health | 1st | |
| 8 Employment Standards | 8.1 Establish minimum employment standards | 1st / Non-EDO | |
| 8 Employment Standards | 8.2 Solicit input from the development community | 1st / Non-EDO | |
| 1 Office Jobs | 1.1 Promotional package for office jobs | 2nd | Modest graphical or analytical support in making a case for Port Moody as an office location. Is not considered an immediate priority pending dialogue with current and future office developers to finalize the selling proposition and determine cost-sharing possibilities. |
| 1 Office Jobs | 1.3 Leverage arts and culture focus | 2nd | |
| 14 Support Resources | 14.1 Maintain evolving list of business resource supports | 2nd | |
| 14 Support Resources | 14.2 Engage with economic development peers | 2nd | |
| 15 Business Liaison | 15.1 Formalize approach to business interviews | 2nd | |
| 16 Online | 16.1 Create dashboard of key indicators from Master Plan | 2nd | One-time costs for website update (research costs covered elsewhere) |
| 16 Online | 16.2 Provide information on priority opportunities | 2nd | One-time costs for website update (marketing/graphic costs covered elsewhere) |
| 5 Tourism | 2.1 Support implementation of Wayfinding Strategy | 2nd / Non-EDO | |

| STRATEGY | ACTION ITEM | EDO PRIORITY | EDO FINANCIAL IMPACT |
|---|---|---|---|
| 2 Medical | 2.2 Use public space for "health incubator" | 2nd | |
| 3 Mixed-Employment Industrial | 3.1 Pursue industrial mixed-use developers | 2nd | |
| 4 Marine | 4.1 Explore commercial boat launch | 2nd | |
| 5 Tourism | 5.2 Assist companies creating tourism product. | 2nd | |
| 5 Tourism | 5.3 Engage with Indigenous business developers | 2nd | |
| 9 Industrial Retention | 9.1 Use Industrial Land Strategy results to support retention | 2nd | |
| 9 Industrial Retention | 9.2 Determine Reichhold long-term plans | 2nd | |
| 11 Development Approvals | 11.1 Support Enhanced Development Approval Process project | 3rd | |
| 12 Sense of Place | 12.2 Support operational and growth needs of the Port Moody Arts Centre | 3rd | Economic impact study of the Arts Centre would support capital campaign. |
| 14 Support Resources | 14.3 Support regional workforce initiatives | 3rd | |
| 15 Business Liaison | 15.2 Encourage local companies to build Port Moody business identity | 3rd | |
| 16 Online | 16.3 Consider subscribing to online microsite or data platform | 3rd | Moderate financial impact is possible, depending on the suite of online services required. |
| 3 Mixed-Employment Industrial | 3.2 Continue industrial liaison and prioritize retention | 3rd | |
| 4 Marine | 4.2 Explore expansion of commercial marina space | 3rd | |
| 4 Marine | 4.3 Maintain ongoing liaison with PCT on future opportunities | 3rd | |
| 5 Tourism | 5.4 Work with accommodation investors. | 3rd | |
| 6 Clean Energy | 6.1 Identify spinoffs from new Burrard Thermal activities | 3rd | |
| 6 Clean Energy | 6.2 Engage and support Suncor clean energy production | 3rd | |
| 7 Film | 7.1 Identify filming sites and facilities to promote to the industry. | 3rd | |
| 7 Film | 7.2 Invite Creative BC to Port Moody | 3rd | |
| 7 Film | 7.3 Engage with film production companies to identify local opportunities | 3rd | |
| 9 Industrial Retention | 9.2 Consider a Brownfield Development Strategy | 3rd | |
| 10 Transportation | 10.1 Support City and regional to create system improvements | Non-EDO | |
| 10 Transportation | 10.2 Ensure goods movement and traffic impacts are considered in development applications | Non-EDO | |
| 12 Sense of Place | 12.1 Support implementation of Arts & Culture and Public Art Master Plans | Non-EDO | |
| 12 Sense of Place | 12.3 Support implementation of Parks & Recreation Master Plan | Non-EDO | |

# PERFORMANCE MEASURES

Measuring economic outcomes is never an exact science as any initiative, no matter how well conceived and executed, is influenced by a multitude of factors beyond local control.

The correct way to interpret performance monitoring in economic development is not as a judgment on the effectiveness of the economic development office, but rather as guidance in whether the City is pursuing the right strategies. The broader economic, social, and physical environment should be taken into consideration in reviewing a strategy's effectiveness, but the measures outlined below indicate whether the City's approach is on the right track, or if adjustments are required.

TABLE 14 shows the same performance metrics outlined in Section 3 of the report in connection to Port Moody's overall Economic Development Objectives.

### TABLE 14. PERFORMANCE MEASURES FOR OVERALL ECONOMIC DEVELOPMENT OBJECTIVES

| OBJECTIVE | MEASURES | DATA SOURCE(S) | UPDATE FREQUENCY |
|---|---|---|---|
| #1: Increase total employment floorspace development across the community | Growth in assessed value of industrial and commercial improvements. | BC Assessment (City of Port Moody) | Annual |
| | Ratio of industrial/commercial improvement values to residential improvement values. | BC Assessment (City of Port Moody | Annual |
| | Total floorspace for employment-supporting uses in approved developments, or share of total floorspace, in alignment with minimum standards. | City of Port Moody Planning & Development | As required through regular development tracking |
| #2: Increase upper-floor employment space in Moody Centre | Total floorspace for upper floor employment space in approved developments in Moody Centre and other potential office locations. | City of Port Moody Planning & Development | As required through regular development tracking |
| #3: Increase the number of operating businesses in the community | Change in number of business licenses, for all of Port Moody and/or by priority zones. | City of Port Moody Business Licensing | Annual or as required |
| | Retention rate of business licenses, calculated as the percentage of licensees in one year who renew the following year, for all of Port Moody and/or by priority zones. | City of Port Moody Business Licensing (or EDO calculations) | Annual |
| | Number of business incorporations each year, relative to previous year and/or per capita relative to comparable municipalities. | BC Stats | Annual |

| OBJECTIVE | MEASURES | DATA SOURCE(S) | UPDATE FREQUENCY |
|---|---|---|---|
| | Change in number of business counts, for all of Port Moody and/or by priority areas. | Statistics Canada Business Register (requires custom purchase for detailed industries, neighbourhoods) | Annual or Semi-Annual |
| #4: Improve the balance between Port Moody jobs and residents | Ratio of Port Moody jobs to employed Port Moody residents. | Statistics Canada Census (Metro Vancouver has purchased custom data by place of work) | Every 5 Years |
| | Percentage of Port Moody jobs held by local residents. | | |
| | Percentage of Port Moody jobs held by "Northeast sector" residents. | | |
| #5: Improve the alignment between Port Moody workforce and Port Moody jobs. | Percentage of jobs in Port Moody in industries paying higher-than-average wages, based on BC or Metro Vancouver wage levels. | Statistics Canada Census (Metro Vancouver has purchased custom data by place of work) | Every 5 Years |
| | Difference between percentage of Port Moody jobs in high-skill occupations (Level A and B)[5] and percentage of employed Port Moody residents working in high-skill occupations. | | |
| | Total difference between occupational skill level among Port Moody working residents (Levels A to D) and jobs based in Port Moody. | | |

TABLE 15 contains additional performance measures relating to each individual strategy. For some, there is a valid statistical measure that can be used. For others, there is no clear outcome-based metric available, so the only possible evaluation is a yes/no check on whether the strategy itself is implemented.

[5] The skill classification system for occupations is explained on page 15.

### TABLE 15. PERFORMANCE MEASURES FOR INDIVIDUAL STRATEGIES

| STRATEGY | MEASURES | DATA SOURCE(S) | UPDATE FREQUENCY |
|---|---|---|---|
| 1: Attract Office-Based Employment, including Tech | Net change in office floorspace (not on ground floor).[6] | City of Port Moody Planning & Development | As required through regular development tracking |
| 2 Attract Medical and Ancillary Health Services Industries | Business licenses in medical or ancillary businesses, in the entire City or specified areas.<br><br>Business counts in ambulatory health services. | City of Port Moody Business Licensing<br><br>Statistics Canada Business Counts | Annual or as required |
| 3 Attract Mixed-Employment Industrial Development | Net increase in light industrial floorspace.<br><br>New light industrial floorspace in mixed-use developments. | City of Port Moody Planning & Development | As required through regular development tracking |
| 4 Support Expansion of Marine-Based Services | Yes/No for establishing new marine facilities or companies. | Economic Development Office tracking | As required |
| 5 Encourage Growth in Tourism | Visitor counts at City-owned or City-funded tourism attractions (e.g., Museum). | City of Port Moody, or individual attractions | Annual or Seasonal |
| 6 Support Expansion of Clean Energy Generation | Yes/No for identifying ancillary opportunities or attracting support services. | Economic Development Office tracking | As required |
| 7 Support Sustainable Expansion of Filming Activity | Total filming days. / Total film productions.<br><br>Yes/No for identifying ancillary opportunities. | City of Port Moody film office<br><br>Economic Development Office tracking | Annual or as required |
| 8 Establish Employment Standards for New Development | Yes/No for completing process to establish standards. | Economic Development Office | Annual or as required |
| 9 Support the Retention of Industrial Land Options | Measures to be developed in forthcoming Industrial Land Strategy. | | |
| 10 Support Transportation System Improvements | Measures established in Transportation Master Plan.<br><br>Average commute times and travel mode shares. | City of Port Moody<br><br>Statistics Canada Census | Annual<br><br>Every 5 Years |
| 11 Support Enhanced Development Approval Process | Measures established in other City initiative. | City of Port Moody | Annual |
| 12 Continue Investing in an Exceptional Sense of Place | Measures established in other City Master Plans.<br><br>Yes/No on assisting Arts Centre expansion. | City of Port Moody | Annual |

[6] Ground floor is excluded to eliminate confusion with general commercial units. Upper floor office space is required for the type of high-skill, knowledge-based employment that is targeted. This measure duplicates the one for the overall strategy Objective #2.

| STRATEGY | MEASURES | DATA SOURCE(S) | UPDATE FREQUENCY |
|---|---|---|---|
| 13 Align Annual Work Plans and Master Plan Reporting | Yes/No for annual work plans and Master Plan performance report | Economic Development Office | Annual |
| 14 Maintain Catalogue of Business Support Resources | Yes/No for completion and maintenance of database | Economic Development Office | Annual or as required |
| 15 Formalize Business Liaison Program | Target number of interviews (set each year considering time constraints and other priorities) | Economic Development Office | Annual |
| 16 Update City's Online Economic Development Material | Yes/No for completion of updates | Economic Development Office | Annual or as required |

# APPENDIX A: PORT MOODY'S ROLE IN THE REGIONAL ECONOMY

The analysis in this appendix provides a deeper understanding of the types of jobs in Port Moody and the functional role they play in the regional economy, as well as how the city differs from other municipalities in the region and what types of jobs might be attracted in the future.

The framework for this analysis relies on two different job categorizations.

## CATEGORIZATION TYPE ONE: CUSTOMER LOCATION

The categorization by customer location is adapted from the cluster mapping initiative at Harvard University, which analyzes regional economic performance based on the prevalence of export-focused clusters.[7] In practical terms for this report, data on more than 300 industries[8] was reviewed and allocated to one of the categories listed below. While many industries sell to various markets, both local and non-local, the categorization is based on the predominant pattern for each industry.

- **Traded Industries** – these are the export-focused industries that sell their products primarily outside the local region (e.g., manufacturing, technology-based services, post-secondary education)

- **Business Support** – sell primarily to other businesses within the region (e.g., wholesale trade, construction, business and building services)

- **Household-Serving** – sell primarily to private households and individuals within the region (retail, health care, entertainment and recreation, personal services)

- **Business/Household Mix** – industries that sell to both local businesses and households (real estate, public services, finance and insurance, utilities) and cannot be clearly assigned to either "business support" or "household-serving"

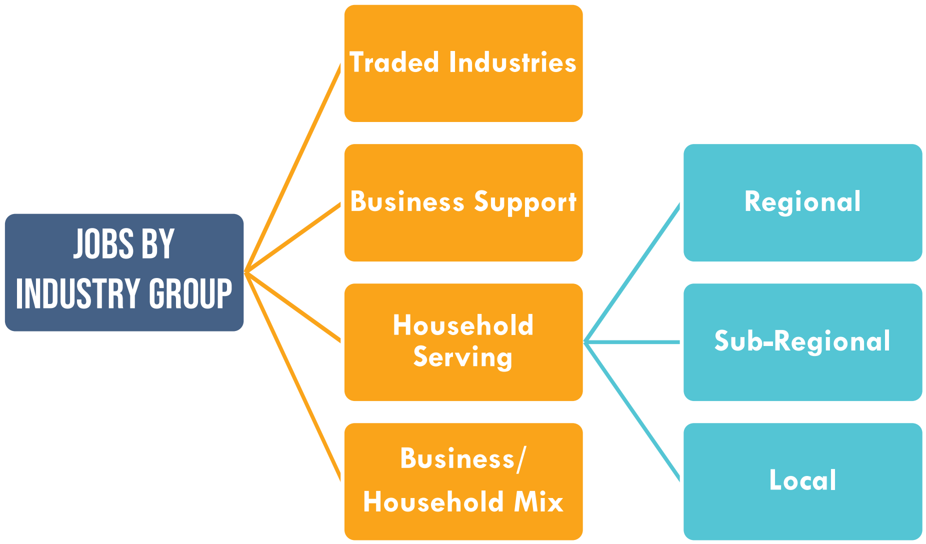
The household-serving and business/household mix categories are further allocated to one of three spatial dimensions: Regional, Sub-Regional, or Local. This refers to whether the industry is concentrated in only one or two locations in the region (regional scale), whether it is distributed

[7] The following study is one of multiple publications in this field: Porter, Michael E. (2003), Institute for Strategy and Competitiveness, Harvard Business School, "The Economic Performance of Regions," *Regional Studies*, Vol, 37.6&7, pp. 549-578, August/October 2003.

[8] The analysis was performed with 4-digit industrial groups in the North American Industry Classification System (NAICS), which is the standard industry classification system used throughout North America.

into perhaps 5 to 8 regional centres (sub-regional), or whether it can be found in each community or neighbourhood (local).

## CUSTOMER LOCATION TYPOLOGIES




The export-focused traded industries are often called the drivers of a regional economy, or the "economic base." While a healthy economy needs contributions from each of these categories, the traded category is most important for driving economic growth and prosperity.

Why is this the case?

- Industries that are focused on national or global markets have much higher growth potential because they are not limited by the size of the local market.
- Competing on an international stage forces companies to be more innovative, to invest more in new technologies and advanced machinery, and to employ higher-skill and higher-paid workers.
- The benefits of traded industry growth spread through the local economy in many ways, including by purchasing locally produced supplies and services, exposing local companies to newer technology and managerial approaches, and building a pool of skilled workers and managers who move on to other local organizations.

## DATA SOURCES

The categorization of industries in this report was completed with reference to several data sources, including:

- Statistics Canada's Input-Output Model for British Columbia (which defines the percentage of total output of BC industries that is consumed in BC versus exported out of the province)

- Custom Place of Work employment data for Metro Vancouver and British Columbia (which was used to identify industries of higher and lower concentration in the region - highly-concentrated industries compared to BC are assumed to be heavy exporters, while those with average or low concentrations are primarily serving local markets)

- BC Stats research on the shares of tourist spending in various industries (heavily tourism-reliant industries are coded as "Traded" as they are earning export income from outside the region)

- The allocation of household-serving industries to regional/sub-regional/local was done by comparing the distribution of employment by municipality in Metro Vancouver (from 2016) to the distribution of population.[9] Particular attention was also paid to the concentration of each industry in Port Moody and in the "Northeast Sector" of Port Moody, Coquitlam, Port Coquitlam, Anmore and Belcarra (as a proxy for a sub-regional area).

## CATEGORIZATION TYPE TWO: LAND USE REQUIREMENT

The second categorization of industries is based on their predominant land use requirement. This is done first by identifying industries that have unique location requirements that are satisfied only in specific types of locations (such as passenger air travel requiring an airport). Industries without a specific requirement are then allocated to one of the commonly used land use categories:

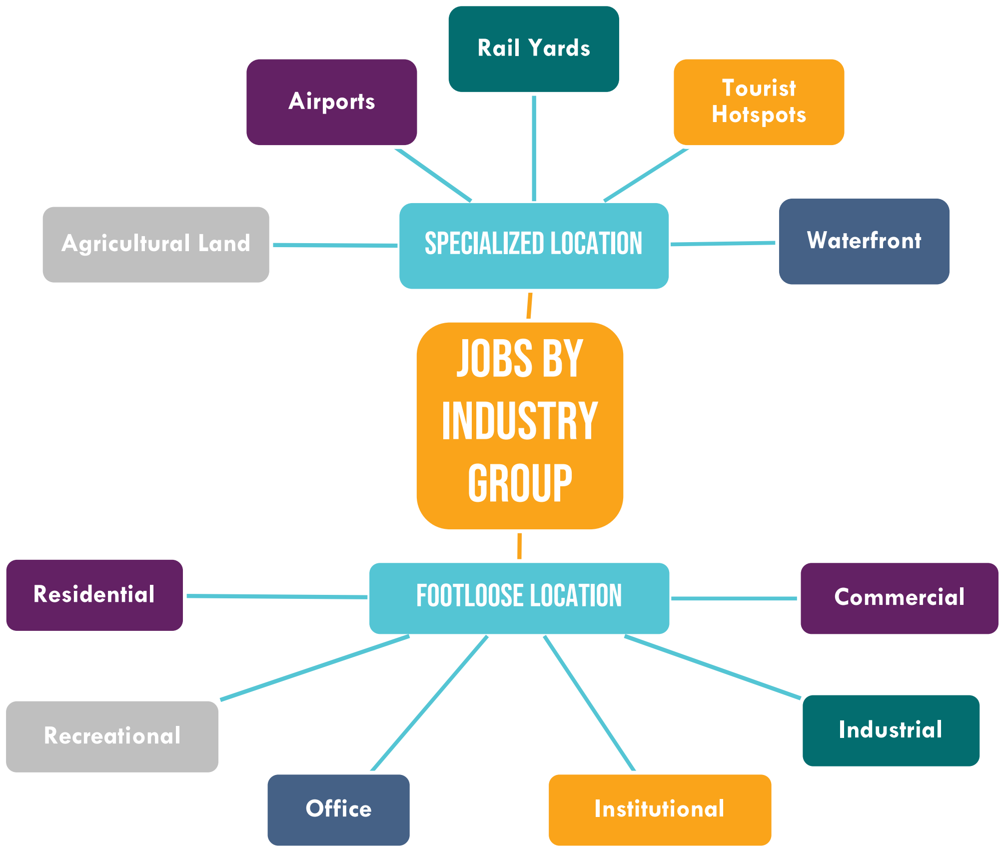
- Commercial (retail and services, not office)
- Industrial
- Office
- Institutional (government complexes, public schools and post-secondary campuses, hospitals)
- Recreational (sports fields, performing arts or sports facilities)
- Residential (private households)

Most industries are not confined to a single land use, and in many cases the uses are blurred as companies will have multiple types of employment within a single operation (e.g., manufacturing, office, retail, food service). As with the customer location categories, this process relies on the predominant characteristics of each industry.

[9] This analysis uses 2016 employment data due to the Statistics Canada Census being the only source of standardized, detailed data for individual communities.

Note that home-based employment is not a separate category at this level of analysis. Home-based jobs can occur in many industries, although they are more common in jobs that would otherwise be office-based or institutional, depending on the specific role.

### LAND USE REQUIREMENT TYPOLOGIES




# PORT MOODY COMPARISONS

Having established the two different categorization systems of regional jobs, the next few tables show how Port Moody compares to Metro Vancouver overall and selected other municipalities. All the data is based on fixed place of work employment from the 2016 Census. While it is now dated, it provides an excellent baseline understanding of Port Moody's functional role in the regional economy and where potential may exist to grow in the future.

The municipalities shown for comparison provide different perspectives:

- **Coquitlam** and **Port Coquitlam** are shown due to being neighbours in the Northeast sector and have been used in the past as a reference for discussing Port Moody's jobs to population ratio.

- **Vancouver**, **Richmond** and **Burnaby** are collectively the locus of regional employment. While Port Moody may strive to move closer to these communities, achieving the same levels of employment would require a fundamental reconfiguration of the community.

- **Surrey** is a very different community than Port Moody in most respects (geographic and population size, demographics, availability of land). But much of the economic development discourse in these two communities is similar – both are concerned about population growth running ahead of employment growth and are seeking to rebalance their communities by attracting jobs and providing more opportunities for residents to work locally. Surrey provides an excellent illustration of a suburban municipality that was historically not a major centre of employment, but is seeking to change that through intense urban development in its core and increasing industrial development.

- **North Vancouver City** is selected because in many respects it is similar to Port Moody – smaller geographic size, a waterfront location, and undergoing a transformation away from industrial activities toward higher-density residential and commercial development. It is further along in this process than Port Moody, but provides a more realistic target for Port Moody to strive toward than core municipalities like Burnaby.

## CUSTOMER LOCATION COMPARISONS

### TABLE 16. SHARE OF JOBS BY CUSTOMER LOCATION TYPOLOGY, 2016

| TYPE | METRO VANCOUVER | PORT MOODY | COQUITLAM | PORT COQUITLAM | VANCOUVER | RICHMOND | BURNABY | SURREY | NORTH VAN CITY |
|---|---|---|---|---|---|---|---|---|---|
| Traded | 23% | **15%** | 16% | 22% | 23% | 25% | 27% | 19% | 19% |
| Business Support | 14% | **12%** | 16% | 20% | 11% | 18% | 16% | 14% | 12% |
| Household-Serving | 41% | **51%** | 50% | 41% | 41% | 34% | 34% | 44% | 49% |
| Household/Business Mix | 22% | **22%** | 19% | 17% | 24% | 23% | 24% | 23% | 20% |

In total, only 23% of regional jobs are in primarily export-oriented industries, while about 40% are focused on serving local households. Port Moody has significantly fewer traded jobs and more in the household-serving category.

Coquitlam is very similar to Port Moody, but Port Coquitlam has a profile closer to Richmond and Burnaby in having a high number of both traded and business support jobs.

While these percentages provide a useful comparison, they obscure the fact that these municipalities have varying levels of total employment. The rest of the tables will compare jobs in each category per 100 population.

### TABLE 17. JOBS PER 100 POPULATION BY CUSTOMER LOCATION TYPOLOGY, 2016

| TYPE | METRO VANCOUVER | PORT MOODY | COQUITLAM | PORT COQUITLAM | VANCOUVER | RICHMOND | BURNABY | SURREY | NORTH VAN CITY |
|---|---|---|---|---|---|---|---|---|---|
| Traded | 11 | **4** | 5 | 8 | 14 | 15 | 14 | 6 | 7 |
| Business Support | 6 | **3** | 5 | 7 | 7 | 11 | 9 | 4 | 4 |
| Household-Serving | 19 | **13** | 15 | 15 | 25 | 20 | 19 | 13 | 18 |
| Household/Business Mix | 10 | **6** | 6 | 6 | 15 | 14 | 13 | 7 | 7 |
| **TOTAL** | **45** | **25** | **30** | **36** | **60** | **60** | **54** | **30** | **36** |

Relative to population, Port Moody has fewer of each type of job than most other municipalities, with the largest gap in traded industries. The concentration of traded employment (that drives the regional economy) is evident in Vancouver, Richmond, and Burnaby.

There is clearly room for Port Moody to grow in the traded category, but these are the hardest type of jobs to attract as they are not drawn by local markets (although they could be drawn by proximity to workforce).

Port Moody also has the lowest rate of business support jobs. Growth potential in this category is likely limited because proximity to other concentrations of employment (and a central location in the region) are important factors. Port Coquitlam's strong performance in business support is related to its high level of employment on industrial land, as well as proximity to Highway 1.

### TABLE 18. JOBS PER 100 POPULATION BY SPATIAL DIMENSION OF HOUSEHOLD-SERVING JOBS, 2016

| TYPE | METRO VANCOUVER | PORT MOODY | COQUITLAM | PORT COQUITLAM | VANCOUVER | RICHMOND | BURNABY | SURREY | NORTH VAN CITY |
|---|---|---|---|---|---|---|---|---|---|
| Regional/ Sub-Regional* | 13 | **7** | 8 | 8 | 20 | 17 | 17 | 9 | 10 |
| Local | 15 | **12** | 13 | 13 | 19 | 17 | 14 | 11 | 15 |
| **Total (Household-Serving)**** | 28 | **19** | 20 | 21 | 39 | 34 | 31 | 20 | 25 |
| Traded/Business Support | 17 | **7** | 9 | 15 | 21 | 26 | 23 | 10 | 11 |
| **TOTAL** | 45 | **25** | 30 | 36 | 60 | 60 | 54 | 30 | 36 |

*The analysis showed that very few industries are strictly regional in nature and concentrated in one location. Most are distributed to at least a few regional centres, so the regional and sub-regional categories are combined in the table.

**Household-serving jobs in the table include the household/business mix category.

Compared to Metro Vancouver averages, Port Moody has only about half as many jobs that are regional or sub-regional (7 per 100 population, compared to 13 regionally) and also somewhat fewer local jobs (12 in Port Moody versus 15 regionally).

Compared to its neighbours, Port Moody has only slightly fewer household-serving jobs than Coquitlam and Port Coquitlam.

Vancouver, Richmond and Burnaby have far more jobs at the regional/sub-regional scale, which is sensible given their location and historic patterns of growth. Surrey has a similar level of household-serving jobs as Port Moody, while North Vancouver City has substantially more. This could be explained by North Van City being the primary urban core of the North Shore, which is not the case for Port Moody within the Northeast sector.

What this table indicates is Port Moody has limited scope to increase household-serving jobs at a faster rate than population as it already has a broadly comparable level of household-serving employment.

## LAND REQUIREMENT COMPARISONS

### TABLE 19. JOBS PER 100 POPULATION BY LAND USE TYPOLOGY, 2016

| TYPE | METRO VANCOUVER | PORT MOODY | COQUITLAM | PORT COQUITLAM | VAN-COUVER | RICH-MOND | BUR-NABY | SURREY | NORTH VAN CITY |
|---|---|---|---|---|---|---|---|---|---|
| Commercial | 16 | **10** | 13 | 12 | 22 | 21 | 17 | 10 | 14 |
| Industrial | 12 | **5** | 8 | 14 | 11 | 21 | 18 | 9 | 6 |
| Institutional | 6 | **5** | 4 | 4 | 7 | 4 | 7 | 5 | 5 |
| Office | 10 | **5** | 5 | 5 | 18 | 10 | 12 | 5 | 11 |
| Other* | 1 | **0** | 0 | 1 | 1 | 3 | 0 | 1 | 0 |
| **TOTAL** | 45 | **25** | 30 | 36 | 60 | 60 | 54 | 30 | 36 |

*Other includes recreational, residential, and special locations, each of which are a small share of total regional employment.

Comparing employment by the predominant land use requirement of each industry once again shows Port Moody lower in each category than the regional average, but only slightly lower in Institutional (due largely to Eagle Ridge Hospital).

The table provides an excellent snapshot of why Port Moody has historically had fewer jobs than its neighbours:

- Compared to Port Coquitlam, Port Moody has 11 fewer jobs per 100 population. Jobs requiring industrial land account for 9 of the difference. This gap is unlikely to close as Port Moody is currently challenged to retain its current industrial employment, with limited scope for expansion.

- The difference in industrial jobs also accounts for more than half the difference between Port Moody and Coquitlam.

- Port Moody has 2-3 fewer jobs per 100 that require commercial space. There will be future growth in retail and service floorspace in Port Moody, but often accompanied by population growth as part of a mixed-use project. Coquitlam is the retail centre of the Northeast sector and it will be difficult for Port Moody to bridge this gap completely.

- Employment by office-using industries relative to population is nearly identical across the three Northeast municipalities (as of 2016). Office growth has been a major focus in Coquitlam recently so they may have increased their level of office jobs, but this analysis shows that Port Moody is not notably deficient in office-based jobs compared to its neighbours.

- From a regional perspective, North Vancouver City stands out in the table with 11 office-based jobs per 100 population. They benefit from the ICBC head office (1,600 jobs in 2016), but also have historic advantages from a location directly across the water from downtown Vancouver and a resident workforce oriented toward office-based professionals. The Skytrain extension has brough Port Moody “closer” to downtown and other major centres, but in some respects, this simply levels the playing field with communities like Surrey and New Westminster that are also pursuing more office employment.

# CONCLUSIONS

The key findings of this analysis of regional employment include the following:

- Expanding commercial and office employment is the most likely source of future employment growth in Port Moody. This is due to growth limitations for industrial land.

- Port Moody has a shortage of traded industry employment, which is most often located in offices or on industrial land. Attracting office-based, traded industry employment is the most impactful way to expand the local economy, but also among the most challenging and regionally competitive.

- Commercial employment (retail and services) is heavily oriented toward household-serving industries. This type of employment will grow in Port Moody, but largely in response to population growth and without requiring significant focus from the economic development office.

- Business support services are another possible target, but potential is limited due to Port Moody not being close to other major concentrations of regional employment as well as having limited industrial land. Office-based business support services are a possibility if proximity is not as important and they are attracted by the location, proximity to workforce, and if office space is competitively priced.

# APPENDIX B: EMPLOYMENT CAPACITY ANALYSIS

Part of the supporting economic analysis that was undertaken for this Master Plan is a detailed analysis of Port Moody's employment growth potential.

Efforts to expand the range of employment opportunities in the community, and to rebalance the tax base with more commercial and industrial investment, rely on the construction of new real estate developments with employment-supporting floor space. Yet Port Moody has very little vacant land in developable areas, leaving redevelopment as the primary route to acquire the additional employment space that is desired.

## APPROACH

The overall purpose of the analysis is to review Port Moody's land base in detail, identify those properties that appear most likely to experience redevelopment within the next several decades (provided they are in an area that allows for industrial or commercial development), estimate the likely density of redevelopment (in terms of the volume of employment-supporting floor space relative to the size of the parcel), and then apply industry standard estimates of employment density to produce estimates of the number of additional jobs that could be supported within the next few decades.

The main steps of the analysis, in approximate order of operation, are outlined below.

1. Starting with an extensive database of properties in Port Moody that was compiled by GIS staff using a combination of Parcel Map BC, internal Port Moody GIS and Tempest data, and BC Assessment records. This database described the location, size, type of use, and assessed values of each property in the city.

2. Cross-reference the database with an initial list of vacant sites identified by KPMG through their study completed in 2021. This list was adjusted in consultation with City planning staff to remove or adjust sites that had development constraints, such as steep slopes, on-site creeks, or were considered too small or awkwardly shaped or located to be developable.

3. Using current OCP designation as the main determinant, remove from the list all properties that are designated for purely residential, park, or other non-employment related purpose.

4. Undertake various data cleaning procedures to fill gaps in the public databases, remove duplicate records, and identify and consolidate strata properties. Each strata unit is a separate assessment record and often will contain land information for the entire strata, which would lead to a significant over-estimate of total land without consolidating strata

records to ensure the land volume and value is only counted once. This is complicated by the fact that some strata properties have unique street addresses for each unit.

5. For the properties that remain, calculate the ratio of improvement value to land value, according to BC Assessment records. This is a widely used method for identifying possible redevelopment candidates, under the theory that properties where the built structures have very low value compared to land value are not fully realizing the economic value of the site.

   There are no fixed rules for the threshold at which a property becomes more likely to be redeveloped as it depends on the local situation. In many cases Port Moody land values are so high that substantial mixed-use projects completed within the last decade have an improvement value of only 20% of total land value.

   Regardless, the following values were used as an initial filtering mechanism:
   a. Improvement value less than 20% of land value
   b. Date of construction earlier than 2000

6. Hundreds of candidate parcels were then reviewed on an individual basis, through a combination of visual inspection of the site using City and public (Google Maps) tools to review current activities and building conditions on the site. Planning staff were also consulted through a series of additional meetings and adjustments were made for a variety of reasons, such as:

   a. Properties were removed if they had a heritage designation (even though it is theoretically possible that redevelopment could occur on heritage properties if original structures are preserved and re-purposed),
   b. Properties were removed if they have a public sector use or facility with no plans for redevelopment in the foreseeable future. Church sites were also mostly removed from the database, even though one church site on St. Johns Street is currently undergoing redevelopment.
   c. Sites that are theoretically available for redevelopment, but with too much uncertainty over long-term intentions, were removed. A prime example is the industrial portion of the Ioco site where the landowner intentions and the condition of the site (e.g., possible remediation requirements) are unknown.
   d. Sites that are already part of an existing development application were identified and records updated to reflect what is being proposed for the site. Note that for projects that have not yet been approved but contain industrial or commercial floor space, the amount of the employment-supporting space was increased by 15% to reflect the recent trend for most projects to have more employment space in their final form than in their original concept.
   e. Information on large comprehensive development or master planning proposals was also reviewed and incorporated, such as the Coronation Park, Westport, and

Moody Centre Transit Oriented Development concepts, and multiple projects at various stages along Murray Street.

f. Properties that are too small or awkward to support new development were removed. This includes a series of small sites on the north side of Clarke Street that are now largely occupied by the Skytrain line but still exist as legally separate properties.

7. For candidate parcels with current industrial or commercial development, each parcel was reviewed on BC Assessment to collect additional information on developed floor area (if available) and through general online searching to identify the name or type of businesses concerned. This was done to estimate the current level of employment on the site that would be replaced by new development, ensuring that the estimated employment after redevelopment is net of the jobs that are displaced. (Note these jobs may not literally be displaced, as some current site users may migrate to upgraded space in new or similar buildings).

8. Information on recently approved large projects were added to the database if they contained industrial or commercial space as they will contribute to employment growth after the baseline year of 2016 (based on the most Census employment data).

9. The resulting list is approximately 180 properties that are vacant or with high redevelopment potential. The next step is to craft reasonable assumptions about (a) the density of employment-supporting floor space that might be constructed on each parcel, and (b) the employment density, or number of jobs likely to be housed on a given unit of floor space.

   Assumptions for development density were prepared with reference to the requirements of the current OCP designation for each property, the restrictions of the predominant zoning in that area, visual inspection of factors like typical site coverage in certain areas, and consultation with City staff on prevailing trends in the level of employment floor space being constructed or proposed in different parts of the city.

   There are nine current OCP designations with properties flagged for redevelopment and detailed assumptions are contained in the table below. The estimated "Employment FAR" is the Floor Area Ratio, or the volume of employment-supporting floor space compared to the area of the site. These are intended to stretch toward the maximum of what has been occurring or proposed in each area, while also being consistent with the established character of each area and what appears to be financially viable from a development perspective, based on the characteristics of past development proposals, with some stretching toward higher employment space. No financial analysis has been performed to verify the market viability of these parameters.

   If these assumed FARs are used to help set minimum employment FARs in the future, they require further review and verification by City staff and input from the development community. It may also be reasonable to establish employment zones along different boundaries than current OCP designations.

### TABLE 20. DEVELOPMENT DENSITY ASSUMPTIONS

| OCP DESIGNATION | NOTE ON OCP CHARACTERISTICS | REDEVELOPMENT DENSITY ASSUMPTIONS | EMPLOYMENT FAR | OFFICE | RETAIL/ SERVICES | INSTITUT-IONAL | LIGHT INDUSTRIAL |
|---|---|---|---|---|---|---|---|
| **General Industrial** | For heavy industrial like port and manufacturing. | Assume one-storey industrial long-term. The Employment FAR could be lower if built structures include machinery and other mechanical installations that are not typical “employment floorspace.” | 0.3 | | | 15% | 85% |
| **Industrial Business** | | The former landfill is the only site in database with this designation. Assume actual developable area is 2.7 acres, which must accommodate surface parking, green transition to Alfred Howe trails, and a compatible use such as storefront retail with greenish manufacturing in the back. | 0.1 | | 15% | | 85% |
| **Mixed Employment** | 1st floor must always be non-residential | Some buildings with ground floor light industrial may add office to 2nd floor. Typical site coverage is 50% to reflect light industrial needs, so FAR is slightly higher due to office in some properties. | 0.6 | 10% | 50% | | 40% |
| **Mixed-use - Inlet Centre** | Broad mix, including cultural | Occasional upper floor commercial, but primarily only ground floor along major traffic corridors. This designation includes primarily residential areas so the average Employment FAR is lower than if only properties on traffic corridors were included. | 0.25 | 30% | 65% | 5% | |
| **Mixed-use - Marina** | Commercial focus, but mixed use is possible. Residential only is not. | Employment FAR is low due to low site coverage allowing for parking and boat movement. | 0.125 | | 75% | | 25% |
| **Mixed-use - Moody Centre** | Employment only and mixed-use buildings are permitted | Assume relatively high site coverage (75%) in this central area and employment uses are ground floor only, with selected other ground floor uses like non-commercial amenity space. Not expected to have 2nd-floor employment uses. | 0.5625 | 20% | 70% | 10% | |

| OCP DESIGNATION | NOTE ON OCP CHARACTERISTICS | REDEVELOPMENT DENSITY ASSUMPTIONS | EMPLOYMENT FAR | OFFICE | RETAIL/ SERVICES | INSTITUT-IONAL | LIGHT INDUSTRIAL |
|---|---|---|---|---|---|---|---|
| **Mixed-use - Oceanfront District** | | This is Flavelle and several nearby sites. Employment FAR, based on current City long-term planning assumptions, is lower than some similar areas, likely due to some combination of non-developable space on the water, high percentage of public open space (boardwalk, plazas), and further distance from transit to discourage office-based uses. | 0.32 | 17% | 61% | 0% | 17% |
| **Moody Centre Transit Oriented Development** | Mixed-use, but can allow for employment-only buildings. | Employment FAR is based on a blend of maximum and minimum employment from Moody Centre OCP Amendment Application, applied to developed parcels in that proposal. Distribution across uses is approximate, where Institutional could include post-secondary education. | 0.85 | 60% | 25% | 5% | 60% |
| **Special Study Area** | Requires area plan or site-specific development plan. | Former Andres Wine site only one covered by this analysis. It is now included in the Westport proposal, which is the source of the employment FAR and job distribution shown here. | 0.74 | 36% | 35% | 0% | 29% |

10. The next major set of assumptions concerns the "employment density," or the average floor space per job.

    The assumptions used in the analysis are outlined below and are based on reference to numerous previous studies, including a 2020 Hemson Consulting study for the City of Vancouver, which used actual employment and floor space data from 2016 as the basis of their ratios; the 2010 Langley Employment Lands Study by Site Economics and Stantec, which is based on 2006 data and while somewhat dated, provides a suburban perspective and more detail on different types of industrial (e.g., warehouse versus light industrial), and the 2020 Vancouver Small Business Study by Urban Systems. The ratios developed by the Port Moody Economic Development Committee and adopted by Planning staff in some of their projections were also considered.

    The impact of evolving technology and the long-term changes brought about by the COVID-19 pandemic were also considered. These include a reversal (at least so far) of the long-term trend toward more dense office use, as workers now require more physical separation.

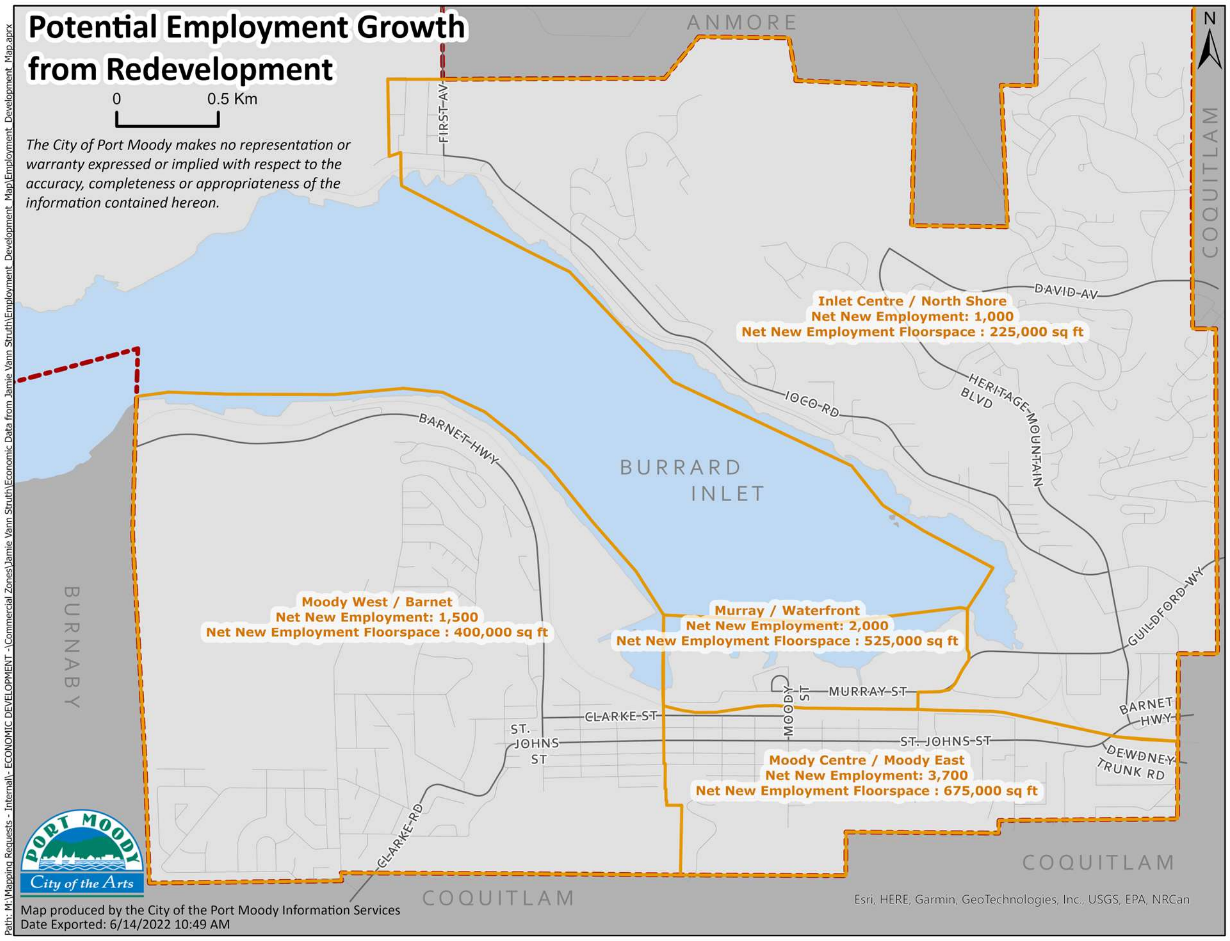
The table shows the baseline assumptions, as well as "More Density" and "Less Density" scenarios that are 15% lower and higher floor space per job, respectively.

### TABLE 21. EMPLOYMENT DENSITY ASSUMPTIONS (SQUARE FEET OF FLOOR SPACE PER JOB)

| FLOOR SPACE TYPE | BASELINE | MORE JOB DENSITY | LESS JOB DENSITY |
|---|---|---|---|
| Office | 175 | 150 | 200 |
| Retail/Services | 300 | 255 | 345 |
| Institutional | 350 | 300 | 400 |
| Light Industrial | 350 | 300 | 400 |

# RESULTS

The results of the analysis are summarized below for all of Port Moody and for four sub-areas in the community.




### TABLE 22. ESTIMATED NET INCREASE IN EMPLOYMENT AND FLOORSPACE FROM REDEVELOPMENT

| | BASELINE SCENARIO | MORE JOB DENSITY | LESS JOB DENSITY |
|---|---|---|---|
| **Net Employment Increase** | **8,100** | **9,600** | **7,100** |
| Moody West/Barnet | 1,500 | 1,800 | 1,300 |
| Moody Centre/East | 3,700 | 4,300 | 3,200 |
| Murray/Waterfront | 2,000 | 2,400 | 1,700 |
| Inlet Centre/North Shore | 1,000 | 1,100 | 900 |
| **Net Employment Floorspace Increase** | **1,825,000** | **1,825,000** | **1,825,000** |
| Moody West/Barnet | 400,000 | 400,000 | 400,000 |
| Murray/Waterfront | 675,000 | 675,000 | 675,000 |
| Moody Centre/East | 525,000 | 525,000 | 525,000 |
| Inlet Centre/North Shore | 225,000 | 225,000 | 225,000 |

Key results of the analysis include:

- Total new employment floorspace of 2.2 million square feet. The distribution of this floorspace is estimated at:
    - Approximately 1.1 million retail/services (much of this space is ground floor commercial units that could also be used for office)
    - 650,000 office (primarily upper floor)
    - 375,000 light industrial
    - 100,000 institutional

- The projected increase replaces approximately 400,000 square feet of existing employment space currently found on these parcels. The net increase is more than 1.8 million square feet.

- An estimated 8,700 jobs contained within new development, less an estimated 600 displaced, for a net increase of 8,100 under the baseline density assumptions.

- The net employment increase is 9,600 under the "More Density" scenario and 7,100 under the "Less Density" scenario.

The timeframe of the analysis is intended to reflect redevelopment potential over the next few decades and there are no guarantees about exactly how quickly a full development of all 180 identified parcels would occur.

Similarly, there are no assumptions about the accompanying level of residential development that would occur alongside this employment space development. In nearly every case, new projects will be mixed-use, either within the same building (with employment uses on the first floor and occasionally the second floor) or as a stand-alone commercial building as part of a larger comprehensive development (as may occur in the Moody Centre TOD area).

# IMPLICATIONS FOR COMPLETE COMMUNITY

Measurement of the "complete community" concept in Port Moody in recent years has been dominated by the jobs to population ratio. As noted earlier in the report, there are more direct ways to measure this concept (jobs to resident labour force, jobs to employed residents) and using population, particularly over extended time horizons, is challenging due to the impact of changing demographics.

Regardless, this is a quick and easy metric to calculate that is widely understood in the community. But it also requires clarity on just how "jobs" and "population" are defined. The estimated 2021 ratio is based on the following:

- 8,490 jobs with a fixed place of work in Port Moody (including 6,625 outside the home and 1,865 home-based jobs).

- Of the total of 2,100 employed Port Moody residents with no fixed place of work, an estimated 1,300 are "assigned" to Port Moody based on its share of regional employment. This is consistent with the approach used by Metro Vancouver and is required to account for the approximately 15% of all jobs that have no fixed workplace. These jobs are more common in certain sectors like construction, transportation, and various services and therefore have no natural "home" in a specific municipality. The Metro Vancouver approach is to assign these jobs based on each municipality's share of total employment in each sector.

- Combining the two points above yields a 2016 jobs estimate for Port Moody of 9,785.

- Compared to the Census population of 33,551, this is a jobs to population ratio of 0.29. (For comparison, using the same approach Coquitlam is at 0.34 and Port Coquitlam at 0.41).

- Alternatively, rather than using the Census population, the calculations could use the 2016 population estimate from Statistics Canada (or BC Stats) that accounts for "net Census undercoverage," or the estimated number of people missed by the Census.[10] This revised population figure is 4.4% higher than the Census and creates a revised jobs to population ratio of 0.28.

For 2021 and future years, an assumption is required about the current and future share of home-based employment. Based on the 2016 Census, 5.6% of the Port Moody population was employed at home (or 5.3% if compared to the population estimate), notably higher than neighbouring municipalities and the region-wide average of 4.3%.

While COVID-19 had a massive short-term impact on the rate of working from home, that impact is slowly eroding over time. No one knows exactly how close to previous rates it will eventually settle, but for purposes of this analysis, the long-term work-from-home rate is assumed to be 30% higher than in 2016, or 6.9%. It should also be noted that work-from-home rates vary significantly by age (an aging population will work from home at a higher rate) and by industry and education level (higher-skill, higher-education jobs are more likely to be work-from-home).

Other jobs in Port Moody are conservatively assumed to have increased by 10% from 2016 to 2021. This is based on strong growth in business counts (up 21% from 2016 to 2020) and active business licenses (up 11%).

**This analysis suggests that Port Moody's jobs to population ratio increased to at least 0.30 in 2021, up from 0.28 in 2016.**

[10] It could be argued that the Census also misses employed people so the jobs estimate should also be adjusted higher. To be conservative, no adjustment to jobs is made because it is assumed that people who do not answer the Census are much less likely to be employed (including post-secondary students living away from home, the unemployed, or those with unstable housing, poor literacy skills, or lack of access to the internet).

Combining the earlier floor space and employment projections with work from home assumptions and the updated 2021 estimates, the long-term implications of the analysis are outlined below. The jobs total combines existing jobs, projected growth in home-based jobs as the population increases, and the net increase in jobs from redevelopment.

### TABLE 23. JOBS TO POPULATION RATIO SCENARIOS (ASSUMES FULL EMPLOYMENT SPACE BUILD-OUT AT BASELINE EMPLOYMENT DENSITIES)

| | AT 50,000 POPULATION | AT 60,000 POPULATION | AT 70,000 POPULATION |
|---|---|---|---|
| Jobs | 20,300 | 21,000 | 21,700 |
| Jobs to Population Ratio | 0.41 | 0.35 | 0.31 |

While this analysis does not calculate the accompanying rate of population growth that would go along with the employment floor space development described above, it seems optimistic that all the employment space could be created (representing more than 10,000 net new jobs) while the population only increases by about 15,000 to a total of 50,000. If that were the case, then Port Moody would come close to achieving the City's 0.42 target, but if higher population growth is required to facilitate and support the employment growth, then the ratio would be 0.35 (at 60,000 population) or 0.31 (at 70,000 population). A precise projection of population growth alongside employment growth is a topic for further study.

The other factor not included here is changes in employment levels on existing sites that do not redevelop. These changes could go either way – employment could gradually decline with the ongoing automation of the workplace that replaces scarce labour with technology – or new opportunities could spur increased jobs on a given site. For example, several of the major industrial sites in Port Moody have room for further on-site development if new employment-generating opportunities arise. These include BC Hydro's Burrard Thermal site, Pacific Coast Terminals, and Suncor.

As noted above, the range of employment to population ratios is 0.31 to 0.41 at build-out, depending on the rate of accompanying population growth. With the "More Density" employment scenario, which fits more jobs into the same employment space, the range of ratios would be 0.34 to 0.44. Under the "Less Density" scenario (which should not be discounted given emerging labour shortages and possible long-term COVID impacts), the range of ratios would be 0.30 to 0.39.

## CONCLUSION

This analysis suggests that even with an expansive view of redevelopment potential in Port Moody, the community is very unlikely to reach its current goal of 0.42 jobs per resident.