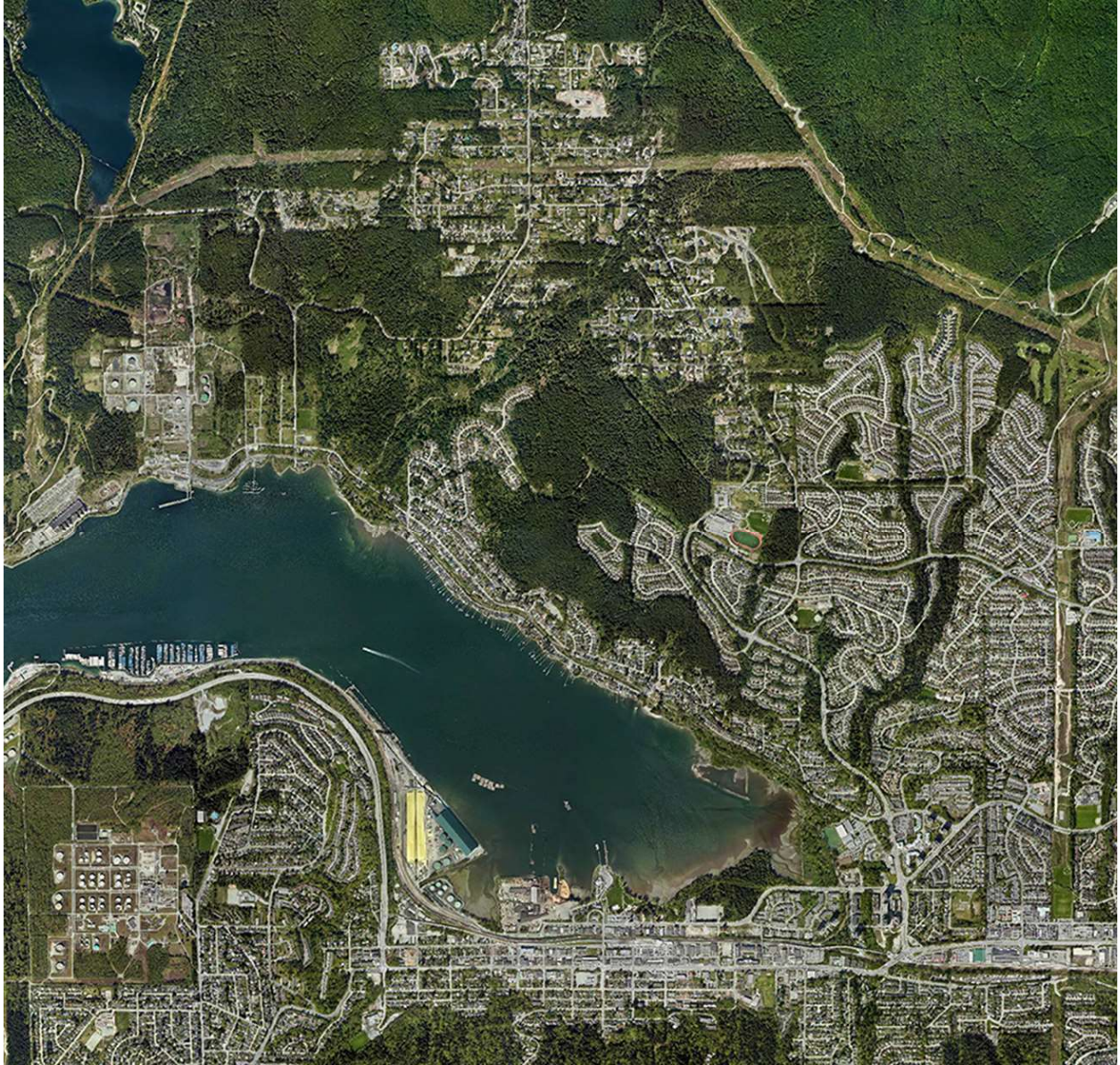


Economic Study



Community Development Department
Economic Development Office
City of Port Moody

Final (February 22, 2022)

Notice

This report has been prepared by KPMG LLP (“KPMG”) for the City of Port Moody (the “City”) pursuant to the terms of the engagement agreement with the City dated February 22, 2021 (the “Engagement Agreement”).

The scope of the project was limited to research, select stakeholder interviews, and analysis conducted over a short time period. Analysis is primarily based on data and information provided by the City to KPMG, as well as secondary sources from research. KPMG neither warrants nor represents that the data and information contained in this report is accurate, complete, sufficient or appropriate for use by any person or entity other than the City or for any purpose other than set out in the Engagement Agreement. The City is solely responsible for its decisions to implement any opportunities/options and for considering their impact.

This report is prepared exclusively for the City and may not be relied upon by any person or entity other than the City. KPMG does not accept any liability or responsibility to any third party who may use or place reliance on the report.

The procedures we performed do not constitute an audit, examination or review in accordance with standards established by the Chartered Professional Accountants of Canada, and we have not otherwise verified the information we obtained or presented in this report. We express no opinion or any form of assurance on the information presented in the report and make no representations concerning its accuracy or completeness.

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1. Executive summary

The City of Port Moody's (the "City") economic development and demographic landscape has continued to evolve over many years. As the City looks forward to future development, market opportunities and preferences should align with the City's long-term vision.

About Port Moody

Metro Vancouver projections indicate that Port Moody is expected to grow, in both its population, and share of employment across the region by 2050. Based on Statistics Canada's 2016 census data, the city's demographics, relative to Metro Vancouver, appear to be:

- Trending towards generally younger demographics relative to the region
- Achieving a higher level of education than the average in other regions
- Commanding a median income level greater than in other regions; and
- Generally involved in more knowledge-based and service sectors which have remained relatively steady in employment rates through the COVID-19 pandemic.

Broadly, these characteristics may point to a resident base with relatively greater disposable income compared to other Metro Vancouver regions. This could be a key economic generator for sectors such as retail, food and beverage services, recreation, and business services.

Port Moody offers a high quality of life standard, being uniquely situated on an ocean inlet with access to a variety of natural amenities. These attributes are also highly sought after for many current and prospective residents. This may become increasingly advantageous for the City given the trends towards more flexible work opportunities and work from home (WFH) options.

Expected employment growth in the city

Council is seeking to understand the extent to which significant employment growth could be achieved through commercial and retail land use opportunities. This study explores the current perceived opportunities and considerations for development which could support the City's envisioned employment growth in the near- and long-terms.

The Metro Vancouver Regional Growth Strategy (MVRGS), developed in 2011, makes several assumptions and projections to provide estimates of population and job growth for the region. Based on these figures and the MVRGS methodology, Council has expressed interest in achieving an approximate jobs-to-population ratio of 0.42. For the purposes of this study, the targeted jobs-to-population ratio was used as a way to understand the "order of magnitude" employment growth plans for the city between now and 2041. Based on high level assumptions, it is estimated that Port Moody would have to grow by 20% in its employment base every 5 years, for the next 20 years.

Opportunities and Challenges

A list of stakeholders was engaged at the guidance of the City to gather a snapshot of current market perceptions for commercial development and employment opportunities. At a high level, the key strengths and challenges expressed by stakeholders included:

- **Quality of life:** One of the most common positive attributes stated is the exceptional quality of life in Port Moody. Stakeholders highlighted the city's access to outdoor amenities and continued community development as key attributes which help to attract a younger demographic, such as working professionals and young families.
- **Expand retail and business services:** Stakeholders also noted the need for more complementary retail to be developed to keep up with continued residential and employment growth in the region. Currently, stakeholders perceived retail (food and beverage, professional services, health care services, etc.) supply was under-leveraged and would have to be developed further in order to support larger employment hubs in the region.
- **Transportation and access:** Generally, stakeholders agreed the city's strengths are proximity and location along a SkyTrain line which provides greater accessibility by residents, workers, and visitors to and from other transit hubs such as downtown Vancouver and the airport. However, there are limited options for highway connectivity, which may impact businesses' ease of moving goods on a large scale.
- **Land availability:** Stakeholders perceived commercial spaces as limited and relatively expensive; anecdotally prices were stated to be comparable to Yaletown in Vancouver. Further, they referenced low absorption rates which, combined with relatively high lease rates, may be challenging to attract employers into the region.
- **Ease of pursuing developments:** Stakeholders expressed mixed opinions on the ease of pursuing development opportunities in the city, based on their past experience. While the focus of this study does not go into the complexities of development applications, stakeholders indicated this was perceived as a limiting factor for developers looking for opportunities. That is, while the city has many favourable and desirable geographic and demographic attributes, developers may choose to pursue alternate opportunities in the Metro Vancouver region over Port Moody.

The city is experiencing a further influx of young professionals who are looking to take advantage of the suburban and quaint lifestyle that the city offers, which plays well into the market trends, specifically the increasing trend of work from home and remote work. These newcomers add to the local workforce, which consists of an already young, highly educated community. Currently, residents are relatively more likely to be active labour force participants and in full-time work, and slightly less likely to be unemployed. These are all positive characteristics that the City may leverage.

Employment land use opportunities

To create jobs, the City needs to attract and to motivate investors and entrepreneurs to see Port Moody as a strategic investment and business opportunity. An understanding of the private sector and their investment criteria and trends will assist the City in strategically identifying and pursuing partners to develop win-win opportunities.

The business personas that would benefit the most with what the City has to offer would be the following, as they align best with the City's strengths and assets.

1. media and entertainment production (e.g., visual effects development, video game development)
2. digital development operations (e.g., software development, fintech development)
3. back-office operations (e.g., captive shared service centres, contact centre)
4. corporate office (e.g., corporate headquarters, regional headquarters)

Employment land opportunities for the city

While this study is not intended to be a land planning exercise, the exploration of the employment land availability, size, locations, and other information at a high level is pertinent in identifying sectors that are aligned with the city's assets. A community's zoning and the predictability and affordability of access to properly zoned parcels, can have a significant effect on investor decision-making.

The availability of employment lands has traditionally been a critical input to support economic development, particularly opportunities associated with space-based employment (retail, in-person services). That is, the business and institutional communities may generally find limited to no interest in regions where there are no commitments or availability of employment lands suitable to their operational and growth requirements.

Through geospatial data, Port Moody has a total vacant employment land supply of approximately 37 acres. There are 20 parcels of employment lands with the majority of these vacant employment land parcels being categorized as industrial (50%). Approximately 6 of the 10 total parcels of industrial land are distributed across small, less than 0.25-acre parcels sizes (this represents approximately 30% of vacant lands for employment). A number of these parcels are located within a five- to ten-minute walking shed of rapid transit stations while larger parcels tend to have access to major arterial routes connecting the city to the rest of Metro Vancouver.

The diversity in transit options and parcel sizes indicate a range of opportunities to attract major or flagship locations in the regions, creating a potentially sizeable employment centre. However, stakeholder feedback on the perceived challenges with cost, availability, and lack of complementary retail services would need to be addressed in tandem to attracting and establishing a new employment hub in the city in order to meet employment growth targets. The city's commercial and retail markets are made up of smaller boutique shops that primarily serve the local population; however, key transit-oriented development areas could benefit by creating

unique destination experiences for shopping, services, restaurants and other amenities that would further distinguish Port Moody from neighbouring communities.

Port Moody is fortunate to have many natural assets, given their unique location that already draws in people who want to live in the city. Residents are younger on average, well-educated, work in professional occupations, and have higher median incomes compared to the Greater Vancouver Regional District, BC, and Canada. This uniquely positions the City with a demographic that wants to live in and invest in their community.

These findings are intended to be the first step as a preliminary analysis to assist the City's development of a broader economic development master plan, where sectors of interest and long-term development aspirations (including implementation planning and progress tracking) would be further defined.

2. Introduction

The City of Port Moody's Council identified "Economic Prosperity" as one of five strategic priorities in the 2019-2022 Strategic Plan. This priority speaks to the City's desire to foster an economically vibrant business community which supports the City's broader, long-term growth, and development aspirations. Further, the priority highlights the City's commitment in supporting the growth of businesses and business neighbourhood developments, attracting well paid jobs and new businesses in key sectors, ensuring a sustainable and resilient municipal economy, and creating an attractive and vibrant community through events, arts, and culture. In anticipation and to plan a way forward in realizing this vision, the City's Economic Development Office is seeking to identify and understand economic development opportunities by leveraging employment lands in the city.

Port Moody is served by rapid rail, a bus transit network, and is also located along Highway 7 – a key arterial east-west connector for Metro Vancouver and the Fraser Valley. Over the recent past, the city has continued to see growth in commercial and residential development. It is also home to a range of waterfront, community, and recreational amenities serving residents in the city and Metro Vancouver. Continued growth within the municipality and across the Metro Vancouver region puts the City at a unique juncture: an opportunity to accelerate community building opportunities through economic development.

2.1. About this study

The City of Port Moody's Economic Development Office sought analysis to understand the potential employment land opportunities and challenges faced by the City of Port Moody as part of its broader economic development efforts. A critical first step of this analysis highlights advantageous site-based attributes, which help identify and shortlist potential business types which may work well with what Port Moody has to offer. Adjacent communities are socio-economically diverse, which brings unique opportunities which could be leveraged by the City as it plans its employment land options. While this study will not directly address regional considerations, the analysis and findings of this study is a critical first step toward developing a more comprehensive economic development master plan and long-term roadmap.

KPMG was engaged as advisors to the City to support this study. KPMG's scope of work focused on understanding the current economic conditions of the city and analyzing the potential economic attraction opportunities for employment land currently planned and zoned within the municipality. Specifically, the project's objectives were to:

1. Develop an understanding of the economic and demographic make-up of Port Moody;
2. Gather insights and conduct analysis on perceptions from a sample of the development community, to understand the relative advantages and challenges of the city in comparison to neighbouring regions;
3. Develop a profile of available employment lands in collaboration with the City of Port Moody, based on current zoning and plans already approved by Council; and

4. Identify and suggest potential business personas (businesses engaged in categories of activities) which may find the city's sites and operating environment favourable.

These findings form preliminary analysis and findings to help the City's development of a broader economic development master plan, where sectors of interest and long-term development aspirations (including implementation planning and progress tracking) will be further defined.

2.2. Limitations

An economic development master plan with prioritized and shortlisted sectors of interests was not yet completed at the time of this study. As such, findings of this study are not intended to define priority sectors and is, instead, intended to inform subsequent analysis and decisions on the City's future economic development strategy.

As such, the study was premised on several assumptions:

- Research efforts relied on information and material provided in part by the City of Port Moody and input from stakeholders identified by the City, along with additional publicly available information from desktop research;
- Limited stakeholder engagement was undertaken and thus, results are not intended to be comprehensively representative of all views;
- Results should be taken as a "point-in-time" assessment;
- Any conclusions drawn or findings herein should be taken in the context of the analysis in its entirety and not in isolated parts; and
- This study has been prepared for the sole purpose of assisting the City of Port Moody in further understanding potential economic development opportunities and employment lands.

2.3. Study conduct and about this report

To achieve the objectives of this study, KPMG utilized the following approaches to data gathering and analysis:

- **Existing data, studies, and current knowledge** – desktop research of publicly available information, and reviewing reports, studies, and datasets provided by the City;
- **Focused stakeholder engagement** – facilitated discussions conducted with a shortlist of stakeholders prioritized and approved by the City. These stakeholders were selected by the City and engaged by KPMG because of their real estate and development experience with opportunities in the city;
- **Subject Matter Expert engagement** – discussions were facilitated with senior personnel in KPMG who bring economic development experience both globally and nationally in Canada, to understand trends in economic development, lessons learned, and potential opportunities the City of Port Moody could explore given understanding of its current economic, demographic, and development attributes; and

- **Validation and collaborative working sessions with the City of Port Moody** – presentation and working sessions with the City’s project team to review findings and refine this report.

This report presents data gathered, analysis conducted, and synthesized findings of the study. The remainder of this report is outlined as follows:

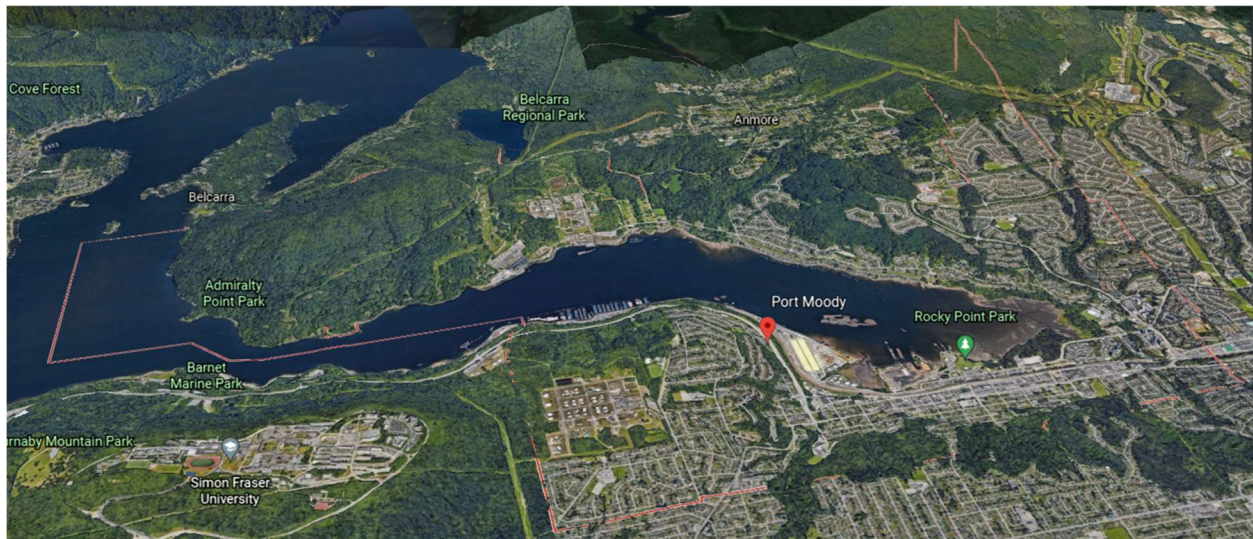
- **Chapter 3** – presents the socio-economic circumstances and land use patterns that position the City to leverage trends and capitalize on other local assets, as defined in subsequent chapters;
- **Chapter 4** – summarizes stakeholder feedback on employment land opportunities and site characteristics. This chapter also summarizes insights from subject matter advisors on macro-economic market trends to contextualize the city’s overall competitiveness and economic opportunities.
- **Chapter 5** – highlights perceived advantages and challenges of Port Moody gathered from stakeholder feedback, desktop research, and subject matter input and considerations for the City in the long-term for land use decisions and economic development; and
- **Chapter 6** – brings together findings of the study to identify potential sectors of interest or “business personas” with site selection criteria which align strengths and opportunities of the city.

The report is also supported by appendices containing further information on some of the findings presented in the body of this report:

- **Appendix A** – provides a broad background on economic development as an industry and a common understanding of the terminology and functions;
- **Appendix B** – identifies stakeholder feedback specifically as it relates to priority sectors and job types;
- **Appendix C** – further reviews the job-to-population ratio regarding current development contexts, economic mobility, and job accessibility;
- **Appendix D** – provides further insights and reference as it relates to site selector cost and non-cost factors for competitiveness and the business personas;
- **Appendix E** – identifies further market trends that were utilized as underlying themes and concepts to assist in the direction of the study; and
- **Appendix F** – provides a list of the City of Port Moody’s zoning definitions, for reference as it relates to land use patterns and vacant employment lands.

3. About the City of Port Moody

The City of Port Moody, often referred to as the “City of the Arts”, is poised for growth in the Metro Vancouver area. With the prime location on the east end of the Burrard Inlet, Port Moody provides waterfront and port access to residents and businesses respectively. The location’s access and proximity to water, historically, gave rise to traditional job opportunities such as sawmills, the port terminal, and other industrial focused businesses. While some of these industries are still operating, the city has grown and shifted toward a suburban community make-up. There is now an opportunity for the City to consider land use decisions in the context of changing employment and commute patterns of a resident base that is mostly involved in a knowledge-based economy.



Source: Google Earth

Elements such as the waterfront and topographical layout will naturally have some influence on potential land use decisions on development areas for potential future growth. The City’s Official Community Plan (OCP) describes several Neighbourhood Area Plans as future development opportunities, including: Ioco Area, Inlet Centre, Moody Centre, Westport, Heritage Commercial District, Murray Street Boulevard, Oceanfront District, and the Moody Centre Transit-Oriented Development. Through the OCP process, the City has already identified and commenced planning for development projects to support the establishment of employment lands and economic development.

An important first step in any study is an understanding of the associations that influence the city. As such, the following section seeks to provide an overview of the socio-economic environment and to help set the stage for current and future economic activity. The subsequent chapter will then delve into further information on how the city’s attributes and land use opportunities are perceived by the market, and its potential readiness to respond to changes in market trends impacting land use and commute patterns of residents and employees.

3.1. Who lives in Port Moody?

Overall, the city's population is relatively younger, well-educated, and has a workforce that primarily works in professional occupations. Broadly, the median incomes of residents are higher than those in the rest of Metro Vancouver.

The socio-economic composition of Port Moody's employment base has implications on the employment land development opportunities. These insights can provide an indication of where the City is well positioned to accommodate any future investments based on labour force characteristics, and what type of future investments may be aligned based on labour force and other related socio-economic characteristics.

Port Moody offers a high quality of life standard, being uniquely situated on an ocean inlet with access to a variety of natural amenities. These attributes are highly sought after for many current and prospective residents. This may become increasingly advantageous for the City given the trends towards more flexible work opportunities and WFH situations. In general, the City of Port Moody is well-positioned to attract residents to the region, particularly those who are seeking access to outdoor and family amenities and flexibility to choose a place of work and/or meeting adequate commuting requirements.

Population demographics

Metro Vancouver projections indicate that Port Moody is expected to grow, in both its population and share of employment across the region by 2050. As it stands, the city's population is trending towards being younger, attaining a higher level of education and a higher median income, possibly with greater disposable incomes, relative to other Metro Vancouver regions. The city offers access to primary and secondary education, which based on stakeholder engagements are anecdotally more desirable than neighbouring regions. There are also healthcare amenities and services throughout the community, with a local hospital that not only offers care options for residents, but also brings professional healthcare employment to the region. These elements, among others, make Port Moody a desirable community to attract early- and mid-career professionals and young families.

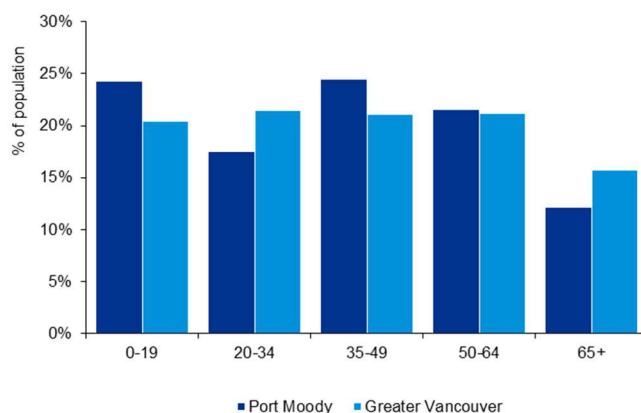
The population of Port Moody was 33,551 according to the 2016 Statistics Canada Census, making up approximately 1.4% of the Greater Vancouver Regional District (GVRD) population. The city's population growth trends have been at approximately 2.7% growth per annum over the past 15 years from 2001 to 2016 and assumed growth of 1.6% per annum between 2011 and 2016.¹

¹ Source: Census Profile, 2016 Census - Port Moody, City [Census subdivision], British Columbia and British Columbia [Province] (statcan.gc.ca)

Trends toward population growth are forecasted to continue, with the population of the city estimated to reach 50,000 by 2041. This equates to an increase of approximately 16,500 residents between 2016 and 2041.

The average age of residents in Port Moody is lower relative to those in the Greater Vancouver Regional District (GVRD). Nearly 70% of the population are within the working age of 15 and 64; this age cohort typically makes up the majority of a region’s workforce.

Population Distribution by Age in Port Moody and Greater Vancouver (2016)



Source: Statistics Canada Demographics (2016)

Average income and education attainment

Residents are estimated to earn an average income of \$42,790, which is nearly \$10,000 above the Metro Vancouver and provincial medians of \$32,612 and \$33,012, respectively. This generally indicates greater disposable income which could be a key economic generator of the region for sectors such as retail, recreation, food and beverage, and business services.

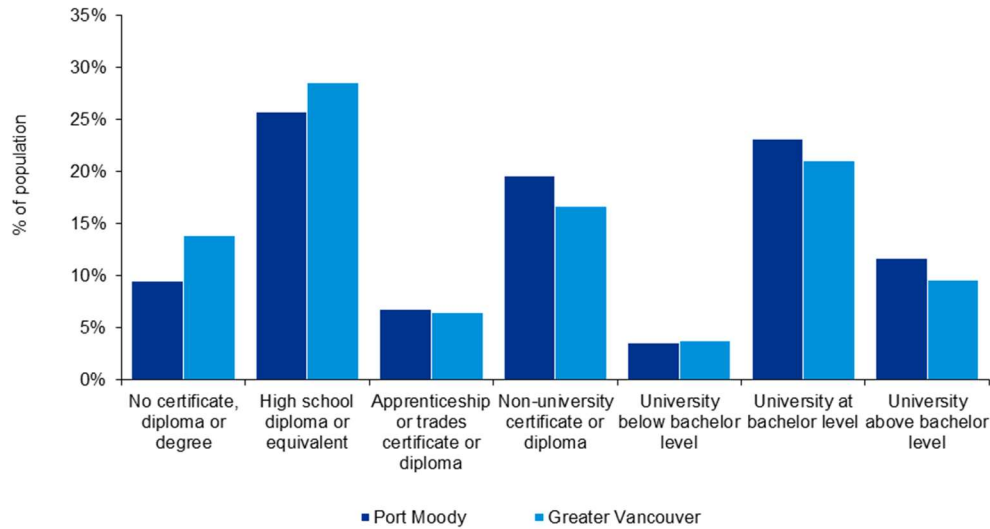
	Port Moody	Metro Vancouver	British Columbia ²
Median Individual Income	\$42,790	\$32,612	\$33,012
Median Household Income	\$92,922	\$72,662	\$69,995

Source: Statistics Canada Income Statistics (2016)

According to Statistics Canada’s 2016 Census data, about one in three residents have obtained a post-secondary certificate, diploma, or degree and about two in three residents have some form of post-secondary education, which generally correlates to greater average incomes. This indicates a highly educated community that fits well into the growing demand and requirements for a highly skilled labour force.

² Source: Statistics Canada Labour (2016)

Educational Attainment in Port Moody and Greater Vancouver (2016)



Source: Statistics Canada Education (2016)

These findings regarding income and education may suggest that Port Moody is a more desirable place for businesses and industries that employ higher income and well-educated professionals, relative to other communities in Metro Vancouver and other areas throughout the province.

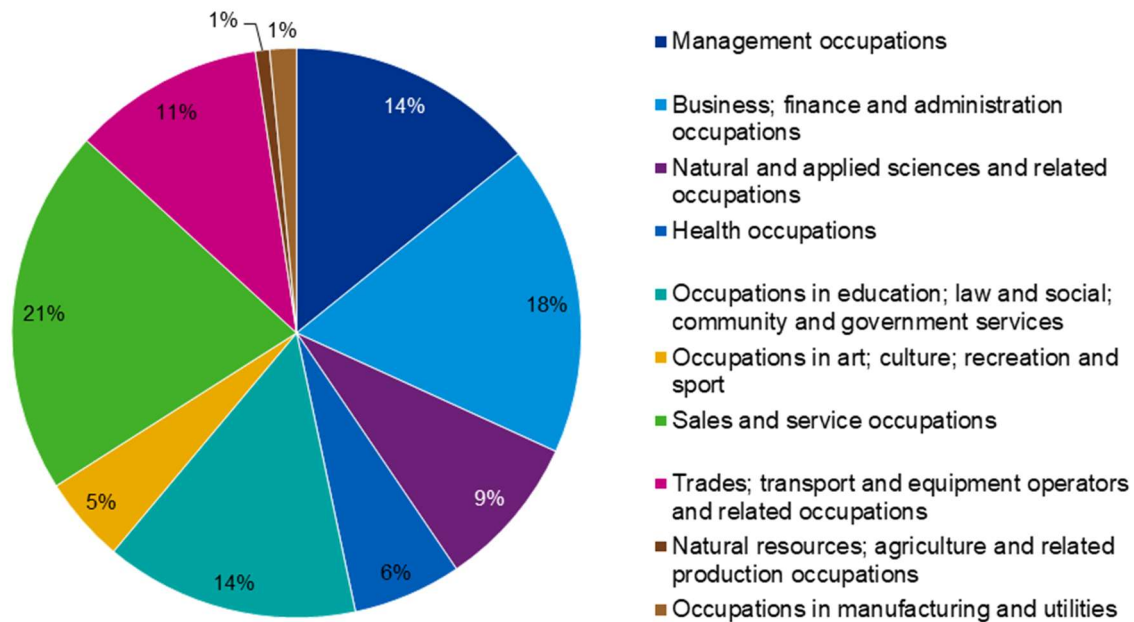
3.2. What type of work do residents engage in and what type of work does the city offer?

Residents of the city typically work in professional services, contributing to Metro Vancouver’s growing knowledge-based economy. The city’s economy is comprised of mostly small- and medium-sized enterprises primarily providing community amenities and services for residents.

Employment of residents

Most residents are in professional occupations, such as sales and service (21%); business finance and administration (18%); education, law, social, community, and government services (14%); and management (14%). These findings are particularly insightful as the occupations highlight an opportunity for the City to focus towards businesses or sectors that require medium to high skill sets in similar positions, that may be most aligned with the local talent pool, as well as showing the alignment with the knowledge-based trends of the future.

Port Moody Workforce by Occupation (2016)



Source: Statistics Canada Labour Force by Occupation (2016)

Preliminary and anecdotal data on employment impacts as a result of COVID-19 seem to indicate relatively little contraction in workforces engaged in many professional service occupations. These knowledge-based jobs also align with and accommodate trends toward flexible and remote work options and flexibility to choose a preferred location of work. COVID-19 has, in many ways, accelerated shifts towards employers accommodating more flexible work arrangements. This growth in knowledge-based sectors nationally and internationally is expected to continue. The combination of higher levels of education attainment and these occupations among Port Moody residents point toward alignment with these trends.

The population of Port Moody also has a relatively higher rate of workforce participation than the rest of Metro Vancouver³, which further supports the relatively high disposable income potential of residents in the region. Statistics indicate over 70% of the city’s working-age demographic is active in the labour market. This not only positively impacts the city’s businesses, but also contributes to the broader Metro Vancouver region’s economic vitality and prosperity in the long-term.

³ The participation rate measures the total labour force (comprised of those who are employed and unemployed, combined) relative to the size of the working-age population. In other words, it is the share of the working-age population that is working or looking for work (Statistics Canada).

	Port Moody	Metro Vancouver	British Columbia ⁴
Workforce Participation Rate	71%	66%	64%
Employment Rate	67%	62%	60%
Unemployment Rate	5%	6%	7%

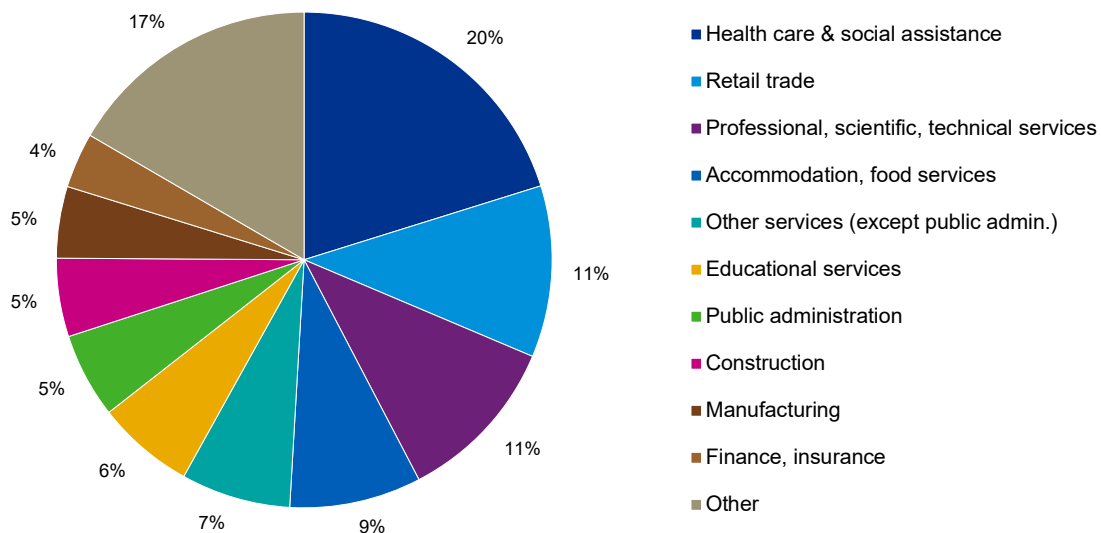
Source: Statistics Canada Labour (2016)

The city’s relatively low unemployment rate despite a smaller population base compared to most municipalities in Metro Vancouver further indicates that Port Moody “punches above its weight” – both in providing talent to growing sectors of the economy, as well as contributing to the overall economic and wealth generation in the region. As a result, the labour force activity in Port Moody is more active relative to Metro Vancouver and the province, which may positively impact the opportunities that new investments in the area can realize, in terms of accessing an active labour force to staff their businesses.

Employment in Port Moody

When it comes to the jobs available within the city, they are comprised mostly of small and medium-sized businesses, providing a range of services to the local community⁵. Among the city’s local businesses, top employment sectors include healthcare, non-retail services (other), retail trade, as well as professional, scientific, and technical services.

Port Moody Jobs by Top Ten Industries



Source: Statistics Canada Labour Force (2016)

⁴ Source: Statistics Canada Labour (2016)

⁵ Source: Statistics Canada. Table 33-10-0269-01 Canadian Business Counts, with employees, census metropolitan areas and census subdivisions, June 2020. 723 of the 1,113 businesses *with* employees employ 1-4 people.

The 2016 Statistics Canada census estimated that there were approximately 8,400 jobs in Port Moody. However, the census also estimated about 88% of residents commuted outside of the census subdivision of Port Moody to work⁶. Therefore, much of the workforce commutes outwards for employment and bring dollars back into the community. Given the types of occupations the residents are employed within, the City may be well positioned to take advantage of macro trends occurring with remote work to further attract and retain professional occupation citizens.

Overall, Port Moody is a younger community with a highly educated population that is capable of filling jobs that require high skill levels. These attributes position Port Moody well for new investments that are aligned accordingly. These qualities are important characteristics to investors who may be looking to operate a business within the city. As result, based on the demographic and socio-economic data identified, any efforts towards attracting significant new investment should be towards sectors and related opportunities that are aligned with these characteristics and workforce skills, while considering a balanced approach to development to ensure a diverse and well-serviced, self-sustaining community.

3.3. What is in Port Moody?

Port Moody is largely made up of residential developments and commercial developments, with most of all employment lands being situated on small parcels (59% of parcels on 0.25 acres or less) of land.

No two cities are the same. It is also expected that a city will change and shift over time to adapt to local market conditions and community vision. Therefore, it would be difficult to specifically define an ideal density for urban development. Even within the same city, densities may vary by orders of magnitude from the city centre to the periphery. Furthermore, long-term land use planning would require a robust understanding be developed on market trends and perceptions to help inform development of regulations and policies.

Based on experience in working with and observations of comparable jurisdictions, the feasibility or acceptability of land use patterns and densities often require balanced input from the community, the private sector, and the public sector.

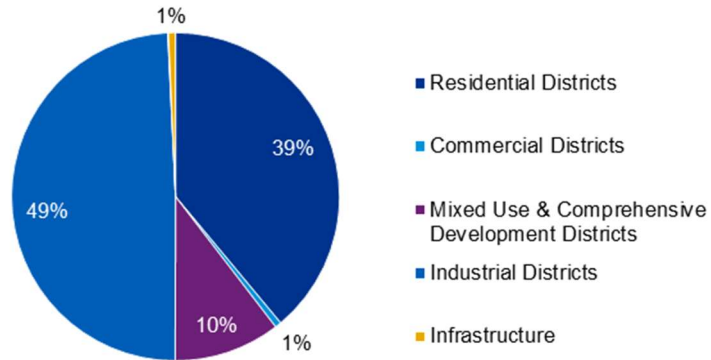
Current land use patterns

High level geospatial analysis was conducted of parcels within Port Moody to understand the current distribution of land across land use types. Analyzing the city's land use could provide insight into the allowable development types and patterns within the community based on a point-in-time assessment. For example, analysis conducted for this study indicates that 39% of

⁶ Source: Statistics Canada Census Profile, 2016 Census - Port Moody, City [Census subdivision], British Columbia and British Columbia [Province] (statcan.gc.ca).

the city is zoned for residential development, which reflects the growing residential base. The following chart illustrates current land use designations by acres.

Share (%) of Acres by Land Use Type

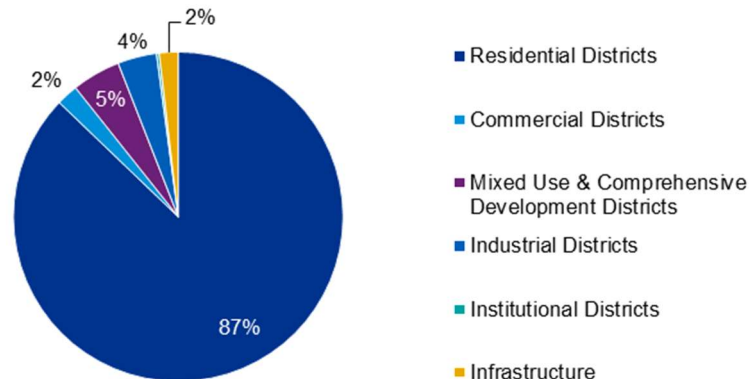


Source: City of Port Moody

As demonstrated by these figures, current zoning (as a proxy of intended and actual land use) is split, by acreage, as industrial (49%), residential (39%), commercial (1%), mixed-use and comprehensive development districts (10%), and remaining land dedicated to infrastructure (1%), such as railways.

The City further splits these land acreages into developable (or developed) parcels. Using this perspective, 87% of the number of parcels are dedicated to residential uses (see figure below), with mixed-use and industrial uses making up 5% and 4%, respectively. While there are fewer parcels of industrial and institutional lands zoned in the City, the ratio and comparison between acreage and parcels for those uses indicate that larger parcels of land are generally made available for industrial and institutional uses.

Share (%) of Parcels by Land Use Type



Source: City of Port Moody

Employment growth

A comprehensive land demand analysis was not included in this study's scope of work. For the purposes of this study, analysis was conducted to estimate, on an order of magnitude basis, the approximate employment growth which could be required to achieve Council's envisioned jobs-to-population ratio.

The table below shows the job growth within the City of Port Moody over the years⁷. These growth patterns provide some insight to the realities of achieving the Metro Vancouver Regional Growth Strategy's (MVRGS) anticipated projections as well as the City of Port Moody's desirable projections. Although this growth moving forward is not linear, it provides some insight to the percentage increases required in order to attain the job targets the City has identified.

Year	# of Jobs	~% Change (YoY)
1991	4,065	
1996	5,455	34.2%
2001	4,995	-8.4%
2006	6,465	29.4%
2011	7,315	13.1%
2016	8,460	15.7%
2041	11,500 <i>(MVRGS projections)</i>	35.9% <i>(from 2016)</i> <i>Or 7.2% every 5-years</i>
2041	21,000 <i>(City of Port Moody desire)</i>	148.2% <i>(from 2016)</i> <i>Or 29.6% every 5-years</i>

⁷ Statistics Canada, 2011 Jobs in Port Moody.

To put these figures into another perspective, assuming constant rate of employment growth, the City would be aiming for 20% every 5 years between 2016-2041. This equates to an estimated 12,450 new jobs created between 2016 and 2041.

Year	# of Jobs	Change from previous period	Net Change in # of Jobs from previous period
1991	4,065		
1996	5,455	34.2%	1,390
2001	4,995	-8.4%	-460
2006	6,465	29.4%	1,470
2011	7,315	13.1%	850
2016	8,460	15.7%	1,145
2021	10,152	20.0%	1,692
2026	12,182	20.0%	2,030
2031	14,618	20.0%	2,436
2036	17,542	20.0%	2,924
2041	21,051	20.0%	3,509

Source: Statistics Canada, Jobs in Port Moody

For reference, Port Moody has seen an average of 1.8% year-on-year growth in population between 2002 and 2020. Future trends for population growth are forecasted to continue, with the population of the city estimated to reach 50,000 by 2041. This equates to an increase of approximately 16,500 residents between 2016 and 2041 compared to job increases from above at approximately 12,591.

Further consideration of the realities with the city and broader region should be taken into account when interpreting employment growth estimates. Elements such as the limited land for net new employment opportunities, limited land to house new employees, changing market trends, and population growth trends are likely to impact the feasibility of achieving 20% growth in employment every 5 years for the next 20 years in Port Moody.

3.4. What does the market think of Port Moody?

To further review the socio-economic data and the employment lands analysis, stakeholder engagements were conducted as a key aspect of the methodology of this effort. As such, 16 individual stakeholders were engaged, the majority of which were in one-on-one settings for approximately one hour to 90 minutes. The stakeholders were from a broad spectrum, including but not limited to the Tri Cities Chamber of Commerce, City of Port Moody staff, Realtors/Property Brokers, Developers, and various others from the business community (industrial, professional services, retail) to ensure business representation across the community.

Stakeholders were asked to provide perspectives and observations on a variety of elements that relate to comparative advantages of the city, site selector characteristics, priority sectors

missing or to be attracted, and lands within the city for future development and employment opportunities. These insights were particularly related to commercial/office/retail development, mixed-used development, and industrial development⁸.

Stakeholder summary

Overall, stakeholders indicated limited development for industrial, commercial, and office space in the past years, with residential making up the primary developments in Port Moody. Some stakeholders noted likely a loss of employment through closures of various facilities and stores, prior to COVID-19 challenges. However, stakeholders also identified and acknowledged that there have been new mixed-use developments which have offered some additional retail and office spaces for smaller boutique operations, such as Suter Brook, which have generated new opportunities for retail and professional services in the region.

Despite what appears to be stagnated net-new employment generation development opportunities, Port Moody was still seen as an area of opportunity for new investments. Examples of these opportunities from stakeholders included additional (variety and capacity of) retail businesses, boutique shops, smaller offices, health care professional services and other knowledge-based industries. Furthermore, stakeholders emphasized the need to ensure adequate and appropriate amenities are established to support residents and workers in the region.

Generally, stakeholders highlighted the city's strengths as proximity and location along a SkyTrain line which provides greater accessibility by residents, workers, and visitors to and from other transit hubs such as downtown Vancouver and the airport. Stakeholders also pointed to regional efforts to attract talent to knowledge-based economies which could be an opportunity into the future.

Conversely, there were several challenges identified as well, that would need to be addressed in order for the City to capitalize on any future opportunities. Among some common themes are issues around 'business friendliness' relating to uncertainties around bureaucratic development processes. Also, it was identified that there is a strong opportunity for the City to further their efforts in developing regional partnerships, working collaboratively with developers and businesses alike, to enhance the desirability of doing business and investing in the City. This may have positive downstream impacts on receiving support or positive attention from developers for the City to realize any future investment opportunities. Furthermore, affordability and options for expansions are viewed as expensive and limited, respectively – along with constraints and uncertainties in the market that are creating market hesitation, such as demolition clauses. Some of these points are further highlighted below.

⁸ **Note limitation** – sample size was small and at guidance of City; feedback should be taken as a point-in-time observation and not meant to be comprehensive or objectively definitive. However, this feedback helps to highlight current perceptions and sentiments of the market and can help to identify potential areas of focus and investment opportunities for the City in its course of economic development through its employment lands portfolio.

Access to transport

Given the location and public transit infrastructure, the city is well situated in terms of individual access which helps to position Port Moody as a growing point of interest within the Lower Mainland. While transportation is seen as strength for the public, it is a challenge in terms of industrial and commercial development. These transportation points include:

- Access to downtown Vancouver is good (SkyTrain and West Coast Express).
- Access to Vancouver airport is good.
- Highway connectivity is limited for the transportation of goods for large scale industrial/commercial purposes for many of the vacant lands.

Exceptional quality of life

One of the most common positive attributes stated is the exceptional quality of life in Port Moody. This quality of life is an important element that can be leveraged further to assist in attracting and retaining talent to the city, particularly so with knowledge-based workers who are highly skilled and have flexibility in where they work from. These quality-of-life factors include, but are not limited to:

- Variety of outdoor natural amenities (e.g., ocean front, lakes, hikes, trails, etc.).
- Growing “big city” amenities – although there is room for growth/improvement.
- Health care services.
- Sense of “community.”

Perceived issues around “Business Friendliness”

Business friendliness is a broad term, but with regards to the stakeholder feedback, it relates to the City’s general willingness and openness to adapt to change, as well as provide support to new developments and investment opportunities that the market is proposing, which should be conducted in a fair and adequate process. Some of these related aspects captured are as follows:

- Stakeholders generally noted that the development process is unclear, which leads to the perceptions, real or perceived, of the City being unfriendly to businesses, specifically with regard to uncertainties in the process and the process/requests not being consistent.
- These misunderstandings between the City’s desires and their broad vision to community building which are seemingly ever-changing in comparison to the needs and realities to these businesses. These factors make it challenging for the City to build strong collaborations with developers and current business owners, which makes it difficult to attract new investment and retain current investors. These misunderstandings may slow the pace of projects being developed and have in some instances prevented projects from being realized altogether.
- There is concern between the split desires of citizens and municipal representatives being against more development to occur in the city, leading to expansions and growth versus those that would like to maintain the current lifestyle that Port Moody is well known for today. As such, there is a perception of sensitivities around large scale developments and the changing dynamics of the city.

Land availability and costs

The supply and quality of the city's vacant employment lands is a significant factor in future competitiveness. Consultations noted the following:

- Lack of commercial space being a deterrent to businesses because it is both too expensive and many have demolition clauses.
- Commercial spaces are limited and expensive, thus constraining economical opportunities for current businesses to expand; anecdotally prices were stated to be comparable to Yaletown in Vancouver.
- Low occupation rates for office space, by way of example of the Suter Brook office spaces taking several years to be leased.

4. General trends in the economy

Further research and insights were gathered to add to the stakeholder engagements and what has been identified through the socio-economic analysis and identification of employment lands. To build on the findings and validate or corroborate them, and identify any lessons to be learned, research included engaging subject-matter experts in one-on-one interviews with a focus on market trends, the future of work, employment lands, and investment attraction in the modern era within the context of Port Moody. Furthermore, desktop research of publicly available information was conducted to further assist in identifying trends in the economy and how those trends may have implications for the city, with respect to the economic development opportunities in employment lands.

Much of the engagement feedback and trends suggest a continuation towards the knowledge-based economy, the shift in labour, and remote working. These general trends are impacting the way communities go about their economic development efforts as there's a transition from traditional land-focused efforts to efforts focused on talent/citizen attraction. The macro trends and insights presented below are shaping the future and therefore help to shape the economic development opportunities within Port Moody.

Shift in labour & place of work

Our economies are amid a labour shift, with digitalization and globalization influencing the way we work today more than ever. The transition towards service-based and knowledge-based economies continues to impact our communities. These have been trends that have been occurring for decades, but in the wake of COVID-19, they have been brought to the foreground. These shifts have impacts on the job security of many traditional jobs and require a new level of skills for the jobs of today and of tomorrow. With approximately 14% of jobs in all countries that are a part of the Organization for Economic Co-operation and Development (OECD) likely to be automated, while another 32% are at high risk of being partially automated, this further suggests the shift in skills and future occupations that are aligned accordingly⁹.

Throughout COVID-19, for those who are primarily in professional services positions, such as many Port Moody residents, preliminary data and anecdotal insights suggest that they have been more likely to have access to technology and work flexibility which have allowed this cohort to continue their jobs at home or remotely during the pandemic. However, for jobs that require physical access to their places of work, lower-skilled workers often hold these positions and generally do not have this option. Therefore, the jobs with the highest physical proximity to workplaces are likely to be more disrupted. These shifts in the economy play a critical role in the types and shapes of future development opportunities.

McKinsey conducted a study to analyze the potential across more than 2,000 tasks used in some 800 occupations in eight focus countries to determine how extensively remote work would

⁹ Source : OECD – Future of Work.

persist after the pandemic. They found that even when considering only remote work that can be done without a loss of productivity, that about 20 to 25% of the workforces in advanced economies could work from home between three to five days a week. This represents a four to five-fold increase in remote work compared to before the pandemic and would likely prompt a large change in the geography of work, as individuals and companies shift out of large cities into suburbs and small cities¹⁰. There appears to be a trend of young professionals moving out of city centres to the benefit of communities such as Port Moody.

This signals a fundamental change for communities and economic development practitioners from business attraction to talent/citizen attraction. There are economic benefits and spin-offs from attracting and retaining a highly educated, highly paid workforce that choose to live within Port Moody based on the high quality of life. Thus, these individuals work from home or remotely in the community and are essentially importing dollars into the community. This shift in the economy signals how communities may look at investment attraction, as there may be less of a focus on attracting industrial businesses, new plants, and new office spaces, and more of a focus towards the parts of the workforce that can choose to live anywhere, especially given various constraints communities face – including limited land. Historical land uses need to be examined within community context of access to rail, ports, transportation assets, and the overall neighbourhood settings and vision that the City of Port Moody wants to achieve. Therefore, protecting historical land uses may not be practical once considering the trends and the community circumstance; there may be different and better uses of said land. These changing trends should be considered as means to a multifaceted approach to investment attraction with respect to economic development initiatives. This is a trend that the City of Port Moody is well positioned to leverage.

As the work environment continues to rapidly change, the ability to map out and identify new work models to take advantage of the trends to create a stronger local labour market will be necessary. As job creation continues to be high on most communities' priorities, the most successful approaches will consider the shift in labour, the changing demographics, and changes in job roles, and utilize this disruption as a springboard to propel the City of Port Moody to take advantage of these opportunities. The shift is already occurring where workers have more freedom and flexibility to choose where they live and work, due to remote opportunities. Aspects such as cost of housing, restaurant options, and transit are important elements for these young professionals; however, so are the quality-of-life elements, such as outdoor and recreation amenities and a quiet setting beyond the hustle and bustle of downtown living. This cohort will still desire access to entertainment, nightlife, schools for children, communal workplaces, quality dining, and retail. Therefore, the City of Port Moody needs to consider these elements that would help to create a self-contained community that supports these trends and the needs of these respective cohorts.

¹⁰ Source : Adapted directly from McKinsey's – The Future of Work after COVID-19.

These structural shifts in the economy (i.e., towards a knowledge-based economy) and the changing industrial compositions within many cities suggests that protecting industrial lands may not be necessary or advisable for a city such as Port Moody. This is based on the sustainability of available assets for current market-driven growth opportunities. This includes mixed used developments that may incorporate industrial lands, or may not, as discussed later in section 6.2. Generally, allowing mixed-use development is a good land use policy, as it allows households and firms to select locations that best meet their needs without the rigidity of top-down land use zoning. However, requiring a perfect match between population and jobs in each community or each neighbourhood is not realistic; therefore, plans should not be aimed at matching people with jobs but rather letting the market and economic forces help in determining the best land use and economic development opportunities.

4.1. Demand profile in Metro Vancouver

Commercial, office, & retail development

The following is a summary of key identified market trends through additional research efforts. The information below helps to further contextualize the development situation regarding commercial opportunities throughout Metro Vancouver. A key insight is that occupancy rates were an all-time low, except for a few suburban markets.

Online shopping, high costs of commercial space, and a decline in foot traffic to local stores due to COVID-19 are all adding to competitive pressures. It is likely that these commercial spaces will need to adjust, whether that means going virtual, where possible, or to rethink their spaces and store fronts. The current trends may limit the demand for commercial spaces, but it may also alter the functions of physical spaces.

Time will tell, but research suggests that foot traffic will come back in the “new normal.” Once pandemic-related federal and provincial subsidies and support mechanisms end, the new realities of the traditional commercial and office may be different once tenants have a way out of their current leases.

These trends and changes will determine how far along the spectrum that commercial real estate will slide from the past circumstances to the new realities. It is essential to understand, prepare, and respond to these trends that are likely to have more influence on future business developments. Remote working and e-commerce trends look to lower the utilization of office and retail spaces.

Market trends for Metro Vancouver¹¹

- Suburban office markets have remained stable throughout 2020 (4.1% vacancy rate in January rising to 5.0% in Q4)
- In Metro Vancouver, the overall 2020 absorption reached negative 1.1 thousand square feet (msf); a level not seen since the dot-com collapse in 2001. Nonetheless, there were three out of seven suburban markets that reported positive absorption for the year: **Burnaby** at 105k sf, **Langley** at 94k sf, and **New Westminster** at 81k sf.
- Retail supply has increased but at the same time vacancies are being absorbed in close to record time frames. Many older buildings are preparing for redevelopment following early tenant departures.
- Retailers believe that foot traffic will return to downtown cores. Demand for restaurants, cannabis stores and health-oriented quick service food continues to grow.
- In Q3 and Q4 of 2020, retail lease rates rarely fell more than 5-10% below pre-COVID asking rate.¹²

¹¹ See Appendix E for further market trends.

¹² Source: A variety of sources were utilized, such as: Colliers International, GVA & National Office Market Report Q4 2020 // CBRE Canada Retail Report Fall 2020 // Cushman & Wakefield Marketbeat Vancouver Q4 2020 // Cushman & Wakefield New Perspective: From Pandemic to Performance Report 2020

Industrial development

The information below helps to further contextualize the development situation regarding industrial development opportunities throughout Metro Vancouver. Typically, the industrial market in the Greater Vancouver Area (GVA) has been segmented in two nodes, one being defined as the core markets which are made up of Vancouver, Burnaby, Richmond, and Delta, since they are geographically located near ports. The secondary market is often discussed as the Fraser Valley in general, which refers to everything east of Burnaby where traditionally there are lower costs of real estate and have a higher access to available labour¹³. As such, Metro Vancouver had record low vacancy rates in the first quarter of 2021 at approximately 1.0%, showing that industrial tenants are still greatly constrained with finding suitable space¹⁴. Port Moody's vacancy rate in Q4 of 2020 was 0% due to no new construction, leasing, or industrial land opportunities occurring. Port Moody also has the lowest amount of inventory compared to all other submarkets in the Lower Mainland¹⁵.

Interestingly, there seems to be an expanding definition in terms of industrial land use applications. These applications range from the opportunities that clustering may provide to supporting local artistry and other creative applications, which generally require smaller parcels of land. These new land uses compete with traditional industrial uses for available industrial lands, but as the City of Port Moody has limited lands and small parcels of land, these new opportunities may play well into the City's assets.

In terms of industrial development, the following are some insights from the information gathered.

Market trends for Metro Vancouver¹⁶

- Net demand for industrial space in the GVA has remained strong and vacancy is at an all-time low.
- Tailwinds for the industrial sector include the acceleration of e-commerce, a transition from just-in-time to just-in-case inventory levels, and the proliferation of streaming content creating heightened demand for studio space.
- Availability has declined overall, but there has been a rise in availability in the zero to 5,000 SF segment for existing space, which is consistent with the sentiment that small business has been most impacted by the pandemic.
- There may be a re-imagining of the approach to industrial development as companies look to embrace newer trends like stacked warehouses and technology-focused solutions to space limitations.

¹³ Source: Colliers Vancouver Industrial Market Report, Q1 2021.

¹⁴ Source: Cushman & Wakefield, MarketBeat Vancouver, Industrial Q1 2021.

¹⁵ Source: Cushman & Wakefield, MarketBeat Vancouver, Industrial Q4 2020. Other submarkets include: Abbotsford, Delta, Langley, Surrey, TFN, Burnaby, Coquitlam, Maple Ridge/Pitt Meadows, New Westminster, North Shore, Port Coquitlam, Richmond, and Vancouver.

¹⁶ See Appendix E for further market trends.

- Throughout 2020, Metro Vancouver saw lease rates continue to climb. Over the course of 2020, average asking lease rates increased from \$12.39 per square foot (psf) in the first quarter to \$13.40 psf in the fourth quarter.
 - Even though lease rates grew at staggering values from 2016-2020 (8-12% per year), it is anticipated that lease rates will continue to grow at a stable rate of 3-6% in 2021.
- New forms of industrial activity are changing the way industrial land is used. For example:
 - Clustering together or co-locating of related operations can support eco-industrial networks and circular economy systems, where companies collaborate to utilize each other's by-products (material loops) and share resources (peer-to-peer lending) to increase overall efficiencies. These sectors can include innovative R&D, green/clean-tech, and smart technologies.
 - Local artistry 'maker movement' craftsmanship.
 - High tech and other newer forms of industry such as: e-commerce, direct-to-consumer deliveries, co-facilities, advanced technology, on-demand manufacturing, and creative/media/design.
 - Significant industrial land intensification as a result of market forces, specifically new industrial uses, growth in logistics, smart warehouses, and e-commerce. The reasons are that new industrial capital investments often leverage existing and emerging technologies to either scale their output or increases value-added production.
 - Logistics, distribution, global supply chains, and new forms of industrial or manufacturing activity are driving demand for industrial property.
 - New forms of intense industrial development such as mega-distribution facilities and e-commerce logistics facilities have become dominant features of the major industrial real estate markets in the world. The availability of a sufficient number of large-sized land parcels to support this activity, along with labour availability, influences site selection for these activities worldwide. In certain cases, the shortage of large parcels of industrially zoned land may be an obstacle to attracting such developments of a certain size.
 - Evolving business models in response to e-commerce and technology are placing increasing importance on the need for integrated space where design, manufacturing, distribution, and showroom/retail activities can occur within a single building.¹⁷

¹⁷ Source: A variety of sources were utilized, such as: Colliers International, GVA Industrial Market Report Q4 2020 // PwC, Emerging Trends in Real Estate 2021 // CBRE Canada Market Outlook Report 2021 // Cushman & Wakefield Marketbeat Q4 2020 // CBRE The Future Hybrid Store Report 2020 // Metro Van Regional Industrial Lands Strategy 2020

5. What does Port Moody have to offer?

The City of Port Moody is uniquely positioned to leverage and take advantage of the trends that are occurring in the marketplace. As a city that is already a desirable place to live, attracting residents has not been an issue, given the range of natural assets and amenities that local citizens benefit from, including trails, lakes, ocean front, and more, providing a high quality of life.

The city is experiencing a further influx of young professionals whom are looking to take advantage of the suburban and quaint lifestyle that Port Moody offers. This plays well into the market trends, specifically the work from home and remote work elements that will likely be here to stay to some degree. These newcomers add to the local workforce, of which consists of an already young, highly educated community. Currently, the residents are relatively more likely to be active labour force participants and in full-time work, and slightly less likely to be unemployed – these are all positive characteristics which the City may leverage.

5.1. Opportunities and challenges

Through the analysis summarizing availability of labour, broad market trends, and perceptions of stakeholders engaged, the following are some advantages and challenges to inform strategic and tactical discussions and decision making on land use opportunities.

Development advantages	Development challenges
<ul style="list-style-type: none"> • Experienced local workforce • Inflows of talent (exodus from city centres) • Highly educated/skilled workforce <ul style="list-style-type: none"> ○ Productive local workforce • Median household and individual incomes are higher than Metro Vancouver <ul style="list-style-type: none"> ○ Likely higher disposable incomes • Appetite for more, locally supported, retail and commercial opportunities • Numerous small independent businesses that service the local community’s needs <ul style="list-style-type: none"> ○ These businesses are important to the local economy for community cash-flow generation (money spent locally, stays locally) ○ Provides employment opportunities based on human capital skill sets ○ Foster the sense of community that locals are proud of 	<ul style="list-style-type: none"> • Constrained transportation infrastructure for goods/supplies shipping. <ul style="list-style-type: none"> ○ Limited access to major transportation networks • Affordability of employment lands (ownership and lease costs high) <ul style="list-style-type: none"> ○ Limits business expansions ○ Limits attracting new businesses • Uncertainty and costs are displacing current businesses – businesses closing, relocating due to: <ul style="list-style-type: none"> ○ Lease costs ○ Demolition clauses ○ Short-term leases ○ High tax rates • Broad vision for development and future of the city which may be hard to translate into tangible asks or outcomes • Uncertainty of future developments has businesses and investors hesitant in

<ul style="list-style-type: none"> • Majority of residents work outside of the city; they therefore bring in money from outside the region to spend locally • Brownfield development opportunities¹⁸ <ul style="list-style-type: none"> ○ Identify the current brownfields and seek to understand the remediation processes and opportunities for development. • Good local, public schools which can be an anchor draw for attracting young families • Strong local health care • Location is beautiful – creating a draw as a high quality of life opportunity (parks, waterfront, lakes) • Transit creates good access for individuals to downtown Vancouver and the airport (TransLink and West Coast Express) • High functioning “Bedroom Community” that provides a unique advantage with new market trends and is enticing young professionals¹⁹ • Uniqueness factor with Rocky Point, Brewers Road, ocean access, parks. Opportunity to create a destination for people to visit and/or relocate. 	<ul style="list-style-type: none"> • pursuing long-term investments or expansions • Development process uncertainties and variants <ul style="list-style-type: none"> ○ Evaluate how local policies affect employment lands and in turn the business environment as policies related to employment lands can affect their supply, their market value, and the process and timelines for project approvals. Where each of those areas can influence an investment decision. • Limited employment land for development, makes it challenging to attract employment-related development interest levels <ul style="list-style-type: none"> ○ Planning and the predictability of employment lands are important for attracting and retaining investment. Without suitable sites, you can be at a competitive disadvantage. ○ Increased risk of losing businesses that are looking to expand • High tax rates (cited as a challenge by stakeholders) • Loss of industry <ul style="list-style-type: none"> ○ Flavelle Sawmill closed August 2020 ○ Burrard Thermal Plant closed in 2016 ○ Imperial Oil Refinery closed in 1995 ○ Reichhold Chemicals closed • Limited demand for office space (one example is the low absorption rates with the Suter Brook development.) <ul style="list-style-type: none"> ○ Low demand for office was cited among stakeholders engaged ○ Weak market demands for employment related uses currently will affirm the status quo or even lead to further conversions to non-employment land use
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¹⁸ There is currently a lack of data with the geospatial data provided in order to definitively identify which vacant lands are brownfields and their current land use category.

¹⁹ Source : <https://www.tricitynews.com/local-news/how-one-couple-got-swept-up-in-port-moodys-pandemic-housing-rush-3542587>

Ultimately, there are no cure-all solutions to improving the investment climate within a community, given the wide range of factors that businesses use to evaluate location opportunities. However, the favourable attributes and advantages which are perceived for Port Moody could help to strategically focus the future. The creation of employment and residential opportunities, in a balanced manner reflective of the City's vision, can create downstream economic impacts resulting from increased local spending and economic activity.

6. What are the opportunities?

To foster job creation, the City needs to attract investment opportunities. To do so, the City must be able to motivate investors and entrepreneurs to see Port Moody as a strategic business opportunity.

An understanding of the private sector and their investment criteria, the trends, and how that relates to the city will assist the City in strategically identifying and pursuing partners to develop a win-win opportunity.

A longitudinal analysis by Brookfield Institute scholars found that, between 1976 and 2008, business investment in intangibles²⁰ grew from 5% to 13% of Canada's economic output and investments in tangible assets fell from 27% to 16% of output²¹ - shift indicative of an economy moving from manufacturing and goods production-based to knowledge-based. A further study by the OECD also suggests the labour market is transforming, showing that between 1995 and 2015 employment in the manufacturing sector went down by 20%, while it rose by 27% in the service sector with the share of highly skilled jobs increasing by 25%. The same study also notes an increase in non-traditional, full-time employment, such as self-employment, part-time work and the "platform economy²²" (or "gig economy") to have grown to make up about 40% of the total economy²³.

Investment decisions by companies looking to set up or expand their businesses typically include some form of a comparative assessment, in order to understand how potential candidate jurisdictions, differ or offer competitive advantages. There are several key location-sensitive costs which are typically assessed by businesses in their investment decisions.

6.1. Business Persona methodology

A "business persona" is a profile of the cost structure and operational requirements commonly present within a category of business operations or investment attraction projects. By concentrating on business operations, rather than industries, business personas also allow for a more customized assessment of city competitiveness. A business persona's cost structure considers macro and micro-economic factors.

The business personas profiled in this report have been selected for their alignment to Port Moody's strengths and assets. The four shortlisted business personas are:

²⁰ Intangibles are investments and assets that do not have a concrete physical existence, but which generate or have the potential to generate long-term economic value. They include things like software and data, digital services, brands, design and marketing, research and development, relationships, and expertise.

²¹ Source : Brookfield Institute – Managing the Intangible Shift: Positioning Canada to compete in an intangible economy.

²² The platform economy is economic economy of the buying, selling and sharing of goods and services and associated social activity that is facilitated by online/digital platforms.

²³ Source : OECD – Future of Work.

1. media and entertainment production (e.g., visual effects development, video game development)
2. digital development operations (e.g., software development, fintech development)
3. back office operations (e.g., captive shared service centres, call centre)
4. corporate office (e.g., corporate headquarters, regional headquarters)

For the City, these shortlisted business personas can be seen as “opportunity sectors” for investment attraction. That is, these business personas could act as an accelerant to meet the City’s employment growth targets (discussed earlier in this report) and is not meant to be the “final and only list” of business personas targeted for employment lands in the City.

Each of the business personas profiled describe:

- An overview of the business type.
- Average facility size, general labour demand, employment patterns, and complementary retail services which are desirable for these business personas; and
- Relative importance of tangible and intangible site selection factors for the business persona.

Note that these business personas represent a “general sample”. Actual businesses which may be looking to locate or expand elsewhere may present slightly different nuances that need to be considered separately.

Media & entertainment production

Media and entertainment production include various activities related to digital media and entertainment production, often related but not limited to cultural industries. Labour costs, availability of skilled labour, and tax incentives for digital media production are three important factors. Examples of media and entertainment production include 2D/3D animation, digital post-production, video game development, and visual effects (VFX) development. This persona is attracted to areas with access to a high-quality workforce. With the near by region having Vancouver Film School, Vancouver’s Centre for Digital Media, Emily Carr University of Art and Design, and the like, this provides strong talent pools in proximity.

The type of labour required is in alignment with the current local skills, which allows for future media and entertainment production to have access to a talented labour pool, which is an important factor for this persona. The typical footprint is about 11,000 square feet (equating to approximately 0.25 acres), is well aligned with the available parcels within the City. In terms of transportation, these factors play well into the City of Port Moody’s current infrastructure, as this Business Persona has no need for shipping and heavy transit requirements but will benefit from the increased mobility with the SkyTrain access.

Business environment factors are the most important variable impacting a location’s attractiveness for media and entertainment production, followed by labour costs. Among these factors, quality of talent/workforce and new inflows of talent are the most important. These

factors are closely aligned with the City of Port Moody's advantages with a highly skilled and educated workforce, with more young professionals desiring to relocate to the city.

Digital development operations

Digital development operations include the development of digital solutions by independent software development and digital creation firms performing original and ongoing application development, as well as wholly owned subsidiaries of a parent firm with no external commercial sales. Labour costs, availability of skilled labour, and tax incentives are three critical factors.

The type of labour required is in alignment with the current local skills, which allows for future digital development operations to have access to a talented labour pool, which is an important factor for this business persona. The typical footprint is about 38,000 square feet (equating to approximately 0.87 acres), which is more aligned with current available parcels within the city. In terms of transportation, these factors play well into Port Moody's current infrastructure, as this business persona has no need for shipping or heavy transit requirements but will benefit from the increased mobility with the SkyTrain access. In addition, this persona values a high quality of life as part of the intangible factors, which Port Moody can offer.

Business environment factors are the most important variables impacting a location's attractiveness, particularly focused on access to new labour through graduates and the quality of the talent/workforce.

Back office operations

Back-office operations often comprise of off-site delivery of a range of non-client facing service functions, including technical support, administrative tasks, and customer service. They are typically located in mid-size cities (as opposed to large urban centres), where labour and real estate costs are lower. An important location factor is employee attraction and retention. Examples of back-office operations includes captive shared service centres, data capture and processing, telemarketing, and call centres.

The type of labour required is in alignment with the current local skills, which allows for future back-office operations to have access to a talented labour pool, which is an important factor for this business persona. Although the typical footprint is about 52,500 square feet (equating to approximately 1.1 acres), which is still slightly larger than most available parcels within the city, there is still opportunity to identify back-office operations that require a smaller footprint. In terms of transportation, these factors play well into Port Moody's current infrastructure, as this business persona has no need for shipping or heavy transit requirements but will benefit from the increased mobility with the SkyTrain access.

Labour costs are the most important variable impacting a locations attractiveness for back-office operations, followed by business environment factors. Among these factors, size of experienced workforce and IT, as well as utility infrastructure, are the most important factors.

Corporate office

Corporate offices typically include activities that combine enterprise-wide support services that are provided based on specialized knowledge, leading practices, and technology to serve internal customers and business partners. Examples include regional or corporate regional offices for management, sales, marketing, human resources, legal, and financial services. Global and regional headquarters often host the highest-skilled and highest-paid workers in the country.

The type of labour required is in alignment with the current local skills, which allows for future regional corporate offices to have access to a talented labour pool, which is an important factor for this business persona. Although the typical footprint is about 75,000 square feet (equating to approximately 1.7 acres), which is larger than the majority of available parcels within the city, there is still opportunity to identify regional corporate offices that require a smaller footprint. In terms of transportation, these factors play well into Port Moody's current infrastructure, as this business persona has no need for shipping or heavy transit requirements but will benefit from the increased mobility with the SkyTrain access.

Business environment factors related to market size, such as metropolitan area's GDP, disposable income, and population are key factors for operations. Additional important factors include the size of the experienced workforce and quality of talent.

6.2. Industrial and mixed-use

With population projections for Port Moody anticipated to increase by approximately 16,500 people, there will continue to be pressures for affordable housing and ideally providing sufficient workspaces. As stated, these challenges are exacerbated due to vacant employment land constraints, which suggests innovative approaches should be explored to find solutions. Mixed-used developments have been a growing trend and continue to be a strong solution to bringing jobs and housing together creatively.

With Council's desire to also try to protect industrial land, mixing residential and light industrial could be a future consideration. Although industrial traditionally has a perception of giving off negative externalities such as noise pollution, the trends above suggest, not all industrial businesses fit this description. Some exceptions can do well within integrated neighbourhoods and mixed-used developments, specifically as we consider Class 5 Light Industrial opportunities and the broad spectrum of uses, some of which can be compatible with mixed-use developments in urban settings.

Advances in technology, macro trends in the marketplace, and the broad spectrum of light industrial uses all suggest new opportunities for integrated neighbourhoods, as certain light industrial uses have potential within mixed used developments. Understanding what light industrial businesses are most suitable for Port Moody depends on what criteria will be used to assess the opportunities. The City of Port Moody needs to consider this set of criteria in terms of the realities of business needs with respect to access to labour and proximity to customers, to various planning and design factors related to walkability and accessibility, as well as criteria related to any real or perceived negative externalities (e.g., noise, pollution, vibration, traffic, etc.).

Anecdotally and through desktop research, some cursory examples of light industrial uses may include but are not limited to:

- Food production (e.g., breweries)
- Arts and crafts manufacturing (e.g., local artistry and maker movements such as pottery manufacturing)
- Research and development (e.g., creative media / design)

Ultimately, by identifying proper criteria to identify suitable light industrial uses, there is opportunity for mixed-use developments incorporating these light industrial businesses in urban settings.



The Shipyards District – Lower Lonsdale, North Vancouver

This district boasts art, history, cuisines, fitness classes, craft breweries, Capilano University continuing studies, and residential living, all in a neighbourhood district.

The Shipyards offers approximately 84,000 square feet of mixed-used commercial and community amenity space and sits on a ~1.6-acre lot²⁴.

Image Source: World Architecture²⁵

Competition for industrial lands will continue due to aspects such as demand for housing from population growth, the trends towards more knowledge-based/service producing jobs, and the wide continuum of industries that can utilize light industrial lands. Lands that have been planned and designated for industrial use are often highly desirable and particularly so when the cost compared to commercial land and space is more economical, such as in Port Moody. Therefore, these lands are of high interest to these non-traditional uses, such as commercial, retail or other blended community uses as demonstrated in the Shipyards example. However, these uses of land can have potential drawbacks with respect to a municipality's industrial and employment land inventory, if not monitored and planned for accordingly, such as:

- Depletion of limited industrial lands available for traditional industrial.
- Existing lands for industrial can become fragmented, not unlike the Port Moody's current situation.
- Without careful planning in mixed-uses, there can be unintended consequences or compatibility issues (e.g., various negative externalities, accessibility, traffic congestion)

It is important to recognize and consider that some non-traditional uses of industrial land may play a part in improving the competitiveness or investment readiness of a municipality. By accommodating a broader range of employment opportunities on industrial lands and mixing these uses with other businesses that service the employees and businesses in that area, this can facilitate offering services to different demographics. Restaurants, housing, and other daily uses can service the daytime working population within the city and the area, travellers (business related and others), and workers who do not live in the area. More importantly, this balanced mix starts to build the foundation towards being able to support more businesses, people, and larger businesses in the future, than what is currently possible with current boutique service shops and limited supporting amenities. The City of Port Moody should seek to build a balance between conserving industrial lands and allowing these “non-industrial” or non-

²⁴ Source: The Shipyards District <https://theshipyardsdistrict.ca/>

²⁵ Source: World Architecture <https://worldarchitecture.org/article-links/ecmcp/bringing-north-vancouver-s-breathtaking-waterfront-to-the-people-the-shipyards.html>

traditional uses that serve the knowledge-based economy, bring jobs, enhance the tax base, and add to the diversity and uniqueness of the city. All of these factors better position Port Moody towards attaining a sustainable job to population ratio and other important economic development goals.

6.3. Post-secondary

Post-secondary institutions can enhance a municipality’s brand and profile, as well as support commercial and retail businesses, enhance the talent pool, and can even enhance urban design concepts, among other benefits. However, attracting these institutional investors is challenging. Generally, there are several site characteristics that influence what these institutions typically look for when making investment decisions, some of which are:

- Availability of suitable land
- Cost of land
- Proximity to affordable housing
- Proximity to public transit
- Parking availability
- Access to other nearby supporting amenities
- Pedestrian accessibility
- Proximity to cultural institutions

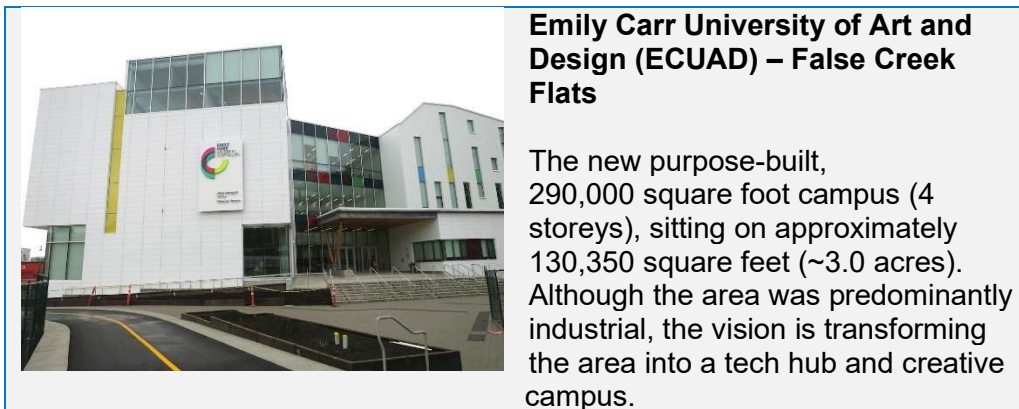


Image Source: Daily Hive

A prospective opportunity may be specialized programs with satellite offices, which could align with the City’s vision with respect to community assets, strengths, labour force, businesses, and potential future business personas. Developments such as the False Creek Flats and the Emily Carr University of Art and Design (~3.0 acres²⁶), BCIT Marine Campus in North Vancouver (~1.86 acres) or the Capilano University’s satellite campus in North Vancouver’s “The Shipyards” (~0.25 acres), are great examples of how these specialized programs fit within a community. They transition neighbourhoods from industrial with mixed-use integration of knowledge-based employment opportunities that may not require a substantial footprint. Conversely, the SFU Campus in Surrey is a 600,000 square foot facility with a parcel size of

²⁶ Source: BC Assessment Land Size

~158,229 square feet (~3.6 acres); a holistic and complete facility of program offerings of this size would be challenged to find adequate space within Port Moody.

**CapU Lonsdale – Shipyards
Satellite Campus**

This 11,000 square foot location is situated within The Shipyards development, which opened in 2020. It is the home to the University's Continuing Studies and Executive Education program.



Image Source: Capilano University Website

These institutional opportunities often require some form of financial incentive from the municipality of interest. Furthermore, post-secondary institutions in themselves can be both an economic driver or employment hub, and more likely a significant catalyst to driving innovation and investment. Another relevant consideration in attracting higher education is the decision around housing opportunities for the student population and of the university staff. Often, there are two distinct options, one that incorporates the student population and staff into typical housing arrangements, located close to the campus, and the other model that houses most students and staff “on campus.” The latter model is often then physically separated from the rest of the city, losing out on some of the benefits of attracting the higher education institution. Whereas the former model may provide further spin off opportunities and benefits for the city, it also runs the risk of conflict with other locals. Striking the balance with student accommodations and resident housing is important to avoid distortions in the local housing market. Additionally, depending on the educational programs being offered, a city would need to consider the continuum of housing that may be required from low-end subsidized housing to those that may only be in the community for a few weeks or months, all the way to higher quality options for potential staff, researchers, and newly starting out professionals. Ultimately, if higher education is to be considered for any community, this needs to be incorporated into the city’s vision. A balanced approach that aims to combine institutional facilities and housing in strategic locations to regenerate specific areas within a city, needs to be carefully considered.

Another point of consideration, as identified through subject matter experts, is that often these institutions are looking for prime real estate locations, which could arguably have larger economic impacts through different land uses. There are many examples of these institutions that are now located on prime real estate. Some examples locally include Vancouver Convention Centre, Vancouver Aquatic Centre, UBC Robson Square Campus, Museum of Vancouver, Yaletown Roundhouse and Coal Harbour community centres, among others. Internationally, institutional amenities such as the Sydney Opera House, Copenhagen Opera House, West Kowloon Cultural District, and Elbphilharmonie Hamburg, are found in the most prime locations.

In terms of what makes a city attractive to higher education institutions, many of the same factors come into play as any other sector or industry. One key factor is that the city must be attractive for individuals throughout their progression as students and into their careers. Different student demographics and the various educational programs offered impact how the students interact and use the city. Given the different attitudes, behaviours, fields of study, and lifestyles, planning, housing regulations, economic development, and other aspects all have an impact on a city. Policymakers should take these complexities into consideration and the type of educational programming being offered and how that will affect the demographics of students and faculty and so forth, to make effective city-wide planning decisions that consider all city stakeholders. Furthermore, experts state that in Canada, universities and colleges rely heavily on funding provided by the provincial government. Therefore, locations are largely driven/influenced by provincial needs or desires. Often, universities or colleges would add a campus, expand or move to a city based on providing access to students (e.g., other higher education options aren't available and there's a large demographic of potential students) or a specific industry need (e.g., there's a growing industry sector and a need for talent to meet economic development goals).

The attraction to higher education is not a quick win, with timelines varying, but can range between 5-10 years. Support for such specialized programs and facilities may have expectations of municipal contributions that are dependent on different capacities and assets of the education institute, private sector partners (if applicable), and the municipality itself. Yet, a more holistic institution with a larger footprint and broader program offering will undoubtedly come with higher financial expectations, larger land requirements, and other challenges.

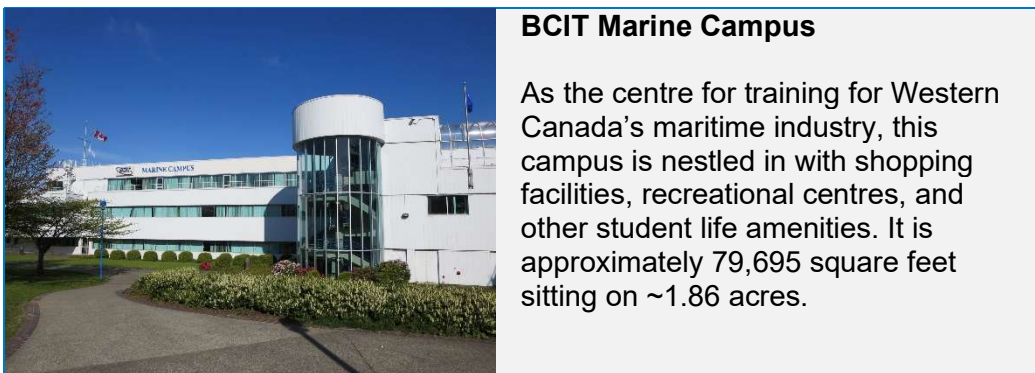


Image Source: BCIT Marine Campus Facebook

In terms of post-secondary institutions being an option for Port Moody, efforts could focus on specialized post-secondary programs. The programming could potentially align and take advantage of the City's vision, with respect to the community's assets, strengths, labour force, businesses, and potential future business personas.

Based on these trends and characteristics within the post-secondary sector, it appears that sites greater than two acres offer the most potential for post-secondary investments. Within Port Moody, five parcels were observed to be vacant — three institutional, and two mixed-use.

However, given Port Moody's trend toward residential, some of these parcels have already been redeveloped into residential lands.

For example, at 300 Morrissey Road, a 2.7-acre site is being transformed by the Onni Group into a high-density, transit-oriented residential project at Suter Brook village. Parcels like this, with access to affordable or varied housing, public transit (Inlet Centre Station), and nearby shops within walking distance (in the village and across Ioco Road) may be considered as opportunities for mixed-uses and anchor tenants such as post-secondary institutions. As a comparison, the SFU Surrey Campus is located within a mixed-use development, and contains a series of classrooms, lecture halls, a bookstore, library, and other amenities which could be integrated at the base of a residential development. Given the limited number of parcels of this size remaining in Port Moody, it will be critical to consider the potential for parcels that could play multiple roles within the city's ongoing growth.

6.4. Retail

Complementary to strengthening Port Moody's employment lands, retail within the city can be enhanced to support the creation of new jobs, attract new employers, and provide amenities to Port Moody's growing population.

Innovating Commerce Serving Communities ("ICSC"), formerly known as the International Council of Shopping Centres, provides one method of classification for shopping centres in Canada²⁷. ICSC is the global trade association for the shopping centre real estate industry worldwide, where the association gathers insights from its members that include shopping centers, developers, managers, marketers, investors, brokers, municipal officials, and more. As part of this classification, ICSC defines several different types of shopping centres, by providing a conceptual description, the typical square footage, number of anchor tenants (as applicable), typical types of anchors (as applicable), and general trade areas.

In order to understand Port Moody's current retail scene, it is important to understand what types of retail offerings currently capture Port Moody within their trade areas. Upon review of retail uses that interface within the bounds of Port Moody, four types of retail emerge, guided by the principles of the ICSC classification. They include:

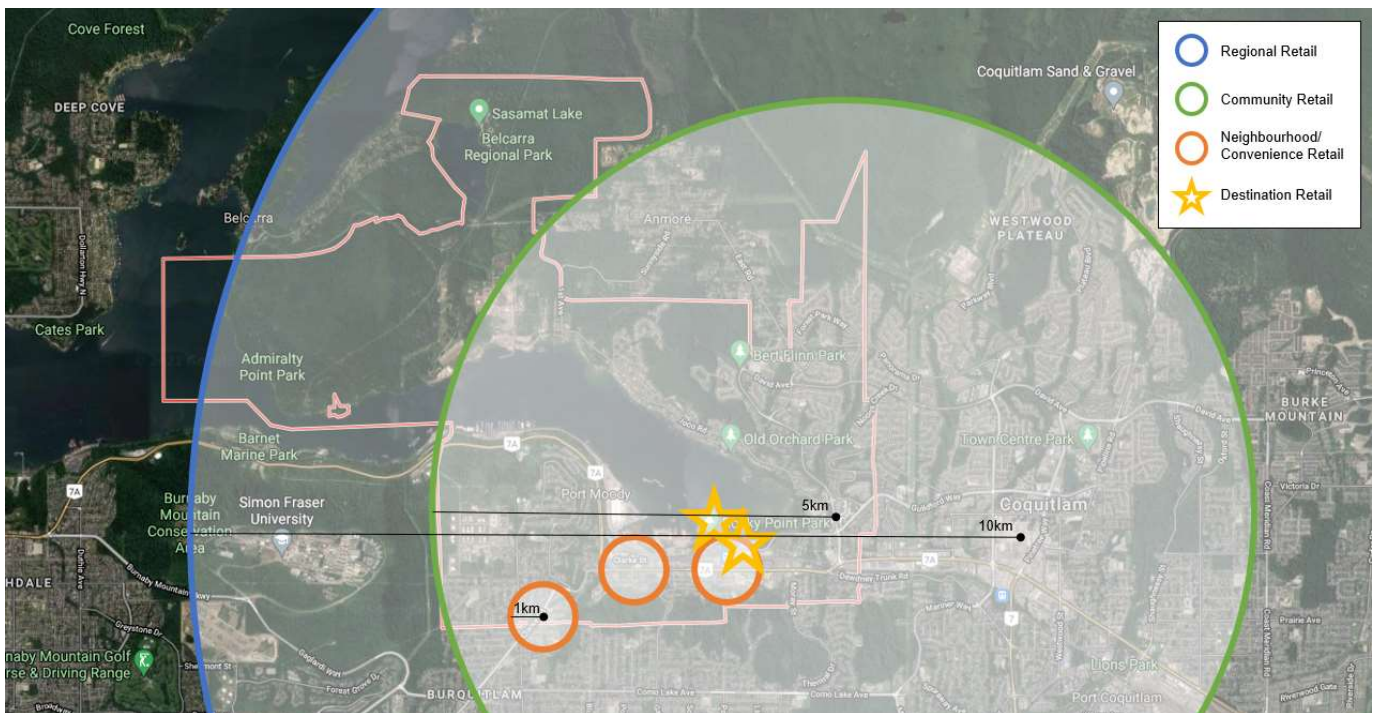
- **Regional Retail:** Often regional retail consists of indoor shopping malls with general merchandise, fashion, and service retailers. The mall is often inward oriented with multiple passageways with shops on both sides. Regional retail is often anchored by two plus large/big box retailers, including a department store. The trade area of regional retail can range from 8-20km.; for this analysis, an assumption of 10km is used.
- **Community Retail:** Often community retail is characterized by open-air or a mix of open-air and indoor properties, community retail is a hub of goods and service businesses that serve the daily needs of the community. Community retail is often anchored by 1+ large/big box

²⁷ Source: ICSC. (https://www.icsc.com/uploads/t07-subpage/Canada_Shopping_Center_Definition_Standard_v2.pdf)

store, including a grocery or drugstore. The trade area of community retail is often less than 10km; for this analysis, an assumption of 5km is used.

- **Neighbourhood/Convenience Retail:** Often neighbourhood/convenience retail consists of open-air concentrations of retail that support the daily needs of consumers in the immediate community, ranging from smaller strip malls to a cluster of shops. In the case of Port Moody, neighbourhood/convenience retail is not often anchored by a large retail store, but may be anchored by known brands (e.g. A&W, Starbucks). The trade area of neighbourhood/convenience retail is less than 5km; for this analysis, an assumption of 1km (or an approximate ten-minute walk) is used.
- **Destination Retail:** Often destination retail consists of specialty retailers or a cluster of similar retailers, with far-reaching draw. Like freestanding stores, the trade area is highly dependent on the specific use of the destination retailer.

These four types of retail, as they currently exist in Port Moody, are illustrated in the map below.



As shown on the map, while located outside Port Moody, Coquitlam Centre and the surrounding outdoor malls and plaza already serve as regional retail for Port Moody. With a 10km trade area as depicted by the blue ring, Coquitlam Centre provides significant retail for the surrounding area, including grocers, drugstores, department stores, fashion retailers, and general goods and services. As such, before working to attract or build out regional retail in Port Moody, additional analysis would be needed to understand the challenges and opportunities associated with competing against Coquitlam Centre. Additionally, there is not currently sufficient clustering of vacant lands available to develop something of similar scale and service offerings as Coquitlam Centre. Furthermore, Port Moody is already anchored by two hubs of community retail—Suter Brook and Newport Villages, that together also provide the Port Moody community with grocers,

restaurants, and services. Unlike regional retail, there is potential for additional community retail given the presence of two transit stations. While Suter Brook and Newport Villages are easily accessible by Inlet Station, there is opportunity to expand retail offerings at Moody Centre Station. As not to compete with the existing retail, there is potential for offering complementary retailers at Moody Centre Station, diversified by price point, type, target demographic, and/or operating hours to offer complimentary service offerings and retail options within the city.

Furthermore, dispersed throughout Port Moody along the St. Johns corridor are clusters of neighbourhood/convenience retail. Ranging from strip malls anchored by fast food and convenience stores to new hubs of restaurants. However, these clusters are currently not well-defined, with vacant and/or possibly underused spaces, both diluting the clusters. These clusters are quite far apart and are not conducive to visiting multiple clusters within the same visit. Therefore, there is an opportunity to continue to strengthen the existing clusters while also infilling between them to enhance the overall corridor.

Lastly, within Port Moody, there are destinations such as Brewers Row, and businesses like Rocky Point Ice Cream, and The Boathouse Restaurant at Rocky Point Park, all of which drive significant trade areas that extend far into the region. Despite their existing and growing popularity, there is potential to further bolster these destinations by leveraging their branding and attractiveness to entice complementary infill investments.

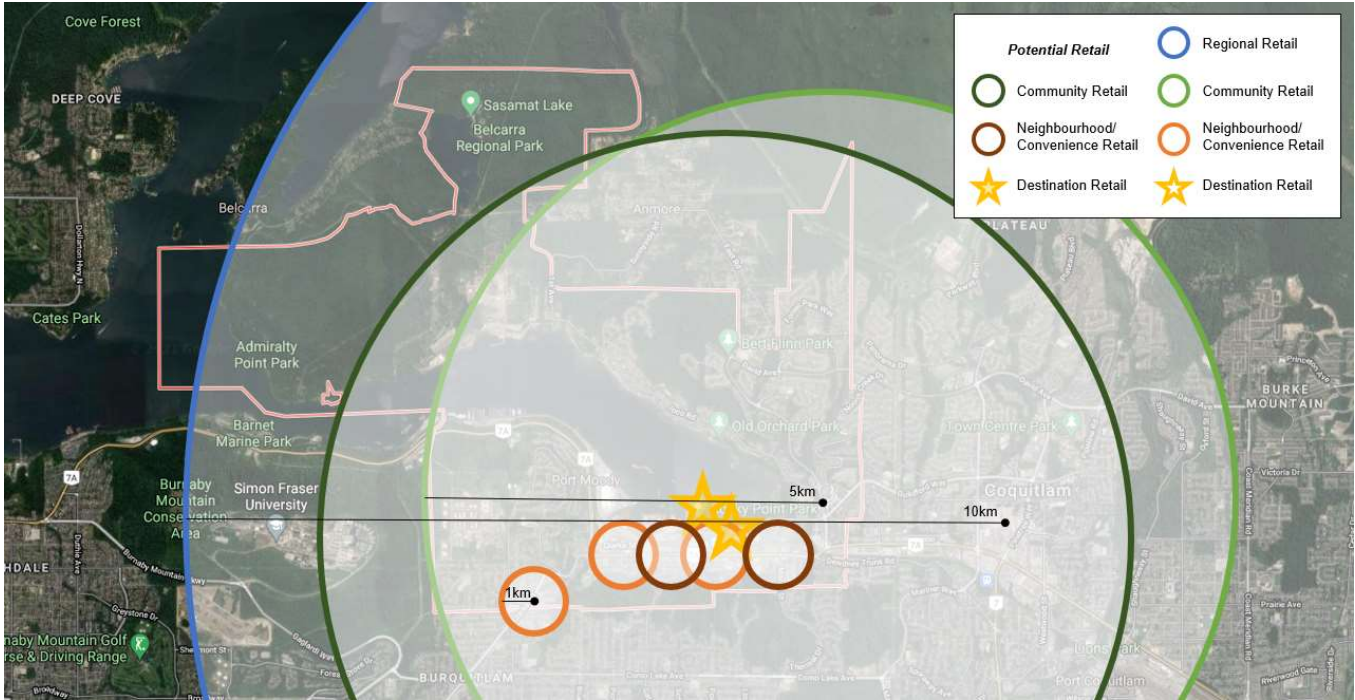
Opportunity Summary

The following summarizes key retail opportunities for Port Moody (also illustrated in the map on the following page). Note that these key opportunities can be located within a variety of development types, including mixed-use opportunities within vacant employment lands, as summarized above, mixed-use residential developments, and through renovations of existing free-standing retail throughout the city.

- **Expanding Moody Centre** into community retail that provides mixed-income services complementary to existing community retail at Suter Brook and Newport Villages (e.g., more affordable grocer). Within community retail there is also an opportunity for a big box anchor, especially since many big box retailers now offer “city” versions of their stores. Examples of this type of urban big box retail includes Loblaw’s City Market, rather than the Real Canadian Superstore and the highly walkable and transit-friendly Home Depot at Cambie and Broadway in Vancouver, in comparison to locations that cater primarily to contractors and are very car-oriented.
- **Strengthening the St. Johns Corridor** by setting a vision for the corridor and thoughtfully curating a mix of businesses that support community needs. Continue to infill with dense mixed-use multi-family residential to provide a strong local customer base for businesses and locating businesses in a way that enhances the customer experience (e.g., cluster like-

mindful businesses together, infill between clusters with ground-floor office or residential units to build-in a customer base).²⁸

- **Enhancing Brewers Row** involves doubling down on the growing destinations centered around Rocky Point Park and Brewers Row to attract even more businesses and customers to the cluster and take full advantage of the benefits associated with the agglomeration. The opportunity may exist to further build the brand of the destination to increase the trade area and investment in the business community.



If implemented, Port Moody’s retail landscape could grow to more comprehensively serve the community, and provide redundancies and options to residents, workers, and visitors alike. These additional layers are illustrated below. As noted by the Urban Land Institute, the “convenient availability of goods and services is a key factor that people consider when choosing a place to live, and neighborhoods without suitable retailing are dramatically weakened.”²⁹ If retail options are insufficient within the city, retail leakage will occur, where residents and workers spend their dollars in other areas, such as neighbouring municipalities or at regional retail destinations.

Supporting a vibrant retail community will require significant coordination and cooperation to ensure a strong, unified vision for the local business community. However, efforts may be rewarded significantly, through increased attraction to residents, workers, and employers, supporting a more walkable, sustainable future, and enabling healthy lifestyles among nearby residents that are able to conveniently access daily goods and services.

²⁸ Source: ULI (http://uli.org/wp-content/uploads/ULI-Documents/TP_NeighborhoodRetail.ashx_.pdf)

²⁹ Source: ULI (http://uli.org/wp-content/uploads/ULI-Documents/TP_NeighborhoodRetail.ashx_.pdf)

6.5. What do the vacant employment lands say about Port Moody?

There is a limited amount of vacant employment lands, many of which are on small parcel sizes, which limits the options for growth and expansion in key development areas.

While this Study is not intended to be a land planning exercise, the exploration of the employment land availability, size, locations, and other information is pertinent in identifying sectors that are aligned with the city's assets. A community's zoning and the predictability and affordability of access to properly zoned parcels, can have a significant effect on an investor's decision-making. Land use patterns and zoning information provides the additional context to the circumstances within Port Moody as it relates to employment land availability and parcel size.

The following information is used to help to further understand the commercial, retail, industrial, and/or mixed-used development opportunities based on the availability of land, the size of land, and the current zoning patterns. This analysis builds on the business personas, by spatially illustrating the types and magnitude of opportunities for employment lands within Port Moody; discussion includes identifying key locating requirements, and what "typical" types of tenants and optimal configurations relative to other land uses may be, where possible for each presented business persona. This exercise is meant to be illustrative in nature and does not seek to identify specific investment opportunities.

Employment lands

Employment lands play an important role in fostering and realizing economic development opportunities. Employment lands can be either privately or publicly owned properties that are zoned to support land uses contributing to economic vitality of a region or municipality, such as institutional, industrial, commercial (retail/office), and others that can bring about employment opportunities. Further, as these lands have already been planned (and endorsed by Council) for or are already zoned for future employment opportunities, they also represent predictable development opportunities for businesses and institutions. These lands are likely perceived by the development and institutional communities as not competing with land prices for residential development opportunities.

The availability of employment lands has traditionally been a critical input to support economic development, particularly opportunities associated with space-based employment (retail, in-person services). The business and institutional communities may generally find limited to no interest in regions where there are no commitments or availability of employment lands suitable to their operational and growth requirements. Examples of these requirements may include:

- Land availability and perceived competition
- Parcel size
- Building configuration (if applicable)
- Proximity to customers/markets
- Linkage or proximity to transportation infrastructure (people and goods)
- Access to labour supply

- Highway access
- Local region and arterial route congestion
- Property taxes

Public policies that are related to employment lands are therefore also important to the preservation of these lands, which affects the supply and subsequently their market value. These are important influencers on business investment decisions and are also important in retaining and expanding current businesses. Analyzing the policy framework and trade-offs of past and future development opportunities regarding these noted elements are beyond the scope of work of this initiative. However, it is nonetheless an important aspect to draw attention to, as policy makers locally and provincially need to continue to think holistically about how policies can affect employment lands and therefore the business environments of their respective communities and the long-term impacts. This is challenging, given the pressures towards the need for the market-based housing supply to increase and matching the desire to increase the jobs to population ratio within the city. Therefore, the policy needs to take these concepts into consideration and analyze the trade-offs in a systematic manner to achieve the City's objectives for increases in the job to population ratio, given their limited employment lands available.

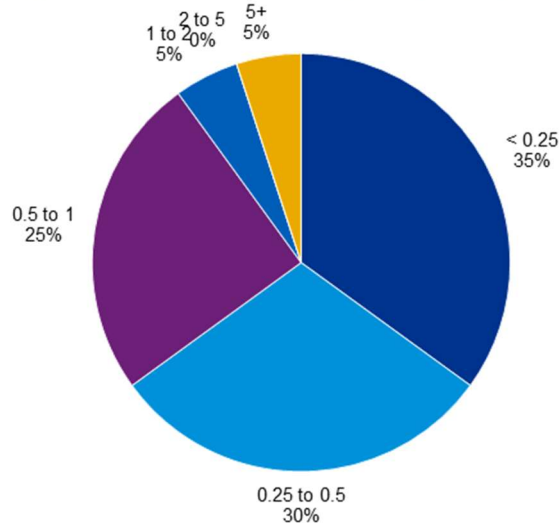
Vacant employment lands

As stated, the supply and quality of a city's vacant employment lands is a significant factor in the future competitiveness of the city. Therefore, this section provides a brief assessment of the City's vacant employment land supply and some cursory insights to the City's future ability to accommodate accordingly³⁰.

The following table depicts the current zoning of the vacant employment lands, which can be considered potential development opportunities for employment lands within the city. Through the geospatial data, the City of Port Moody has total vacant employment land supply of 37 acres, representing 20 parcels with most of these vacant employment lands being categorized as industrial (50%). As the below graph shows, many of the employment lands (35%) are small plots of 0.25 acres or smaller.

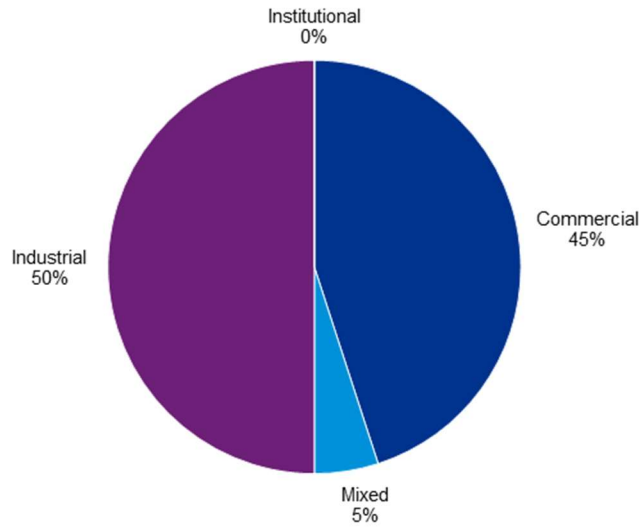
³⁰ **Note:** This is a high-level analysis of the vacant employment lands identified by zoning and use observations conducted by BC Assessment and is in no way exhaustive in terms of narrowly identifying the parcels that are truly 'development ready'. It is our understanding that some of the current vacant employment lands identified here are already part of development proposals for consideration. In addition, given the limited availability of additional data points, a further analysis would be required to identify parcels most suitable for development. For example, the data set is unable to differentiate between brownfields versus greenfields, those that are land locked by vehicle access points (e.g., only accessible via alleyways) and the like. Therefore, many of the parcels identified may still not be suitable for development, for a variety of reasons. Nonetheless, the following provides key context and insights to the vacant employment lands. These insights on the vacant land inventory were generated in collaboration with input from the City of Port Moody staff, who collated the parcel data and reviewed all parcels that were identified as vacant through BC assessment use observations.

Share (%) All Employment Lands AND Vacant by Size (Acres)



Source: City of Port Moody

Share (%) All Employment Lands AND Vacant by Type (By Number of Parcels)



Source: City of Port Moody

In considering the data, the employment land availability can be further analyzed on a parcel count and parcel size basis. The number and size, in addition to location of parcels, is important to understanding the type of investment opportunities that are available, given sectors and specific operations require certain footprints and zoning requirements for their business needs. As depicted below, approximately 35 of the 45 total parcels of industrial land are distributed across small, less than 0.25-acre parcel sizes. Such small footprints often attract a broad range

of light industrial businesses as is evident in the city currently. These businesses range from breweries, to gyms, to engineering services, and other uses such as those described above in section 5.2 but are generally not suitable for traditional heavy industrial.

Vacant Employment Lands (Parcels) in Port Moody

Acres	Commercial	Mixed	Industrial	Institutional	Total
	Count				
< 0.25	1	-	6	-	7
0.25 to 0.5	6	-	-	-	6
0.5 to 1	2	-	3	-	5
1 to 2	-	1	-	-	1
2 to 5	-	-	-	-	-
5+	-	-	1	-	1
	9	1	10	-	20 ³¹

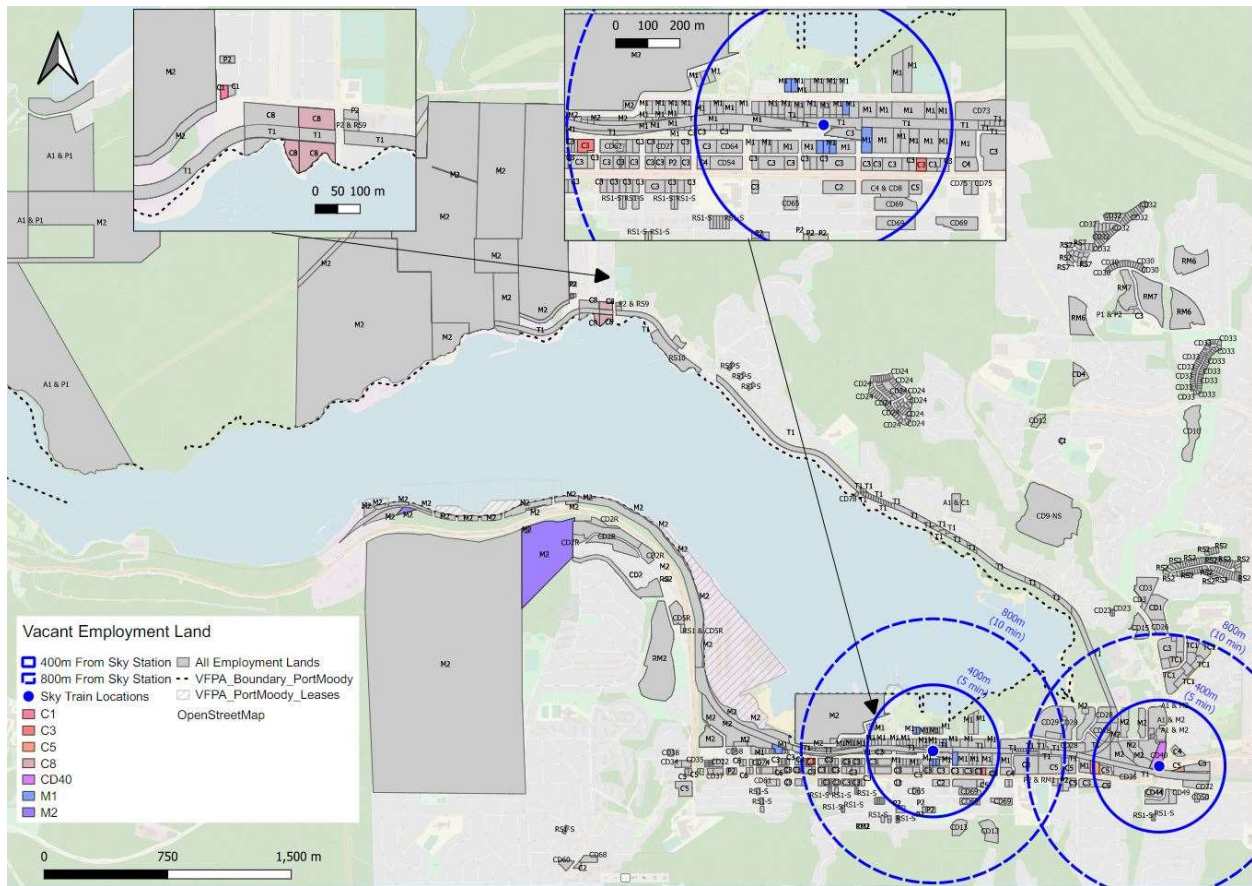
Source: City of Port Moody

By further layering spatial data atop this analysis, the map below (Figure 1) illustrates the location of each of these vacant employment land parcels contextualized within all Port Moody’s employment lands, and further depicts five- and ten-minute walk times from the city’s transportation hubs.

As illustrated, there are concentrated pockets of vacant employment lands within walking distance from both Moody Centre and Inlet Centre stations. These lands, based on their parcel size and the consideration of the business personas that would align with such sizes, therefore represent areas of potential for development opportunities, given their proximity to transit and adjacent employment lands uses.

³¹ Note, some of these vacant lands may include brownfields, but due to a lack of data it is not currently possible to discern which parcels are brownfields. These brownfields may be a source of potential development land opportunities.

Map of Vacant Employment Lands in Port Moody



Source: City of Port Moody

Interestingly, of the 20 parcels of vacant employment lands, 13 are located within the ten-minute, 800-meter walk shed. Then, narrowing down to the 400-meter walk shed, 12 — or 60% of these opportunity parcels are located within a five-minute walk to rapid transit.

Vacant Employment Lands (Parcels) within 800M of a Transit Station

Acres	Commercial	Mixed	Industrial	Institutional	Total
< 0.25	-	-	6	-	6
0.25 to 0.5	5	-	-	-	5
0.5 to 1	-	-	1	-	1
1 to 2	-	1	-	-	1
2 to 5	-	-	-	-	-
5+	-	-	-	-	-
	5	1	7	-	13

Source: City of Port Moody

Vacant Employment Lands (Parcels) within 400M of a Transit Station

	Commercial	Mixed	Industrial	Institutional	Total
Acres	Count				
< 0.25	-	-	6	-	6
0.25 to 0.5	4	-	-	-	4
0.5 to 1	-	-	1	-	1
1 to 2	-	1	-	-	1
2 to 5	-	-	-	-	-
5+	-	-	-	-	-
	4	1	7	-	12

Source: City of Port Moody

However, on a per acre basis, only six of the 37 acres of vacant employment lands exist within these walk sheds. But nearly all the vacant employment lands acreage is found within the five-minute walk shed — five of six acres, indicating a potential opportunity for clustered development. Among parcels and acreage, industrial lands represent the majority across both.

Vacant Employment Lands (Acres) within 800M of a Transit Station

	Commercial	Mixed	Industrial	Institutional	Total
Acres	Acres				
< 0.25	-	-	1	-	1
0.25 to 0.5	2	-	-	-	2
0.5 to 1	-	-	1	-	1
1 to 2	-	2	-	-	2
2 to 5	-	-	-	-	-
5+	-	-	-	-	-
	2	2	2	-	6

Source: City of Port Moody

Vacant Employment Lands (Acres) within 400M of a Transit Station

	Commercial	Mixed	Industrial	Institutional	Total
Acres	Acres				
< 0.25	-	-	1	-	1
0.25 to 0.5	2	-	-	-	2
0.5 to 1	-	-	1	-	1
1 to 2	-	2	-	-	2
2 to 5	-	-	-	-	-
5+	-	-	-	-	-
	2	2	2	-	5

Source: City of Port Moody

7. How does Port Moody stack up to market demand?

As identified, the residents of Port Moody are young, well-educated, and have high median incomes though the majority of the city's workforce currently work in professional occupations that are situated beyond the municipal borders. In addition, Port Moody offers local jobs that are primarily in services and retail industries; however, the City now has the vacant employment land data that outlines the opportunities. As the key employment land requirements have been noted and explained above, this section further analyzes Port Moody as it specifically relates to those elements to further contextualize the socio-economic and vacant employment land data presented above.

Land availability & parcel size

As summarized above, vacant employment land supply comprises approximately 37 acres spread out over 20 parcels. The city still has a high percentage of vacant employment lands by parcels that are zoned as Industrial (50%), with a mix of Commercial (45%), and Mixed-Use (5%). However, these lands are made up largely by small parcels, 35% that are 0.25 acres or less. Relatively few vacant lands, limited diversity of zoning, and small parcel sizes could have impacts on the level of interest from large investors for anchor tenants, and consequently, capacity for growth.

Proximity to customers, markets, transit, access, & congestion

Port Moody also struggles with accessibility for business purposes (e.g., limited major highway access suitable for shipping trucks as there is no direct access to Trans Canada) as the transit options available are to the benefit of personal and individual means. Furthermore, traffic congestion is a challenge and cause for concern for individuals living within the city³². This congestion becomes a further challenge in terms of highway access and the transportation infrastructure for shipping and receiving of goods³³. As traffic is congested from inter-municipal corridor activities through the Barnet Highway (West Section), traffic and accessibility issues to the CP rail corridor constrains mobility from Moody Centre and other areas, with further build up of traffic from through-traffic on neighbourhood roads to bypass other congested routes on major roads, and more. All these elements impede access to customers/markets.

Labour supply

With respect to access to labour supply, Port Moody does benefit from a highly skilled, young, and engaged local workforce already. In addition, with the increase in individual mobility options with the SkyTrain, this allows future local businesses to draw in and attract from a larger labour pool that is outside city boundaries.

³² Economic Development Committee Recommendations Paper, citizen survey results (2018).

³³ City of Port Moody Master Transportation Plan.

Property taxes

In terms of property taxes, generally the City is not competitive with their tax rates compared to some key competitive markets identified by stakeholders; specifically, the City of Coquitlam was identified as a main competitor.

Tax Rate Schedule	City of Port Moody	City of Coquitlam	City of Port Coquitlam	City of Langley	City of Burnaby	City of Surrey	City of Vancouver
Residential	4.21	2.20	2.68	4.09	3.18	3.45	2.92
Utilities	50.65	38.65	40.18	56.03	34.35	55.82	42.43
Major Industry	46.93	28.00	8.61	N/A	26.30	26.15	33.13
Light Industry	13.91	7.62	8.61	9.01	7.35	6.38	7.10
Business	7.56	7.22	7.83	8.61	7.49	7.29	6.73
Rec. Non-Profit	1.94	10.56	12.76	7.47	1.69	2.96	2.62
Farm	9.83	15.31	25.17	9.96	9.41	10.80	9.06

Overall, the limited amount of desirable developable land coupled with some of the other development constraints identified regarding employment lands and economic development opportunities, limits the options for growth and expansion. This will result in an increased effort to densify existing areas in order to accommodate population growth, the level of community services, and businesses to support the local citizens.

7.1. What do these opportunities mean?

Economic development, at its core, is about wealth generation and enhancing a community's overall socio-economic well-being. There are many ways a community can enhance its socio-economic status, but those methods depend on its strengths, assets, and other attributes that set it apart from their neighbouring communities.

Opportunities

Port Moody is fortunate to have many natural assets, given its unique location, that already draws in people who want to live in the city. Residents are younger on average, well-educated, work in professional occupations, and have higher median incomes compared to the Greater Vancouver Regional District, BC, and Canada. This uniquely positions the City with a demographic that wants to live in the community and therefore invest in their community. There are employment lands available, although limited and typically much smaller parcel sizes; however, these aspects can work well, with adjustments in zoning where needed, to support and attract operations that only require a smaller footprint. Stakeholders have a variety of perceptions about Port Moody – where there are opportunities and where there are challenges. With the trends that are occurring in the marketplace, the City can look to leverage their assets to take advantage of the labour shifts and the trends that continue to move towards the

knowledge-economy, working from home/remote work, and so forth – all of which play well into the strengths of Port Moody. Although anticipating broader industrial or commercial trends is challenging in the wake of COVID-19, as noted the trends overall are shifting direction towards the knowledge-based economy and with the uniqueness of Port Moody, efforts need to match the City's realities based on its strengths and assets.

These strengths and assets include:

1. The city is made up of a younger, well-educated, higher median income workforce, in professional occupations. These attributes align well with future trends.
2. There is land available; yet because they're smaller parcels, focus should be on smaller companies with smaller footprints.
3. Trends suggest a continued shift in the labour (knowledge-economy), remote working, and smaller physical footprints through an extended continuum of business uses, which positions the City well to adapt and focus on citizen attraction and retention efforts that align with the trends.
4. Business personas have been identified that most closely align with current advantages and assets of Port Moody.

As previously described, there are five occupations that Port Moody has a positive competitive share of employment. These include business finance and administration (21%); education, law, social, community and government services (18%); and management (14%). These positive values suggest that the City of Port Moody may have a competitive advantage for securing and accommodating businesses that generate these types of employment. As a result, these occupations represent likely areas of commercial and office growth for the city and subsequently align with the personas identified and could therefore be considered as potentially priority targets for investment attraction. Any future development opportunities in the city should consider ways to further harness the local advantages present that are driving these increases in employment for each occupation, as well as the locational requirements related to each persona.

Based on the employment and business trends for Port Moody, several important business personas can be identified to support investment attraction efforts. Priority personas exhibiting current or emerging strength in Port Moody are:

1. media and entertainment production (e.g., visual effects development, video game development)
2. digital development operations (e.g., software development, fintech development)
3. back-office operations (e.g., captive shared service centres, call centre)
4. corporate office (e.g., corporate headquarters, regional headquarters)

These highlight the range of opportunities for new focused investments with respect to vacant employment lands throughout Port Moody that may exist, based on broader trends and current city characteristics. These opportunities are likely to generate demand for a variety of build formations that allow uses like outdoor storage, general, industrial and commercial sites, light and medium industrial developments that require integrated office and industrial spaces, and/or

standalone office uses. This range of industries and needs reinforces the necessity for flexible policies that allow for sustainable development and regional competitiveness.

This report currently outlines several high priority sectors/personas to focus on with regards to vacant employment and industrial lands-based opportunities. Port Moody has broad and niche-based opportunities in the identified business personas that could potentially locate on urban or rural industrial and commercial employment lands based on the characteristics of the city. These business personas have the potential to generate demand with a wide range of potential characteristics and location requirements, from enclosed light industrial spaces with integrated office/industrial spaces or standalone office requirements on fully serviced lots. The details presented below outline typical uses and characteristics for each persona that should be considered in policy decisions, as well as the alignment of land use regulations in the City of Port Moody with those uses and characteristics.

It is important to note that the text within the following figures describe current regulations and zoning within the City of Port Moody that may or may not align with the business persona development characteristics. It is noted that at the time of report preparation, the City is in the process of updating its OCP. The new OCP may address and/or change elements identified now.

Business Persona	Potential Uses in Port Moody	Development Characteristics	Vacant Employment Land Use Alignments
Media and Entertainment Production	<ul style="list-style-type: none"> – Visual Effects Development – Video Game Development – Digital Post-Production – 2D/3D Animation 	<ul style="list-style-type: none"> – Building Size - ~ 11,000 sq. ft – Parcel Sizes - ~0.25 acres – Space Type – Office (Class B) – medium employment density – Standalone or mixed used office; may be integrated with light industrial space – Proximity to airport transit – Proximity to complementary uses and amenities 	There are six parcels sized 0.25-0.5 acres, all zoned commercial within Port Moody. All these parcels are within 800m and 400m of a transit station, offering convenient workforce access. Located near Barnett Highway, these parcels also have quick access in and out of Port Moody while maintaining walking distance from daily amenities such as parks, shops, and services.
Digital Development Operations	<ul style="list-style-type: none"> – Artificial Intelligence (AI) Development – Fintech Development 	<ul style="list-style-type: none"> – Building Size - ~ 38,000 sq. ft – Parcel Sizes - ~0.87 acres – Space Type – Office (Class A) 	There are five parcels sized 0.5-1 acres, within Port Moody, zoned across commercial (2) and industrial (3). The industrial plot is within 400m of a

Business Persona	Potential Uses in Port Moody	Development Characteristics	Vacant Employment Land Use Alignments
	<ul style="list-style-type: none"> – Insurtech Development – Software Development Services 	<ul style="list-style-type: none"> – High employment density – Standalone or mixed used office; may be integrated with light industrial space – Proximity to airport transit – Proximity to complementary uses and amenities 	<p>transit station for convenient workforce access, with quick access in and out of Port Moody via Barnet Highway, and are walking distance to daily amenities (e.g., park lands, shops, services).</p>
<p>Back Office Operations</p>	<ul style="list-style-type: none"> – Captive Shared Service Centres – Data Capture and Processing – Telemarketing – Call Centres 	<ul style="list-style-type: none"> – Building Size - ~ 52,500 sq. ft – Parcel Sizes - ~1.2 acres – Space Type – Office (Class B) – High employment density – Standalone or mixed used office; may be integrated with light industrial space – Proximity to airport transit – Proximity to complementary uses and amenities 	<p>There is one parcel sized one to two acres, zoned as mixed used. This parcel is within 400m of a transit station for convenient workforce access and dense transit-oriented development, with quick access in and out of Port Moody via Barnett Highway and is walking distance to daily amenities (e.g., park lands, shops, services).</p>
<p>Corporate Office</p>	<ul style="list-style-type: none"> – Regional Headquarters – Corporate Headquarters 	<ul style="list-style-type: none"> – Building Size - ~ 75,000 sq. ft – Parcel Sizes - ~1.7 acres – Space Type – Office (Class A) – High employment density – Standalone or mixed used office; may be integrated with light industrial space – Proximity to airport transit 	<p>There is one parcel sized one to two acres, zoned as mixed used. This parcel is within 400m of a transit station for convenient workforce access and dense transit-oriented development, with quick access in and out of Port Moody via Barnet Highway and is walking distance to daily amenities (e.g., park lands, shops, services).</p>

Business Persona	Potential Uses in Port Moody	Development Characteristics	Vacant Employment Land Use Alignments
		<ul style="list-style-type: none">– Proximity to complementary uses and amenities	

Business personas and employment lands

The following section describes the potential opportunities for each of the presented business personas, within the context of observed vacant employment lands in Port Moody. This analysis aims to be illustrative in nature, identifying the types of parcels that may be suitable for the chosen business personas.

Media & entertainment production

As noted above, media and entertainment production are potential business sectors ripe for attraction to Port Moody. Potential uses include visual effects development, video game development (e.g., EA Games), and 2D/3D animation (e.g., ECUAD), that often require parcel sizes of approximately 0.25 acres.

In total, six parcels have been observed within Port Moody as <0.25-0.5-acre vacant employment lands, which corresponds to the parcel size needs of this business persona. These parcels are all zoned as commercial and support trends within the media and entertainment production industry to co-locate among a variety of uses, such as mixed-use districts and even light industrial lands.

Furthermore, many of these parcels are located along St. Johns Street and Murray Street, which also places 13 of the parcels within 800m of a transit station and 12 parcels within 400m of a transit station. While this business persona only requires medium employment density, and therefore limits the advantages related to access to transit, benefits of transit-oriented development, such as an abundance of shops and services will support this type of use. Additionally, since many of these sites are located along St. Johns Street and Murray Street, they offer direct access to Barnet Highway, enabling convenient connections to Vancouver, other suburbs, and the airport.

There is precedent for this type of development in Port Moody. For example, 2717 Murray Street was constructed in 2004, and houses a mix of office and light industrial uses. This type of development is prime for media and entertainment production, based on the business persona characteristics identified above.



Source: Google Maps, 2717 Murray Street (2020)

Digital Development Operations

Like media and entertainment production, digital development operations are a potential business persona for Port Moody, based on existing site and market conditions. Potential uses include artificial intelligence development, fintech development, tech development, and software development services, that often require parcel sizes of approximately 0.5-1 acres.

However, there are currently only five observed parcels within Port Moody at the 0.5 to one acre size that could be considered vacant employment lands based on this analysis. These parcels are zoned across commercial (2) and industrial (3), which aligns with the digital development operations sector's willingness to co-locate within mixed use districts and potentially even light industrial lands.

Furthermore, one of the parcels is located within 400m of a transit station, which supports the needs of this business persona to be located among high employment density, fully leveraging the benefits of a mixed-use, transit-oriented development. Given the larger parcel size, there is also an increased likelihood of integrated retail uses, bringing shops, amenities, and services, right to the doorstep of these potential employment lands.

In May 2020, Mosaic Homes submitted a rezoning application for the previously observed vacant parcels at 3015 (a 1.3-acre parcel) and 3093 (a 0.5-acre parcel) Murray Street. The original proposal for the assembled 1.8-acre lot included 204 condo units, in addition to ground floor retail. As of April 2021, the revised proposal included additional market-rate and below-market rental units, plus new mezzanine-level commercial office.³⁴

³⁴ Source : <https://www.tricitynews.com/local-news/revised-plan-for-murray-street-project-includes-more-rental-units-for-port-moody-3608384>



Source: Michael Green Architecture / Mosaic Avenue Developments, 3015-3093 Murray Street (Rendering)

Given the location of the development adjacent to Moody Centre station (however an approximately 15-minute walk due to limited pedestrian connections across the rail tracks), office spaces within this development will offer convenient live-work arrangements, in addition to easy access from other points along the SkyTrain once a pedestrian overpass is constructed. This type of development would be ideal for digital development operations based on the business persona characteristics identified above, and demonstrates the potential unlocked by land assembly.

Back office operations and corporate office

Interestingly, both back-office operations and corporate office business personas are attracted to parcel sizes of approximately one to two acres. Potential uses for back office operations includes telemarketing and call centres, while Corporate Office may include both regional and corporate headquarters.

In total, one parcel has been observed within Port Moody as one to two acre vacant employment lands, which corresponds to the parcel size needs of the business persona. This parcel is zoned as mixed use, which supports a willingness within these industries to co-locate among a variety of uses, such as mixed-use districts and even light industrial lands.

In June 2020, Marcon submitted a rezoning application for the previously observed vacant parcel at 2025 St. Johns Street (a two-acre site).³⁵ The proposal included 242 units, of which the majority are proposed as condos mixed with 22 units set-aside for market rental housing for 20 years. The development is also slated to include up to 8,000 square feet of retail space, concentrated at the northeast corner.

³⁵ <https://www.urbanyvr.com/barnet-hotel-port-moody/>



Source: SHIFT Architecture / Marcon, 2025 St. Johns Street (Rendering)

While the current development proposal does not include employment uses beyond retail, the proposed development is ripe for the inclusion of different employment uses. It is located approximately 20-minutes on foot from Moody Station, 5-minutes by bus, or three-minutes by car. This convenient access, coupled with the large scale of the development, provides many opportunities for live-work or transit-oriented work arrangements. It is even possible that some employers may wish to implement a direct shuttle running between the site and the station, to increase employee access. Further, while the location is not within direct proximity to the transit station, it is located directly along Barnet Highway, providing quick access by car to other parts of the region, including Downtown and the airport, which would align with the priorities of both these business personas. This type of development would be ideal for both the back-office and corporate office sectors. This demonstrates the potential of parcels located just outside walking distance for attractive employment lands.

7.2. Summary

The Economic Development Office requires an analysis to understand the potential employment land opportunities and challenges faced by the City of Port Moody, as part of its broader economic development efforts. This will assist the City to continue to develop as a competitive, well-balanced, and sustainable city. Fundamental to these efforts is an adequate supply of strategically located and available employment lands. These vacant employment lands should be developed in a manner that allows Port Moody to build on its historic, existing, and emerging economic characteristics, while enhancing its economic base and fiscal sustainability, through the continued growth of a diverse range of industrial and knowledge-based employment sectors.

The City of Port Moody has a total vacant employment land of 37 acres, with 31 acres currently zoned as industrial. Based on an unrefined employment density analysis, and in correlation with the Metro Vancouver Regional Growth Strategy, the future land requirements are estimated to be about 217 acres, thus suggesting that even with proper planning and configurations, there would not be sufficient land for this growth. This is based on anticipating that Port Moody's job to population would be 0.25 (up from currently 0.23). However, if the City is seeking to attain their ambitious job to population growth of 0.42, this is a substantial swing and current vacant employment lands would still not be sufficient to accommodate this growth, suggesting careful consideration of configurations and densities. The Metro Vancouver Regional Growth Strategy projects only about a 36% increase in jobs (~8,400 – 11,500), where as the City of Port Moody is aiming for a 148% increase in jobs (~8,400 – 21,000). As noted, it is possible for some growth in employment land opportunities to locate in areas that are not currently captured in this high-level land supply analysis, or through other opportunities such as with mixed-used and densification projects. Further analysis could be conducted on underutilized lands and the respective opportunities they may present, such as the consideration for utilizing brownfield lands. This suggests that the City of Port Moody may need to consider strategies to provide for the accommodation of employment growth over the medium to longer term, to ensure that the area has the investment-ready infrastructure, land, and policies in place to meet municipal objectives around employment generation and fiscal sustainability.

The socio-economic and market trends affecting Port Moody's development opportunities indicate that the city is a growing, well educated, young, and affluent community, which offers a high quality of life in a suburban setting. The city's commercial and retail markets are made up of smaller boutique shops that primarily serve the local population, but key transit-oriented development areas could benefit by creating unique destination experiences for shopping, services, restaurants and other amenities that would further distinguish Port Moody from neighbouring communities. By further considering the business personas that are aligned with these characteristics and others, targeted efforts toward small businesses and spaces that support these personas may assist in attaining the City's desire for an increased job to population ratio, particularly so as the area is set to benefit from the SkyTrain access points with focused developments in these transit-oriented development areas. These business personas are opportunities to be considered regarding future investment attraction efforts; however, other businesses are also needed to ensure a balanced approach.

The business personas identified based on the employment, socio-economic characteristics, and trends analysis are aligned well with the city's characteristics and therefore opportunities for consideration when looking at attracting new industries.

These business personas include:

1. media and entertainment production (e.g., visual effects development, video game development)
2. digital development operations (e.g., software development, fintech development)
3. back office operations (e.g., captive shared service centres, call centre)
4. corporate office (e.g., corporate headquarters, regional headquarters)

The report highlights the range of opportunities for new investments in vacant employment, based on broader trends. This range of opportunities reinforces the need for flexible policies within Port Moody that allow for sustainable development and regional competitiveness.

There are no simple answers here. The broad vision and process to community building is ever-changing, and the pace of change has been accelerated as a result of several market and macro-economic circumstances. Economic development goals, housing affordability objectives, business vitality, attracting talent, and community well-being, are among some of the top-of-mind challenges for municipalities around the world. This will continue to require municipal administrators to carefully balance as considerations for near and long-term community building decisions.

These findings are intended to be the first step as a preliminary analysis to assist the City's development of a broader economic development master plan, where sectors of interest and long-term development aspirations (including implementation planning and progress tracking) would be further defined.

Appendix A – Economic Development

Economic development

Defining economic development upfront helps provide context to ensure alignment and a common understanding of economic development strategies moving forward.

Defining economic development

<p>The International Economic Development Council (IEDC) defines Economic Development as: a process that influences growth and restructuring of an economy to enhance the economic well-being of a community with the main goal of economic development is improving the economic well-being of a community through efforts that entail job creation, job retention, tax base enhancements and quality of life³⁶.</p>	<p>The World Bank defines Economic Development as: building up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation³⁷.</p>	<p>The Government of B.C. defines Economic Development as: programs, policies or activities that seek to improve the economic well-being and quality of life for a community³⁸.</p>
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Economic development is a complex environment to operate within. Success starts with a unified vision, a plan, a strategy, and the desire to enact these elements in order to set your community up as best as possible for future success. Yet, our communities are often at the whim of the exogenous forces that can change quickly. Having a strategic plan and clear direction on your community's economic development goals and the priorities of which will guide to achieving those goals is paramount to any level of success and is a first line of defence to be resilient, however, opportunities and circumstances can change rapidly. An economic development strategy needs to be dynamic, evolving, and flexible to respond to change.

The environment of which economic development operates within is very different from community to community, therefore, strategies and priorities can vary substantially between communities. These unique attributes are a function of the assets, natural and man-made, from resources, infrastructure, funding, people, and interrelationships of these assets. These same attributes are what drives the complexity and complications within the economic development

³⁶ Source : http://www.iedconline.org/clientuploads/Downloads/IEDC_ED_Reference_Guide.pdf

³⁷ Source: <http://documents1.worldbank.org/curated/en/763491468313739403/pdf/337690REVISED0ENGLISH0led1primer.pdf>

³⁸ Source: <https://www2.gov.bc.ca/gov/content/employment-business/economic-development/plan-and-measure/economic-development-basics>

industry. The complexity spurs from the unknowns and the interconnectedness of activities and market uncertainties. The complications arise from being able to recognize those complexities, where possible, and determining how to respond effectively and not merely react. There can be a multitude of activities and solutions, each of which creates a different net result. Therefore, Economic development is both a complex and a complicated world to effectively navigate.

The terms "economic development" and "economic growth," are often used interchangeably, where the latter speaks more directly to indicators that are easily monitored, such as an increase in jobs or increases in GDP or investment. Economic development is broader and goes beyond counting jobs and tallying up GDP figures. Economic development is about a mixture of quantitative and qualitative socio-economic considerations that contribute to holistic improvement of the overall well-being of a community and therefore considers many broad factors and contributors. Economic development and growth are a means to sustaining and increasing a community's quality of life.

Therefore, to begin to bridge the gaps of complexity, and given that coming to a common understanding and definition of economic development is a challenge in and of itself; this term is widely used, yet it is used differently among communities and even practitioners, partially due to the factors of complexity and community uniqueness that were just described. In addition, depending on a perspective, one may take a land use view, an economics view, or a community view, given further subtleties in the differences of these concepts.

Functions

Understanding economic development is not a straightforward task, as the concept itself is broad and entails many different elements. There is a significant challenge to narrowly define the responsibilities, functions, and efforts that an economic development organization should entail. A traditional benchmarking effort among communities may yield some similarities in instruments utilized, as there are some fundamental instruments that guide practitioners and communities to instill sound economic development measures and practices. These differences, by design, are impacted by resources and priorities, and essential to each community and economic development organization's success.

In order to make progress, communities typically build on fundamentals of economic development. Every community should build from the fundamental aspects and understand that difference is based on context and the nuances that are unique to a community, which allows the approach that each community pursues to be adjusted to its strengths and circumstances.

As a starting point, most communities build on their current assets, skills, capabilities, and the resources at their disposal. These instruments are typically employed but utilized in varying degrees based on their resources. The community context will impact where resources are to be deployed to be most effective for communities, which instruments are integrated into the economic development efforts and identifies which ones are not integrated, or perhaps to lesser degrees.

Business retention & expansion

Business retention and expansion, often referred to as BRE or BR&E, is one of the most recognized instruments in the economic development realm. Practitioners and communities understand this tool, but in practice it takes many different forms.

Given resources, BRE efforts are one of the most used instruments. As stated, building from your assets is a strong area to begin with. These businesses are already invested in your community for several reasons. BRE efforts are more locally oriented, as other instruments, such as investment attraction (IA) and foreign direct investment (FDI) efforts, require much greater resources.

Investment attraction

Investment attraction is often perceived to be the main role of practitioners. Often, the resources are not available to do this effectively and efficiently. Furthermore, it may simply not be what your community needs. Nonetheless, these efforts are focused on bringing in new businesses and/or investments into your community to support the overall growth of the economy and jobs.

Investment attraction can come from anywhere; your neighbouring community, a local entrepreneur, or another domestic source to start a new business or invest in a current one. Foreign direct investment (FDI) is a term for investments that are attracted from multinational corporations based in foreign countries. Both efforts are resource-intensive and are long-term efforts where results are not often realized for several years.

Workforce development

In today's world, workforce development is becoming increasingly important due to the realities of the pace of technology and changing dynamics of work environments from a production focused world to a more knowledge-based economy. This shift naturally requires an increasingly skilled, educated, prepared, and experienced workforce that keeps up with the demands of these new workplace dynamics. Having a healthy and contributing workforce is a strong indicator for economic sustainability and longevity for communities.

There is an increase in skilled workforces residing in one location yet "exporting" their knowledge to another. These contributors have positive impacts on the local economy and community through property taxes, house purchases, local shopping, knowledge spillovers, and the various other activities that occur from a workforce of this caliber. Therefore, by moving your community's workforce capacities up the spectrum on their skills, this leads to a larger capacity to earn, sell services outside the local economy, and to invest back into their communities. Ultimately, communities need a skilled workforce to support their local infrastructure, business retention, expansion opportunities, and to be sought after as an investment opportunity worthy community, among other reasons. Therefore, investing in your workforce and ensuring your workforce has access to relevant training mechanisms are important elements.

Entrepreneurial development

Entrepreneurship is the driving force behind BC jobs and across Canada, with over 523,800 small businesses in B.C.³⁹ A small business is one that employs less than 50 employees; these businesses make up 98% of all businesses in the province. In B.C., small businesses employ over 1.1 million workers (53% of the private sector employment) and are responsible for over one-third of BC's GDP in 2019, and approximately 33% of the province's payroll. Continued support and growth of entrepreneurial activity is a sound way towards economic prosperity by generating jobs, creating new businesses, and assisting in diversifying local economies.

Measurement

In an already complex economic environment locally, provincially, nationally, and globally, economic development organizations need to show results and measure performance. The requirement for careful and insightful monitoring and evaluation of performance becomes paramount to community buy-in to the programs and to the long-term viability of not just the economic development organization itself, but often the community overall. Economic development is a competitive field. The level of competition is intensifying with constraints on budgets and limited resources, while facing new industry needs, political pressures, global developments, technology disruptions, and expectations for growth.

Measurement of efforts is a critical component of any initiative in order to understand performance and progress. This starts with identifying what success means to your Economic Development organization and what success means for each strategic priority and respective activity. Often, there is the challenge of attribution in measuring success. For example, can you attribute your economic development practitioners' efforts to directly correlate with landing a new business? Without a plan that begins to put a framework around strategies, activities, and successes, it becomes even more challenging to measure.

Given that each community, and therefore each economic development organization has different assets, visions, and goals – their indicators and methods of measurement differ. However, there are common key indicators, such as number of businesses assisted, associated dollars of investment attracted, and number of jobs, that most economic development agencies report. Leading practices, through organizations, such as the United Nations, would suggest that measurement efforts focus on identifying ultimate outcomes and working backwards. These outcomes should be based on a strategic plan. A performance measurement framework can monitor to help identify the activities, outputs, and outcomes, to track and monitor the implementation efforts of an organization.

³⁹ Source : https://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/small-business/sb_profile.pdf

Appendix B – Stakeholder: Priority Sectors / Job Types

The below table is representative of the information attained from stakeholder engagements.

Stakeholder – Priority Sectors	Stakeholder – Job Types/Qualities
<p>Part of the engagements included questions related to identifying priority sectors that the stakeholders believed would be good fits for the City of Port Moody. Some of those data points have been summarized as follows:</p> <ul style="list-style-type: none"> • Health sector expansion and spin-off businesses to support the hospital • Breweries <ul style="list-style-type: none"> • Opportunity for a unique district in this region (breweries, restaurants, pubs, etc. – “entertainment hub”). • Small local businesses/artisans <ul style="list-style-type: none"> • Locally owned small businesses are an underleveraged asset – support for growth and expansion opportunities • Educational institution to act as an anchor and incubator • Film, tech/digital media • Hotel 	<p>In addition, stakeholders were questioned around the types of jobs and qualities that they believe would fit within the City of Port Moody as well.</p> <ul style="list-style-type: none"> • Remote workers <ul style="list-style-type: none"> • Many locals currently out-commute • Leverage the “bedroom community” • Professional services • Good retail (e.g., retail that appeals to younger generations, brunch spots) • Co-working and/or co-location of diverse uses • Grocery store • “Jobs that support a wage that enables workers to live in Port Moody”

Priority sectors and job types identified by stakeholders did not include industrial. Rather, the stakeholders identified more retail, professional services, and remote work.

Appendix C – Job to Population Ratio Context

Port Moody's job-population ratio is currently at about 0.25. With future growth anticipated by the Metro Vancouver Regional Growth Strategy, by 2041, the city is estimated to grow from about 8,400 jobs to 11,500 jobs and from approximately 33,550⁴⁰ people to 50,000. By these numbers, the future ratio in 2041 would be at 0.23, however, the city is aspiring for a 0.42 ratio. These ratios are based on the city's entire population, that is those that are 15 and under and those that are 65 and older versus focusing on the working age population. A job to working age population ratio would be a more accurate representation, estimating the current ratio to be 0.36 based on a working age population (15-64) of 23,420⁴¹.

The job to population ratio is limited in application because it would imply at least one of the following:

1. All workers within a community only look for jobs within their community.
2. When workers change jobs, they also change homes.
3. Proximity to work is the only consideration when selecting a home.

These propositions may not be true for many people. These factors lead to a fragmentation of labour markets and a decrease in economic mobility, and therefore a decrease in urban productivity. Therefore, the job-population concepts are limited in practicality in a market economy, as the number of jobs and workers is always fluid, and policy cannot force people to live and work in a specific location. This fluidity occurs for many reasons, including demographics of the working population and the very nature of unemployment that includes frictional, structural, seasonal, and the demand deficiencies of unemployment. Generally, these employment-based targets are likely less appropriate considering the structural economic changes and the labour shifts to a knowledge-based economy, working from home, flexible working arrangements, and the increased levels of economic mobility.

Furthermore, the productivity of a city increases with better mobility and density, but density alone does not increase a city's productivity. As a city's population grows, their potential labour markets may fragment into smaller markets because of the lack of mobility. It is therefore necessary to differentiate between the potential and actual size of the labour market, where the potential size is equal to the number of workers and jobs in a city (with Port Moody labour force equating to approximately 19,400⁴² and only 8,400 jobs within the city). The average commute time threshold in Vancouver is close to one hour⁴³. It can be assumed that the number of jobs accessible within a one-hour commute from Port Moody is much higher than the 8,400 jobs that are available within city limits. This is an important aspect to understand, particularly with the City of Port Moody's desire for their 0.42 jobs-population ratio. When discussing this ratio, many

⁴⁰ Source: Statistics Canada, 2016.

⁴¹ Source: Statistics Canada, 2016.

⁴² Source: Statistics Canada. Total Population aged 15 years and over by labour force.

⁴³ Proxy of average commute time thresholds (Vancouver 50 min). Source: Evaluating Equity and Accessibility to jobs by public transport across Canada.

factors must be considered. These include the limited employment lands for future growth, understanding the real size of the city's labour market, businesses to benefit from, trends for a more remote workforce, as well as recognizing opportunities for Port Moody given new transit options which facilitate the increase in mobility for local citizens. Recognizing that the goal is to reduce the time travelling and the cost of transport, not necessarily to reduce the distance between trip origin and destination, work from home and remote work scenarios provide a way to reduce the time travelled and cost of transport⁴⁴. These workforce trends also potentially keep more residents staying in the community and spending more time and dollars in the city for their discretionary recreation and retail activities, increasing opportunities for local business.

⁴⁴ See Appendix C – Job to Population Context for further information.

Appendix D – KPMG City Cost Competitiveness Index⁴⁵

This methodology weighs the key location factors according to their relative importance in the location analysis of business operations across geographic locations. The model applies current business cost data for each location to a set of defined “business personas” typically applied to different business operations.

Cost factors

KPMG used its proprietary Competitive Alternatives Cost Model to analyze location-sensitive costs for different types of business operations across geographic locations.

Cost comparisons are based on income statement, cash flow and tax analysis. All items are treated on a cash basis — except capital investments, which are reflected through annual depreciation charges, as well as in interest charges on related debt. For the purpose of consistency, facility costs focus exclusively on lease costs.

Labour

The workforce required for each business persona is built from 96 benchmark job positions. Benchmarking of labour costs is based on the average total cost per employee, which refers to the combination of base salary and benefits across positions/roles applicable to a given business persona.

Facilities

The benchmarking of facilities costs is based on the analysis of key variables including vacancy rate, market facilities stocks, and average rent.

Featured cities are then ranked according to the average price per square foot paid for a given space type, such as industrial space, Class B office space, and Class A office space.

Taxes

Taxes are classified into two categories:

- National / regional taxes, including income tax rates, income tax loss carry forwards, tax credit rates, and taxes.
- Local taxes, including real property tax, business personal property tax, local property tax, and sales tax.

Transportation

Models were developed to analyze transportation costs, including:

- The North American Truck Model (road freight within Canada and the US).

⁴⁵ Source: City Competitiveness Index <https://citycompetitivenessindex.kpmg.com/home>

- International Freight Model (air, sea and road freight costs among cities on different continents).
- Distribution Model (underlying assumptions for each business case, i.e., how much product is moved and to where).

Utilities

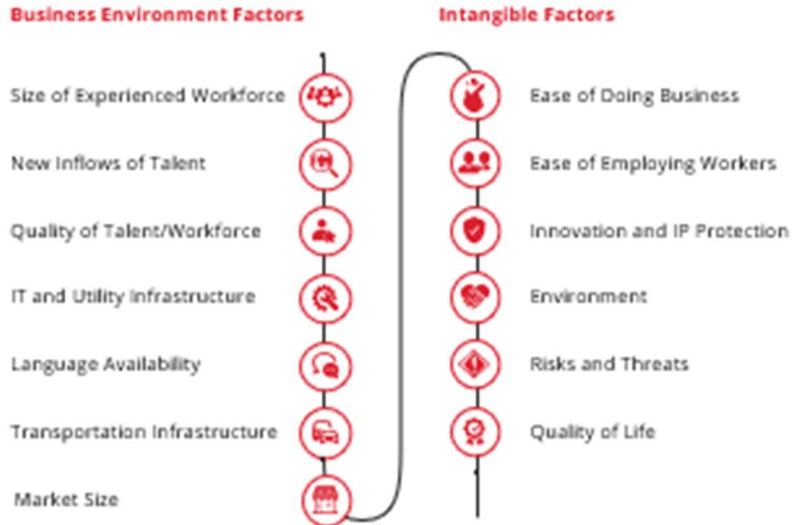
Energy requirements have been developed based on actual firm and industry average data. Costs were calculated based on published schedule rates of relevant energy suppliers or reported statistical rate data for industrial and commercial users, as available.

Additional attributes

In addition to cost analysis, additional non-cost factors that influence cities' competitiveness were reviewed. These factors have been integrated in the model and weighted according to their importance.

Additional attributes are divided into two categories: business environment factors and intangible factors.

Additional Attributes



Appendix E – Market Trends

Commercial⁴⁶

National

- The national office market continues to experience rising vacancy, primarily due to downtown sublet space. Office attendance is trending below 15% in downtowns, and around 30% in suburbs⁴⁷.
- Once the COVID-19 crisis is resolved, attention will again be drawn to the long-term changes to real estate from the digital economy and demographics. It is these and other mega-trends, more so than traditional supply-and-demand metrics, that will determine how far commercial real estate moves from the old to the new normal.
- Retail foot traffic remains lower than normal and will remain depressed for some time due to government-mandated reductions in venue capacity, consumer comfortability to return instore and increased adoption of e-commerce offerings, which will prolong the full return of consumers to retail spaces.
- Mixed-use projects account for nearly 70% of those under construction nationally, their highest level on record. As consumer habits change and become further entrenched, it is likely that we could see a resurgence of construction of other formats, particularly those that lend well to supporting online shopping. This could include the conversion of some sites to warehouses for delivery and “click-and-collect” shoppers.

Global

- The combination of cyclical impacts (e.g., job losses) and structural impacts (e.g., remote working penetration) dealt a severe blow to office supply/demand metrics in 2020.
- Numerous surveys studies conducted in 2020 and in early-2021 indicate that most companies are not moving to a 100% remote model. No one knows now what the optimal balance of remote work versus in the office work will be; however, most surveys identified have suggested that many employees and employers expect to have staff spending one to three days a week working remote post-COVID.
- This year (2021) will be a pivotal year in adjusting to many of the new realities. These expectations for a more agile work approach will likely require smaller footprints. However, after a year of retrenching, occupiers will start to make longer term commitments and the volume of leasing activity is intended to pick up in the second half of 2021.

⁴⁶ Source: A variety of sources were utilized, such as: Colliers International, GVA & National Office Market Report Q4 2020 // CBRE Canada Retail Report Fall 2020 // Cushman & Wakefield Marketbeat Vancouver Q4 2020 // Cushman & Wakefield New Perspective: From Pandemic to Performance Report 2020

⁴⁷ Source: Colliers International

Industrial

National

- The industrial market has continued to tighten in Q4 - there is some weakness in bricks and mortar and restaurant distribution but strong demand from e-commerce and grocery users is keeping vacancy down and rents stable.
- Despite several banner years, Canada's ecommerce-related market still has significant runway for growth:
 - Small suburban hubs – Looking to make online shopping as quick as a trip to the store, retailers are exploring the role that small shipping hubs located in suburban neighbourhoods could play in bringing goods closer to customers.
 - Urban logistics – With most major occupiers already operating regional distribution centres in Canada's gateway markets, strategically located urban warehouses will continue to gain importance as occupiers look to reduce delivery costs, particularly in high-cost markets.
 - Food – In the grocery sector, Canadian grocers have all made significant investments in their online offerings due to unprecedented order demand.

Global

- A new hybrid store model has emerged to respond to the growth in e-commerce, integrating retail and industrial real estate, with both physical shopping and purchase shipment services to customers. This new asset class must be priced differently capturing all the touch points during the customer journey to accurately measure value. This shift has been accelerated by COVID-19 but is expected to last as consumers demand more multi-channel options.

Appendix F – Zoning Definitions

City of Port Moody Zoning Definitions⁴⁸.

Single Detached Residential Districts	
A1	Acreage Reserve
A2	Development Acreage Reserve
A3	Development Acreage Reserve
RS1	Single Detached Residential
RS1-S	Single Detached Residential – Small Lot
RS2	North Shore Single Detached Residential
RS3	North Shore Single Detached Residential
RS4	Mobile Home Park Residential
RS5	Heritage Woods Small Lot Single Detached Residential
RS6	Heritage Woods Single Detached Residential
RS7	Heritage Woods Estate Residential
RS8	Heritage Woods Large Lot Estate Residential
RS9	Single and Semi-Detached Residential
RS10	Single Detached Residential Cluster
Multi-Residential Districts	
RT	Semi-Detached Residential
RM1	Semi-Detached and Townhouse Residential
RM2	Low-Density Townhouse Residential
RM3	Low Density Townhouse Residential
RM4	Medium-Density Townhouse Residential
RM5	Four-Storey Apartment Residential
RM6	Heritage Woods Multi-Residential
RM7	Heritage Woods Multi-Residential
RM8	Six-Storey Apartment Residential
Commercial Districts	
C1	Local Commercial
C2	Neighbourhood Commercial
C3	General Commercial
C4	Service Station Commercial
C5	Automobile Sales and Service
C6	Adaptive Commercial
C7	Commercial Marina – Reed Point
C8	Commercial Marina – loco
Commercial and Residential Mixed Use Districts	
CRM1	Four-Storey Mixed Use
CRM2	Six-Storey Mixed Use
TC1	Inlet Town Centre – Newport Village
Industrial Districts	
M1	Light Industrial

⁴⁸ Source: City of Port Moody <https://www.portmoody.ca/common/Services/eDocs.ashx?docnumber=461917>

M2	General Industrial
T1	Transportation – Railway
Institutional Districts	
P1	Civic Institutional
P2	Private Institutional
Comprehensive Development Districts	
CD 1	Comprehensive Development Zone 1
CD 2	Comprehensive Development Zone 2
CD 2R	Comprehensive Development Zone 2R
CD 3	Comprehensive Development Zone 3
CD 4	Comprehensive Development Zone 4
CD 5	Comprehensive Development Zone 5
CD 8	Comprehensive Development Zone 8
CD 9-NS	Comprehensive Development Zone 9NS
CD 10	Comprehensive Development Zone 10
CD 11	Comprehensive Development Zone 11
CD 12	Comprehensive Development Zone 12
CD 13	Comprehensive Development Zone 13
CD 14	Comprehensive Development Zone 14
CD 15	Comprehensive Development Zone 15
CD 20	Comprehensive Development Zone 20
CD 22	Comprehensive Development Zone 22
CD 23	Comprehensive Development Zone 23
CD 24	Comprehensive Development Zone 24
CD 26	Comprehensive Development Zone 26
CD 27	Comprehensive Development Zone 27
CD 28	Comprehensive Development Zone 28
CD 29	Comprehensive Development Zone 29
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CD 35	Comprehensive Development Zone 35
CD 36	Comprehensive Development Zone 36
CD 37	Comprehensive Development Zone 37
CD 38	Comprehensive Development Zone 38
CD 39	Comprehensive Development Zone 39
CD 40	Comprehensive Development Zone 40
CD 44	Comprehensive Development Zone 44
CD 49	Comprehensive Development Zone 49
CD 50	Comprehensive Development Zone 50
CD 54	Comprehensive Development Zone 54
CD58	Comprehensive Development Zone 58
CD60	Comprehensive Development Zone 60
CD61	Comprehensive Development Zone 61
CD62	Comprehensive Development Zone 62

CD63	Comprehensive Development Zone 63
CD64	Comprehensive Development Zone 64
CD65	Comprehensive Development Zone 65
CD66	Comprehensive Development Zone 66
CD67	Comprehensive Development Zone 67
CD68	Comprehensive Development Zone 68
CD69	Comprehensive Development Zone 69
CD71	Comprehensive Development Zone 71
CD72	Comprehensive Development Zone 72
CD73	Comprehensive Development Zone 73
For those CD zones not included in this document, please refer to the	

Appendix G – Stakeholder Insights

The following are some insights gathered from stakeholders.

Commercial, office, & retail development

The following is a summary of information that was heard and gathered from the stakeholder engagements. With respect to the stakeholder feedback, these are high-level summaries and annotations of the comments received. Also, by definition, commercial includes a variety of spaces such as office or retail, so these elements below generally apply to that working definition.

Overall, stakeholders indicated that there is a lack of affordable and “desirable” commercial space available within the city. Several stakeholders stated that the commercial properties are too expensive and often are attached to demolition clauses in key areas, which is limiting expansions of current businesses and even displacing others, even though there is appetite for affordable and suitable commercial spaces. In addition, there was a consensus towards that there is limited demand for office space specifically, given the slow pace at which previous office spaces were leased (e.g., Suter Brook). Generally, there was sentiment towards the uncertainty in the marketplace that is leading to challenges to sustainability for current businesses and constraining future opportunities for growth and expansion.

Stakeholder Feedback

- Lack of commercial space being a deterrent to businesses because it is both too expensive and many have demolition clauses.
 - Displacing businesses
 - Lack of expansion opportunities for current businesses
 - Short-term leases
- New development proposals are often countered, causing frustration due to uncertainty.
- Demolition clauses (in some areas) are cause for concern
 - Creates uncertainty for current businesses and new businesses/investors
 - Loss of businesses / relocated businesses

- Increase in temporary use requests (e.g., storage space, construction storage, garden centre). No long-term commitments.
- Limited demand for new office space
 - E.g., Suter Brook spaces took a few years to lease all space
- Port Moody needs greater amenities that support the lifestyle of today’s worker (e.g., restaurants, shops, services, recreation)
- Locally owned small businesses are an under-leveraged asset of Port Moody to promote, support, and attract.
 - Low levels of competition locally
 - No desire for “big box stores”
- Mixed views on the level of business-friendly policy in Port Moody
 - Permits and licenses are generally viewed as slow (mixed)
 - Cost of doing business is high (higher tax rates overall, high lease costs)
- The development review process is inconsistent.
 - Overall, the development process is viewed as relatively slow.

Mixed-use development

The following is a summation in terms of what information was gathered from stakeholders regarding mixed use development. As mixed-use may or may not include a mix of commercial (retail, office), but also intended to include residential. The following are insights gathered from stakeholders.

Overall, stakeholders were open to the further use of mixed-use developments, recognizing land constraints and affordability issues for residential and commercial spaces. Stakeholders recognize that striking a balance between market demands and the City’s desires is not easy, and they were also in agreement that there needs to be consideration for affordable housing.

Stakeholder Feedback

- New development seems to be residential by default
- Residents and businesses do seem to desire a greater mix of uses (mixed-used development as an opportunity)
- Challenges in finding a balance between market demands and the City’s desires in terms of the split of uses for developments and managing associated risks on both ends.
 - Building up residential is seen as the first step toward greater job opportunities, by establishing a large enough population to support local businesses.
- Port Moody residents have higher incomes with higher spending power; however, Port Moody has become an expensive place to live.
 - Cost of living has become unaffordable, pushing some families and workers out of Port Moody

- “Workforce housing” or “affordable housing” is needed to allow workers to affordably live and work in Port Moody. *(55% of current business licenses are from owners who do not live in Port Moody⁴⁹)*
- A number of stakeholders indicated that there seems to be a misalignment between Council, staff, and stakeholders on development vision for the city.

Industrial development

The following is a summation in terms of what information was gathered from stakeholders regarding industrial development. The following are insights gathered from stakeholders.

Overall, it was noted that due to light industrial lands being lower cost per square foot compared to commercial lands and more available, these light industrial lands were viewed as more desirable, based on costs and options, which provides some businesses the flexibility to choose between industrial or commercial zoned properties, despite the smaller footprints of parcels. It was also noted that there are competing perceptions of the holding onto an industrial legacy within Port Moody, versus capitalizing on market opportunities that may be more aligned with the city’s socio-economic make-up and asset base.

Stakeholder Feedback

- There is tension between preserving versus reusing/capitalizing on industrial lands, which are perceived as the legacy of Port Moody.
- To attract and retain businesses, it will be important for Port Moody to have a clear community vision, reflected in its land use planning and policies.
 - E.g., Hesitation for rezoning for development opportunities (e.g., Flavelle property)
- Industrial space is limited and expensive
- OCP is not flexible / too prescriptive
- Light industrial lands are cheaper than commercial per square foot (although mill rates are higher)
 - Some businesses have flexibility in terms of the zoning to work in light industrial zones or commercial, thus the continuum of businesses that can and do utilize industrial lands is a wide range.
 - Tax rates are viewed as relatively high
- Smaller development footprint for opportunities (land available are smaller parcels)
- The City is seen to be risk adverse in terms of exploring brownfield development.

⁴⁹ Analysis of 2,603 current business licenses, as provided by the City of Port Moody. Suggests that 45% of licenses have a mailing address within the City of Port Moody and the remaining 55% have mailing addresses outside the city.