

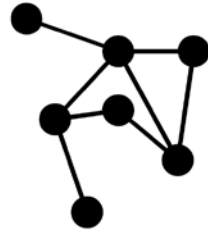


▼ **VANCOUVER'S INNOVATION ECONOMY**
Current Situation, Planning & Next Steps

JESSIE ADCOCK | Chief Digital Officer
CORY DOBSON | Planning & Development Services

AGENDA

- 1 Vancouver's Innovation Economy
 - a Scope
 - b Background
 - c Importance as generator of economic benefits
- 2 Planning for Innovation
- 3 Quick Starts



TOPICS

- Evolution of the global economy
- Characteristics of an Innovation District
- Benefits of encouraging innovation
- The emerging innovation economy cluster in Vancouver
- How can the City foster innovation and continued growth?



01/ Economic Evolution

“A new growth model and economic vision is emerging... a next economy where we export more and waste less, innovate in what matters, produce and deploy more of what we invent, and build an economy that works for working families”

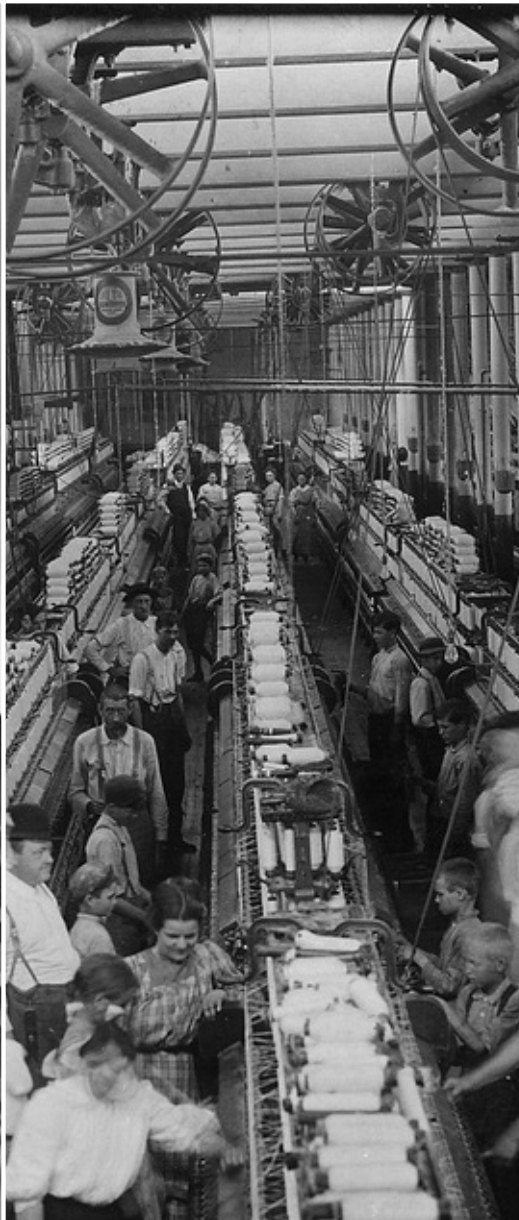
- Katz & Wagner
The Metropolitan Revolution

EVOLUTION OF ECONOMY & THE TRANSFORMATION OF CITIES



1784

STEAM
REVOLUTION



ELECTRICITY
REVOLUTION



AUTOMOBILE
REVOLUTION



2016

DIGITAL
TECHNOLOGIES

TECHNOLOGY SHAPING CITIES



Smart Energy



Smart Transportation



Smart Government



Smart Networks



Smart Infrastructure

CITIES ARE A FOCAL POINT FOR INNOVATION



DE SILVA AND LEGGE

Cities are the key to Canada's future. Let's unlock it

JAN DE SILVA AND ADAM LEGGE

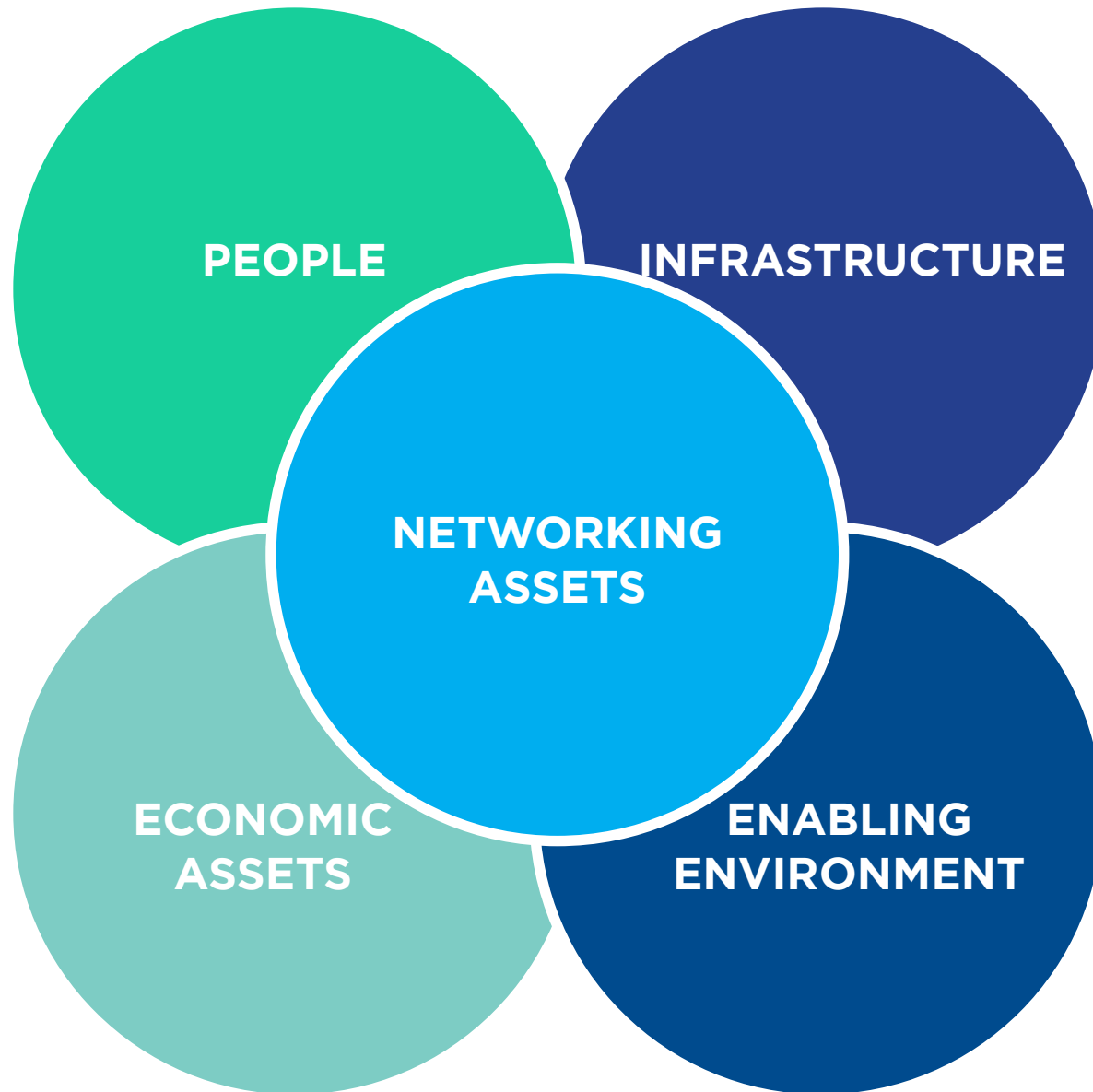
Contributed to The Globe and Mail

Published Tuesday, Jun. 21, 2016 5:00AM EDT

Last updated Tuesday, Jun. 21, 2016 5:16AM EDT



EXAMPLE FRAMEWORK FOR INNOVATION ECOSYSTEM



City Innovation Ecosystem Framework: World Bank (2016)

IS VANCOUVER AN INNOVATION DISTRICT?

“**Geographic area where anchor institutions and companies cluster and connect with small firms, start-ups, business incubators and accelerators**”.

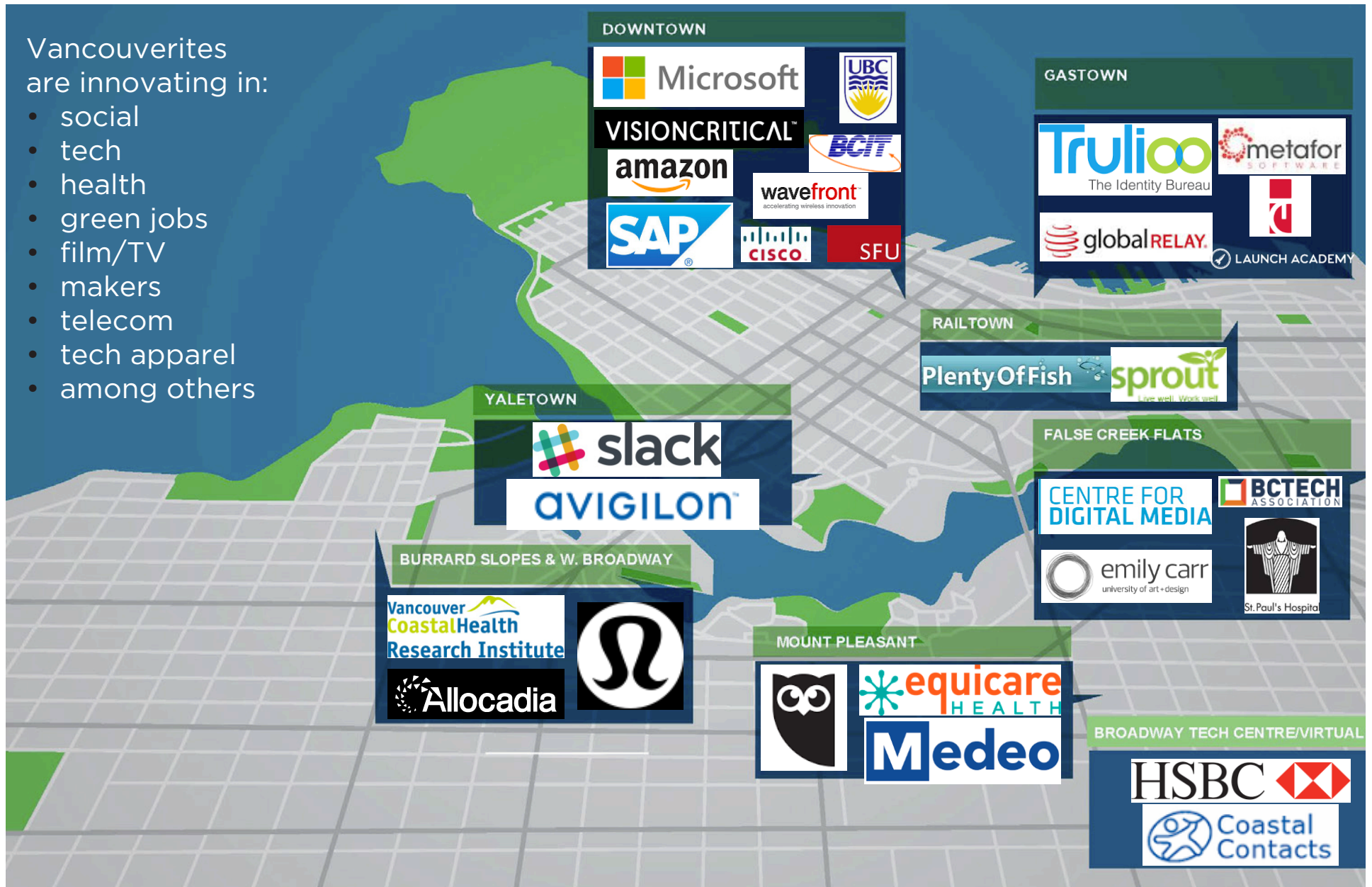
“**Physically compact, transit-accessible, and technically wired, they offer mixed-use housing, office and retail.**”

- *Katz & Wagner*
The Metropolitan Revolution

EMERGING INNOVATION ECONOMY IN VANCOUVER

Vancouverites are innovating in:

- social
- tech
- health
- green jobs
- film/TV
- makers
- telecom
- tech apparel
- among others





BENEFITS OF FOSTERING INNOVATION ECONOMY

“The creation of brand-new firms could be the most promising source of new trade and productivity growth.”

“A new firm with a new product or service tends to see giant leaps in productivity as it goes from being a start-up to the ‘hockey stick’ growth phase. A firm only makes that transition once, but an economy can reap the benefit over and over if there is a strong trend in new firm creation”.

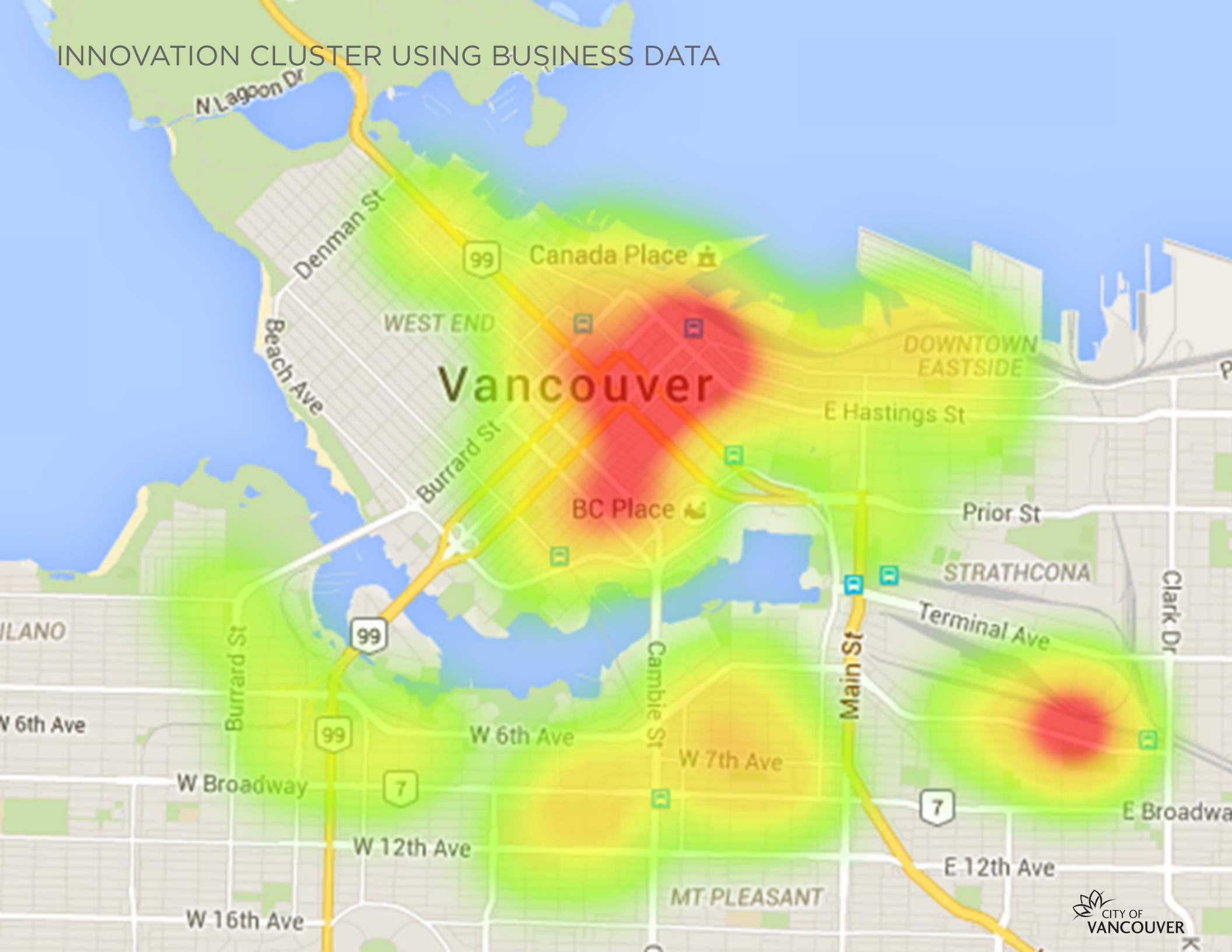
- *Steven S. Poloz*
Governor, Bank of Canada



02/
Vancouver's
Innovation Ecosystem

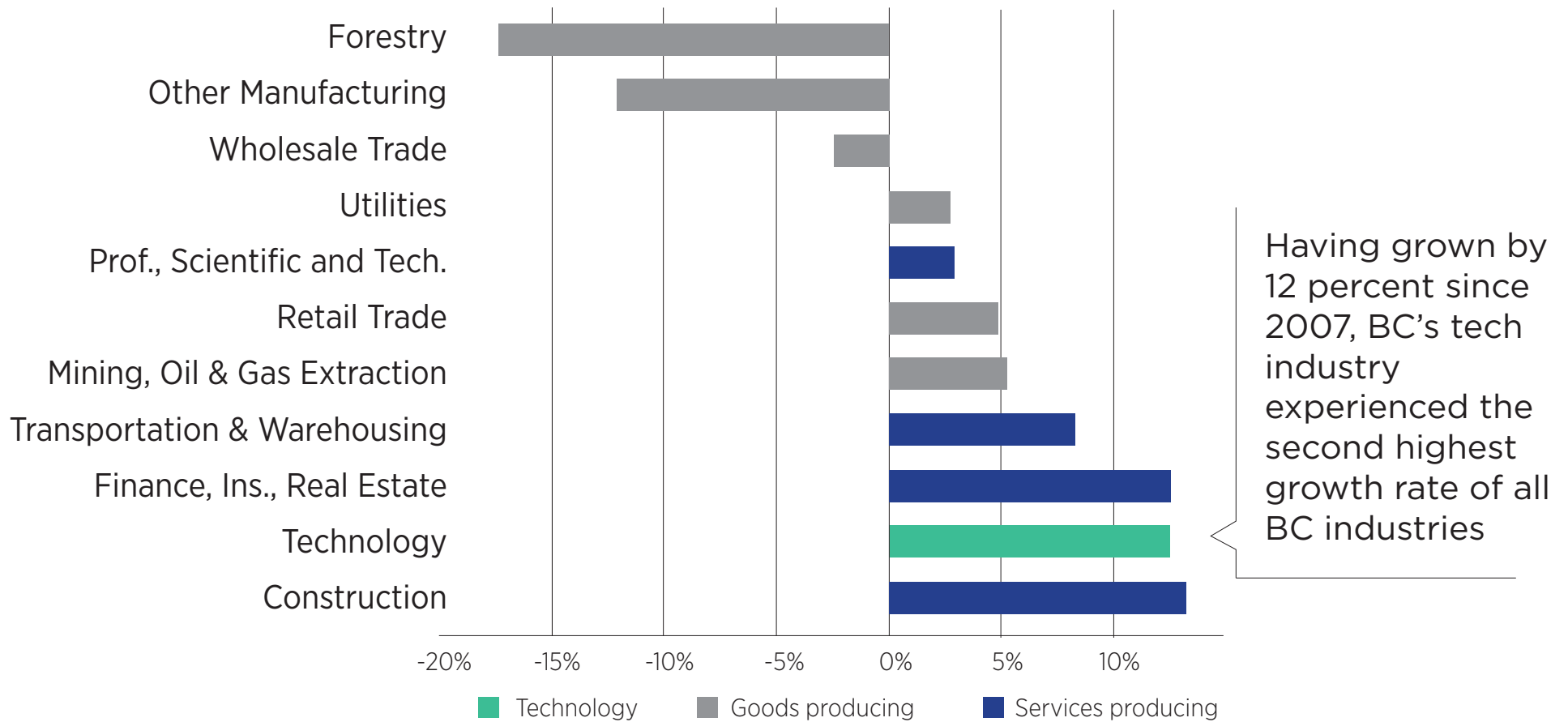
Jobs & Clusters

INNOVATION CLUSTER USING BUSINESS DATA



BC'S HIGH TECH SECTOR & GDP GROWTH

Growth Rate of GDP Contribution 2007-2012



Source: Profile of the British Columbia High Technology Sector, BC Stats, March 2014

ICT JOBS IN BRITISH COLUMBIA (2015) & PROJECTED (2019)



Information and Communications
Technology Council

Conseil des technologies de l'information
et des communications

Not-for-profit national
centre of expertise for the
digital economy

- Employment in 2015
- Projected hiring requirements to 2019

Total



Vancouver



British Columbia - other



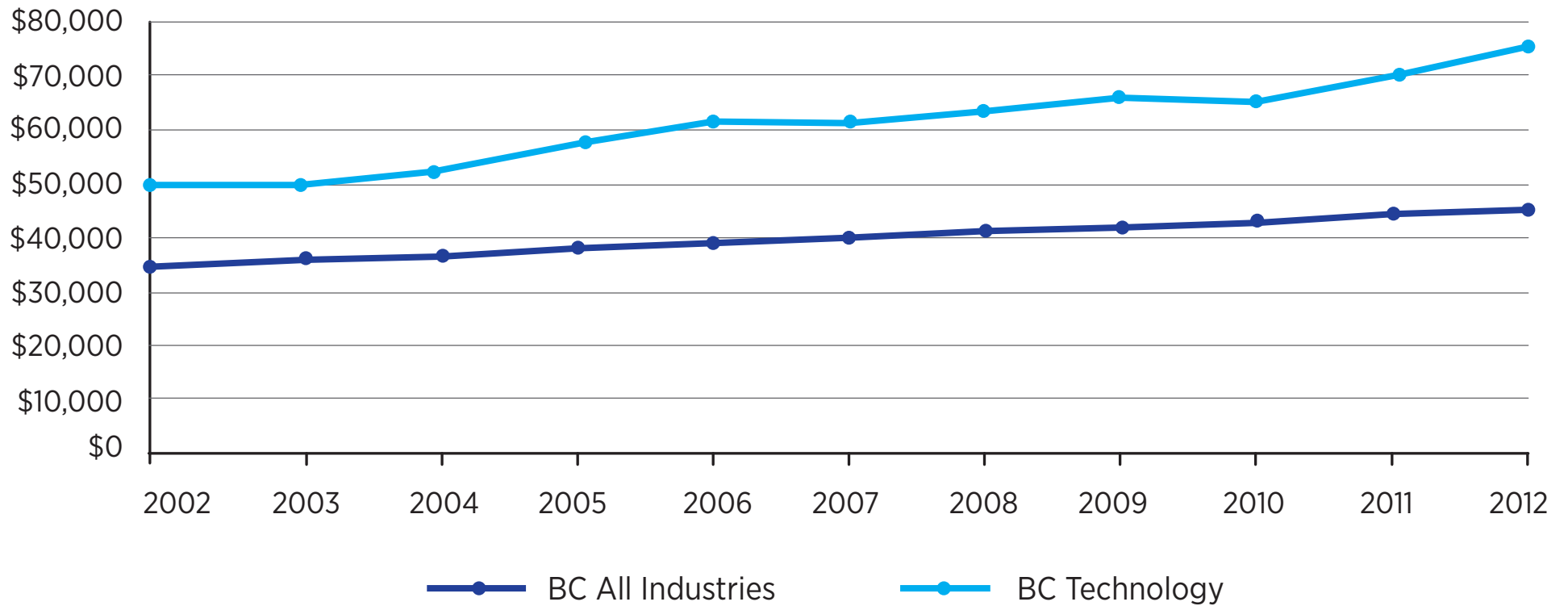
Victoria



TECH SALARIES

Tech Jobs in BC earn **66% more** than BC average salary

AVERAGE EARNINGS - BC TECHNOLOGY VERSUS BC



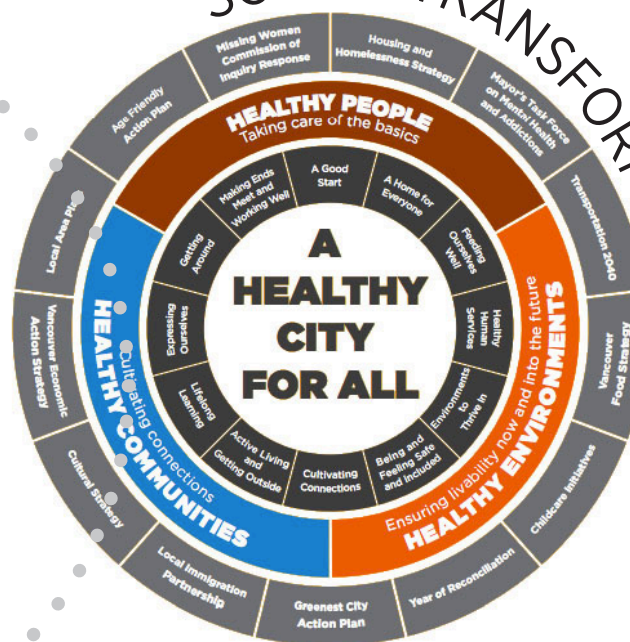
Source: KPMG analysis of data from Profile of the British Columbia High Technology Sector, BC Stats, March 2014

UNIQUELY VANCOUVER INNOVATION: FROM TECH TO SOCIAL TO GREEN

ENVIRONMENTAL PROTECTION



SOCIAL TRANSFORMATION



ECONOMIC GROWTH



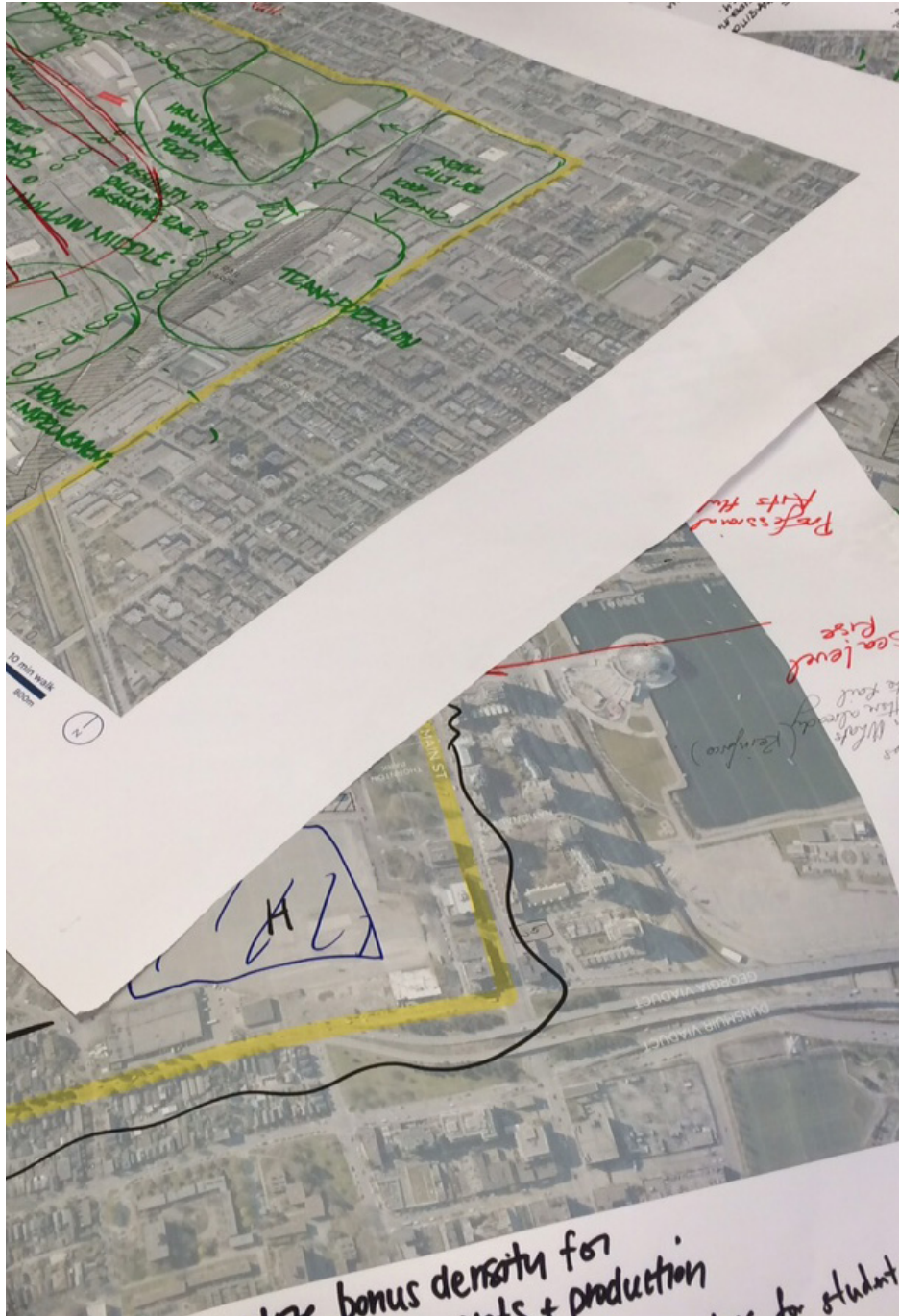


VANCOUVER'S INNOVATORS ARE GLOBAL LEADERS FOR A NEW URBAN STRATEGY

- Stimulating growth & creating jobs
 - Leaders in innovation & technology
 - Seeking an end to poverty
 - Searching for reconciliation
 - Mitigating climate change
 - Making strong local connections
-

*Generally building a better, healthier, more
resilient city that is globally connected*

HOW CAN THE CITY FOSTER INNOVATION?

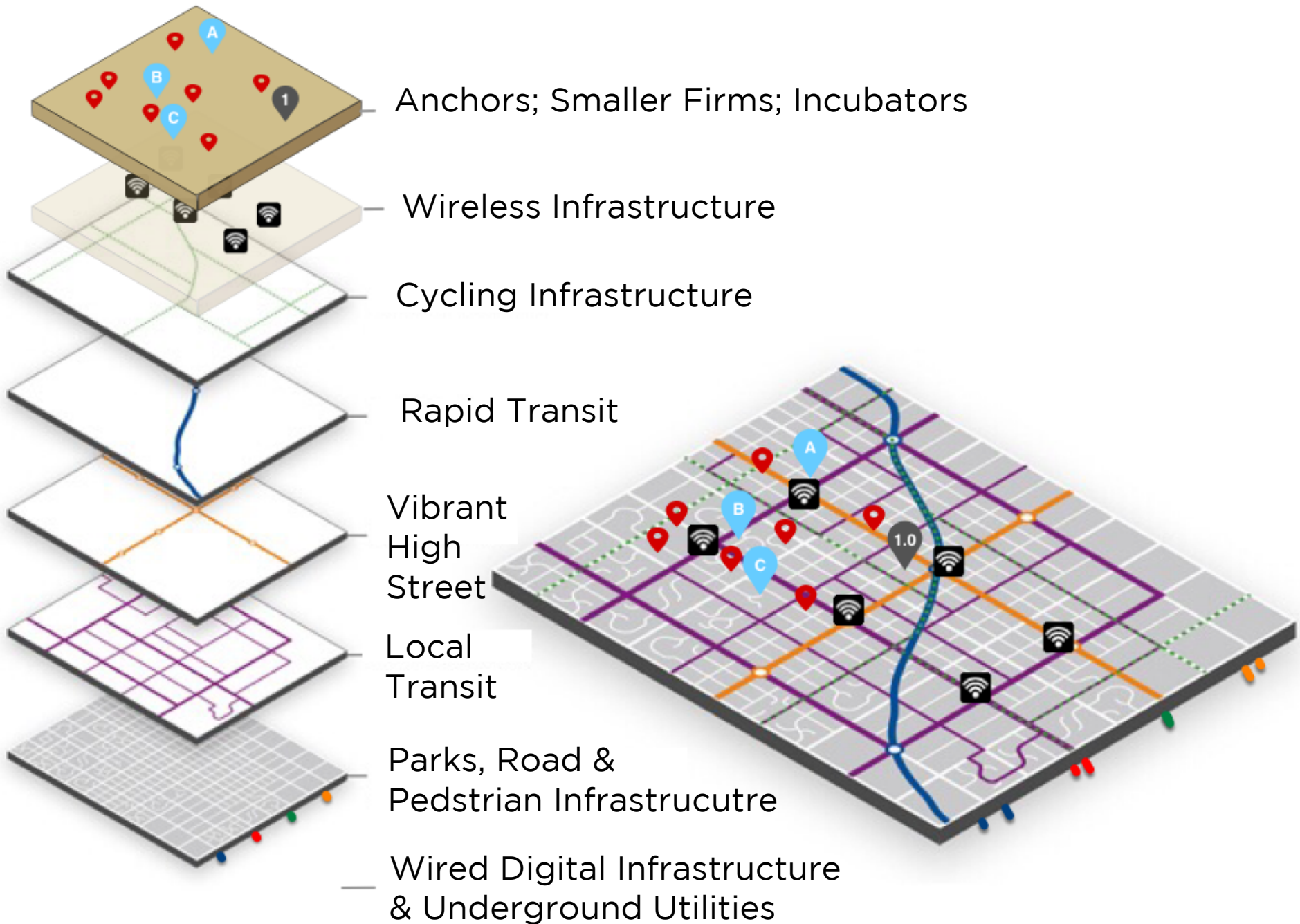


When considering the definition of innovation districts, our primary enabler for the City is land use planning and place-making.

Policies that enable the innovation clusters to thrive through the management of physical space:

- Transit
- Digital Infrastructure
- Mixed-Use Housing, Office, Industrial, Retail
- Amenities

INNOVATION DISTRICT: THE PHYSICAL INGREDIENTS





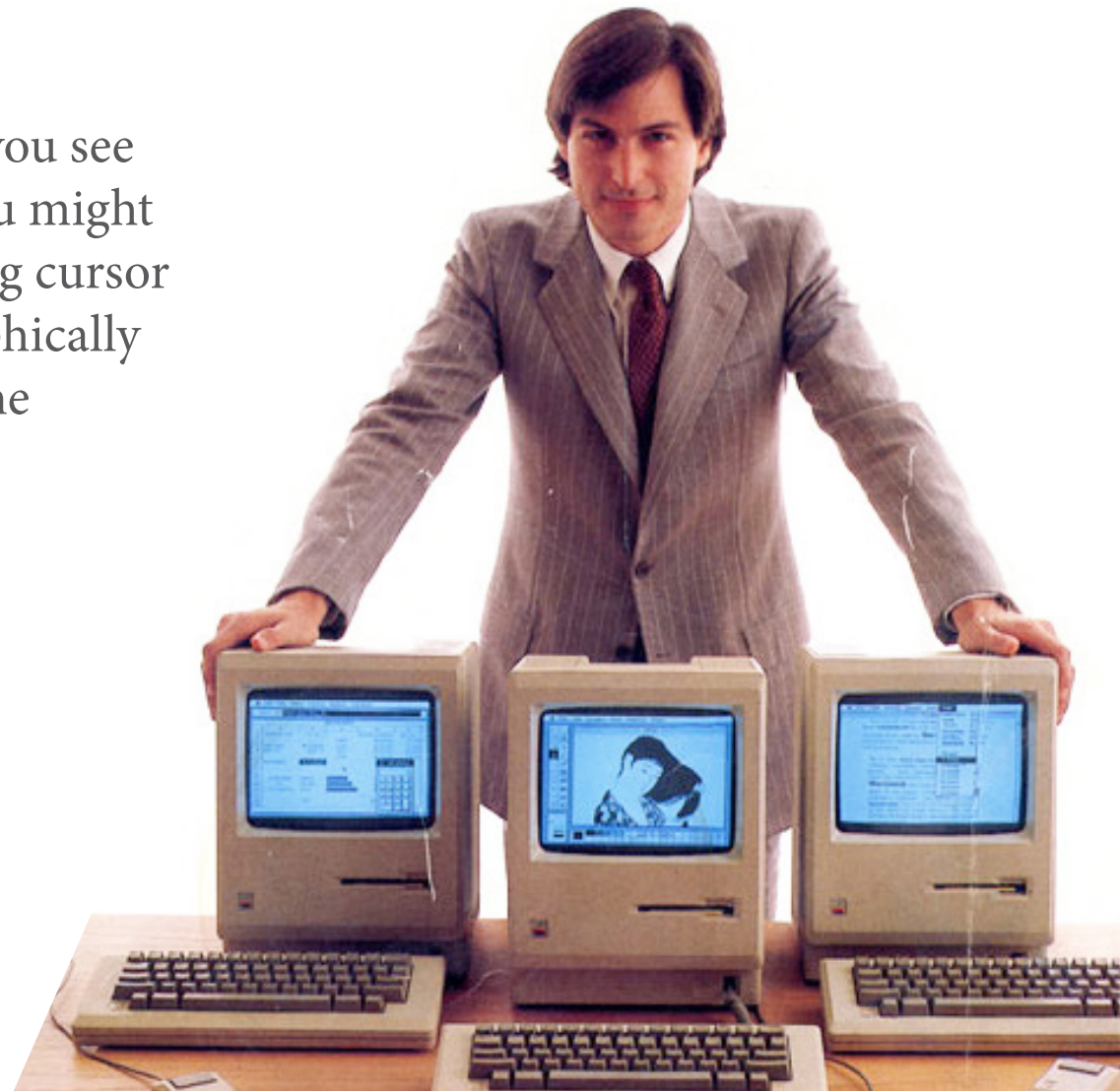
03/
Planning for
Innovation

PLANNING FOR INNOVATION: A FRAMEWORK, NOT A PRESCRIPTION

...it uses a hand-held “mouse” - a small pointing device which enables the user to select programs, and move data from one part of the screen to another...

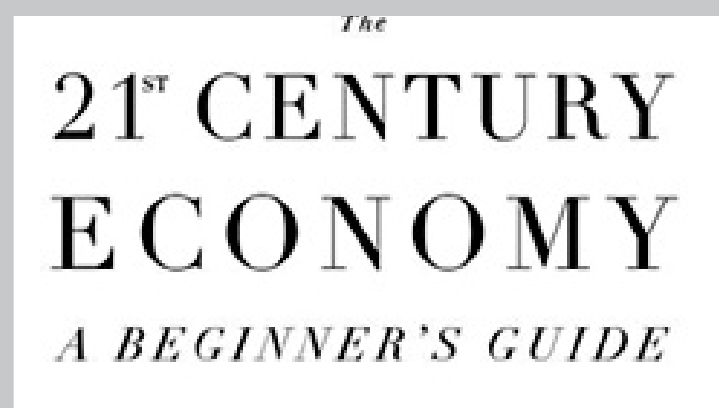
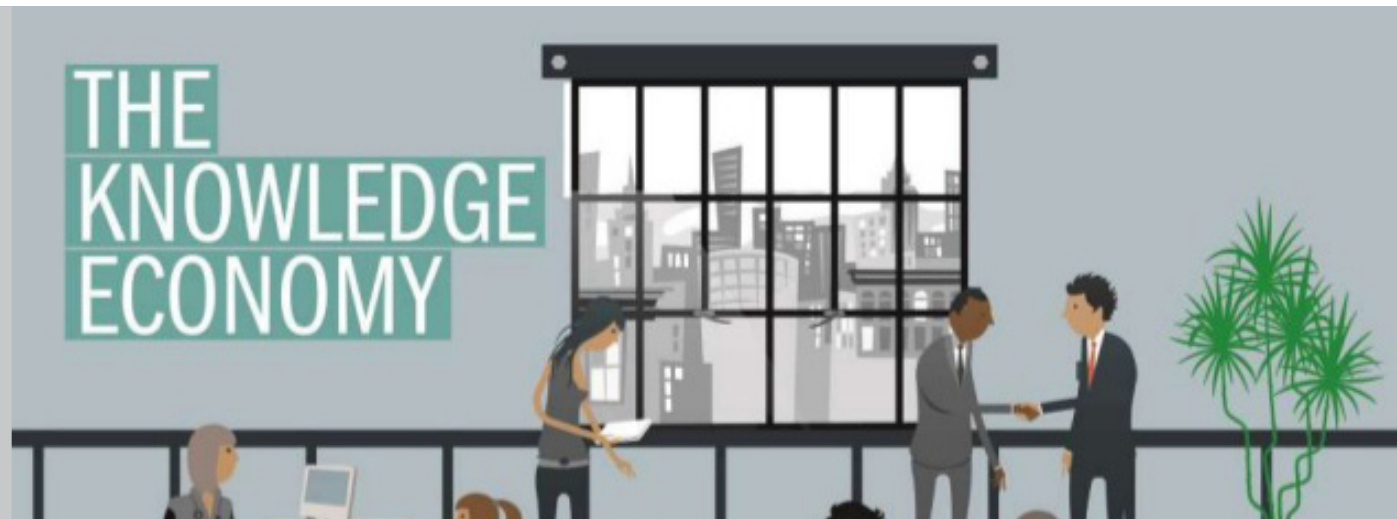
...Apple calls it your “desk top”. What you see on your screen looks a lot like what you might find on a desk. Instead of just a blinking cursor you see pictures, called icons, that graphically represent the things you can do with the computer...

Macintosh Shapes Up a Winner
by Lawrence J. Magid
The Los Angeles Times
January 29, 1984



1984

INNOVATION ECONOMY: THE NEXT NEW THING?



HUMAN INGENUITY AS KEY DRIVER OF ECONOMIC GROWTH

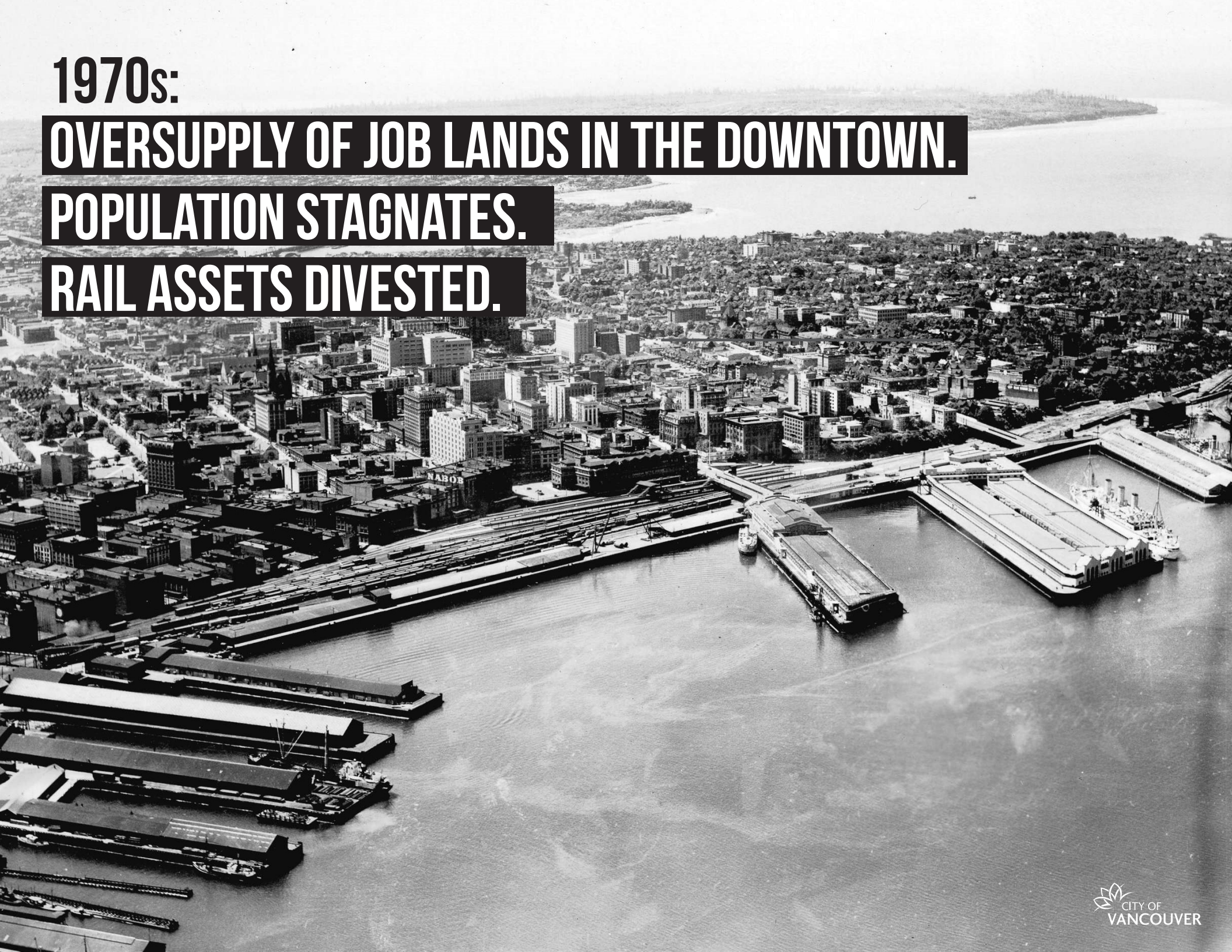


1970s:

OVERSUPPLY OF JOB LANDS IN THE DOWNTOWN.

POPULATION STAGNATES.

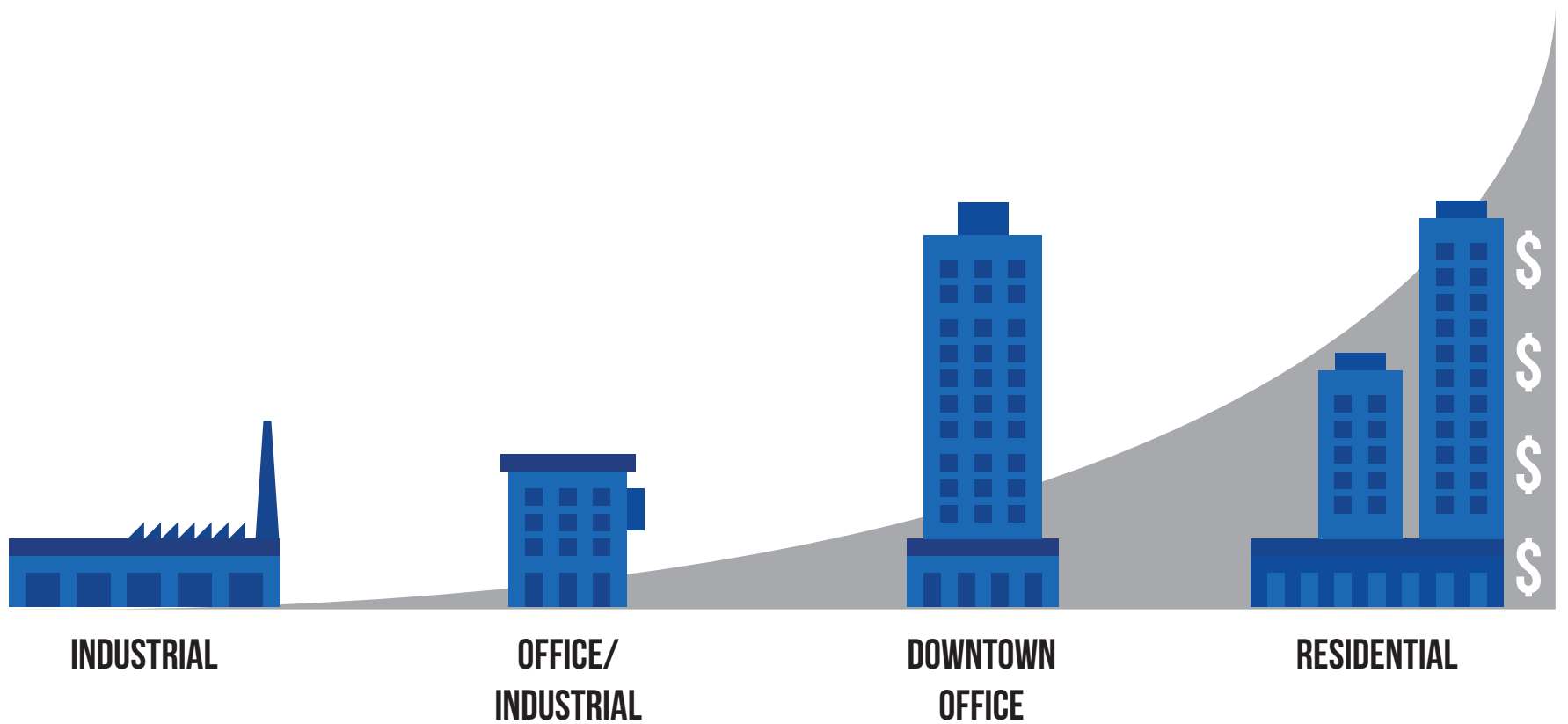
RAIL ASSETS DIVESTED.



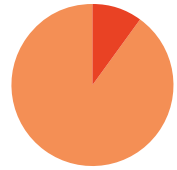


**A NEW VISION FOR VANCOUVER
EMERGED PLACING PEOPLE AS THE
PRIMARY FOCUS FOR DOWNTOWN**

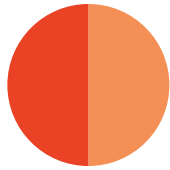
'LIVING FIRST' SUCCESS LEADS TO NEW CHALLENGE



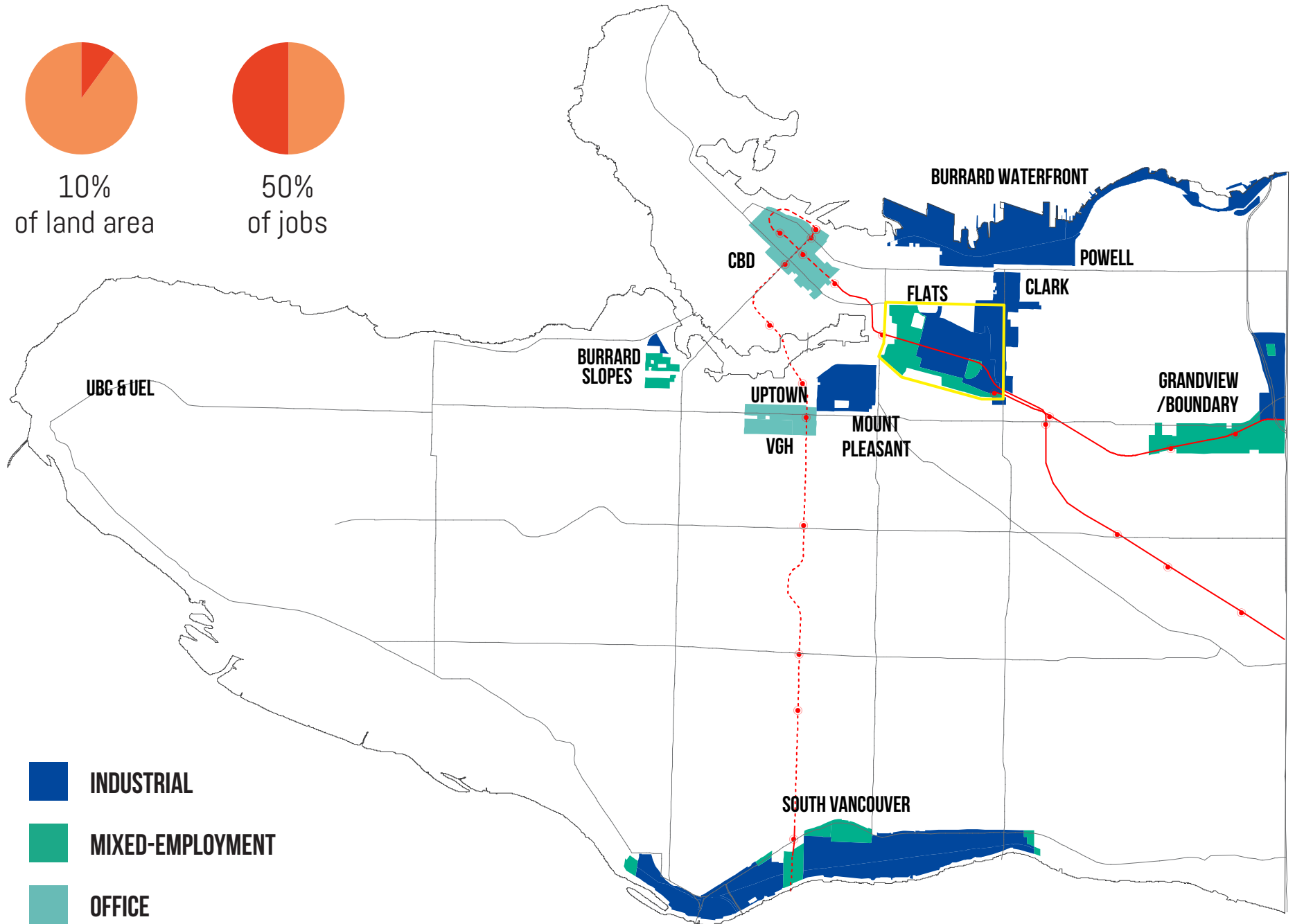
PRESSURES ON EMPLOYMENT LAND



10%
of land area

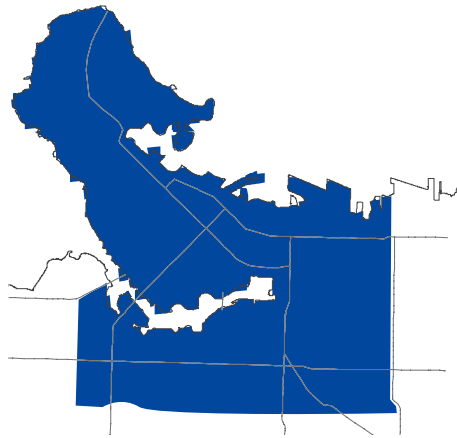


50%
of jobs



-  INDUSTRIAL
-  MIXED-EMPLOYMENT
-  OFFICE

METRO CORE JOBS & ECONOMY LAND USE PLAN (2007)

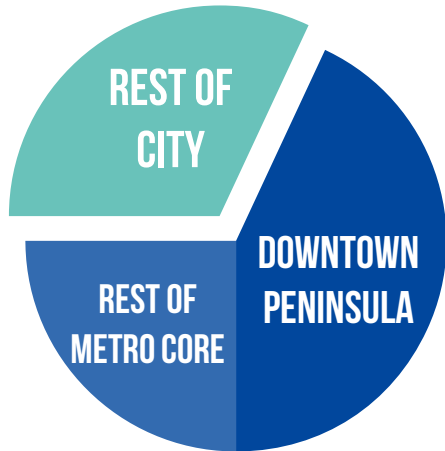


CONTEXT

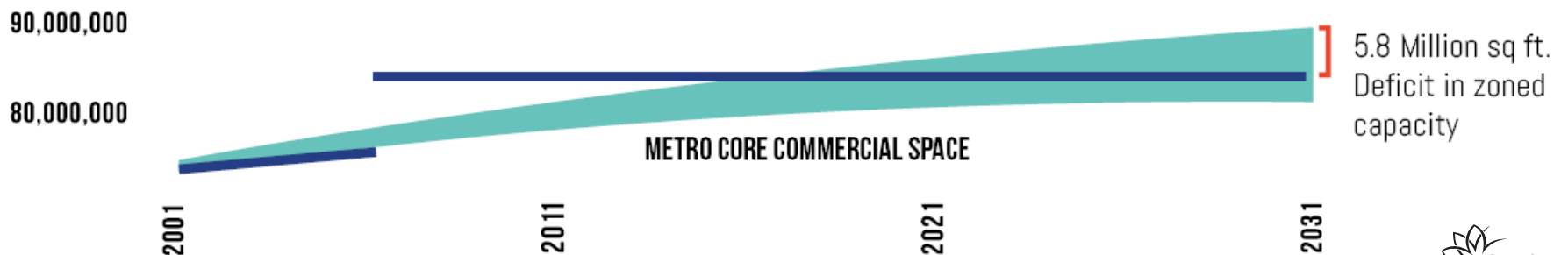
- Highest concentration of jobs in BC
- More jobs than the next three largest regional municipalities combined

PROCESS

- Four-year multi-stage process
- Involved business interests, academics, industry, and citizens
- In 2007 City Council adopted the Metropolitan Core Jobs and Economy Land Use Plan
- Still implementing plan through zoning and policy changes



Metro Core is Home to 64% of the city's jobs



METRO CORE: VANCOUVER'S INNOVATION DISTRICT





RECENT PLANNING FOR INNOVATION

DOWNTOWN OFFICE SUPPLY

COMPLETION 2009

CHALLENGES

- Insufficient office capacity
- Residential speculation

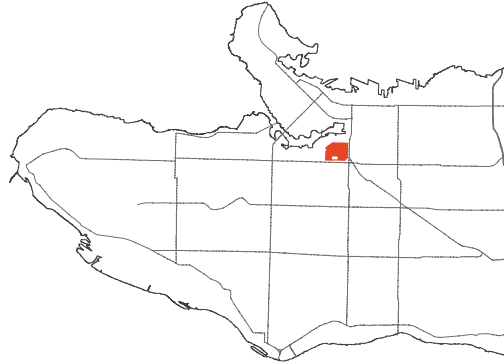
SOLUTIONS

- Removed residential from the CBD
- New rezoning policy
- Increased base commercial zoning
- Office conversion policy

SINCE 2009

- 25 projects have been completed, are under construction, or approved, with five under review
- Over 5,500,000 square feet of new office space





RECENT PLANNING FOR INNOVATION

MOUNT PLEASANT

Industrial Area

COMPLETION 2013

CHALLENGES

- Intensify without displacing
- Remain within existing overall density and height limits
- Maintain downtown serving industrial uses (noxious and obnoxious)

SOLUTIONS

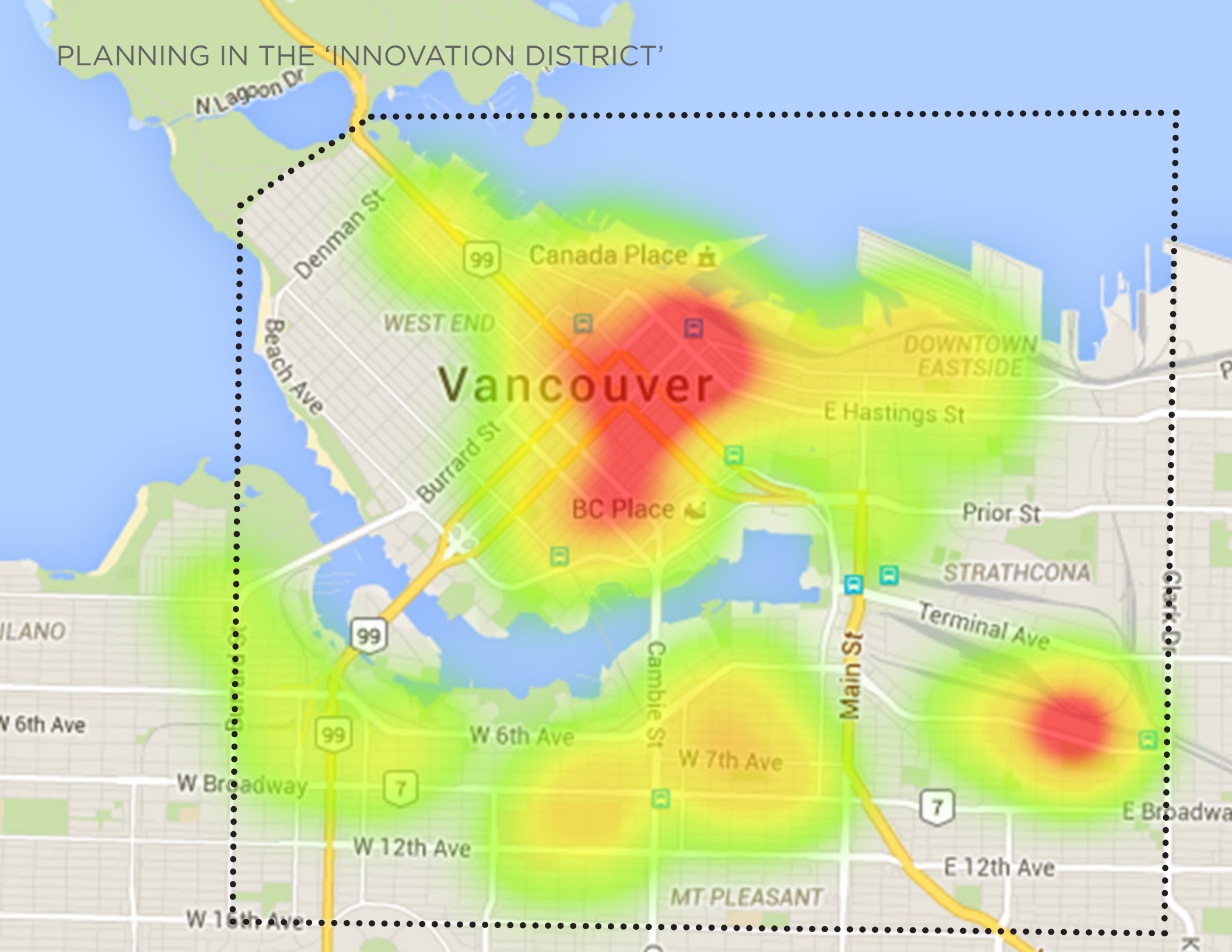
- Increased permitted densities of selective office and service uses
- Match 1 FSR of industrial with 1 FSR of office up to 3 FSR
- Selective additions to the types of office and service uses permitted

SINCE 2013

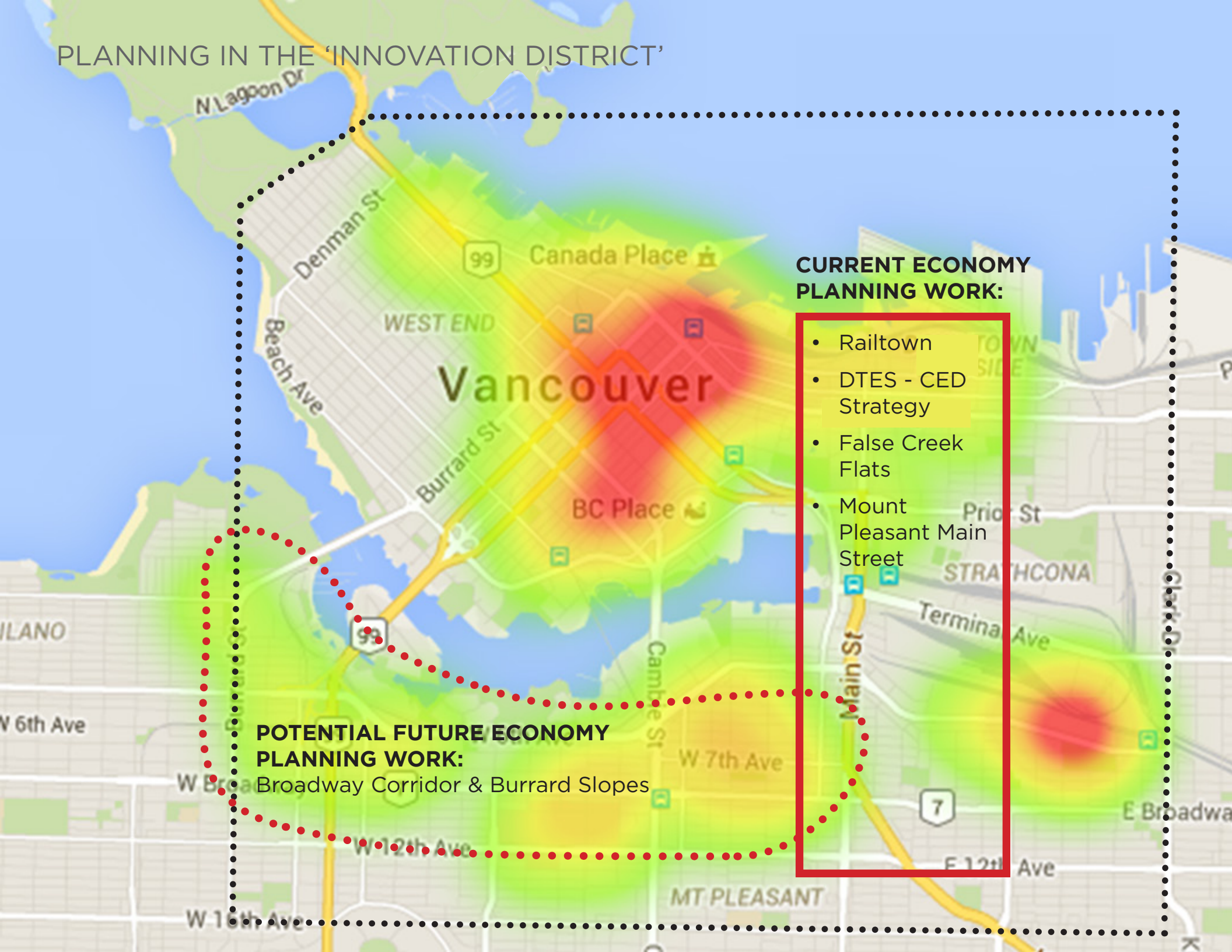
- 11 projects have been completed, are under construction, or approved, with two under review
- Totalling over 300,000 sq.ft.



PLANNING IN THE 'INNOVATION DISTRICT'



PLANNING IN THE 'INNOVATION DISTRICT'

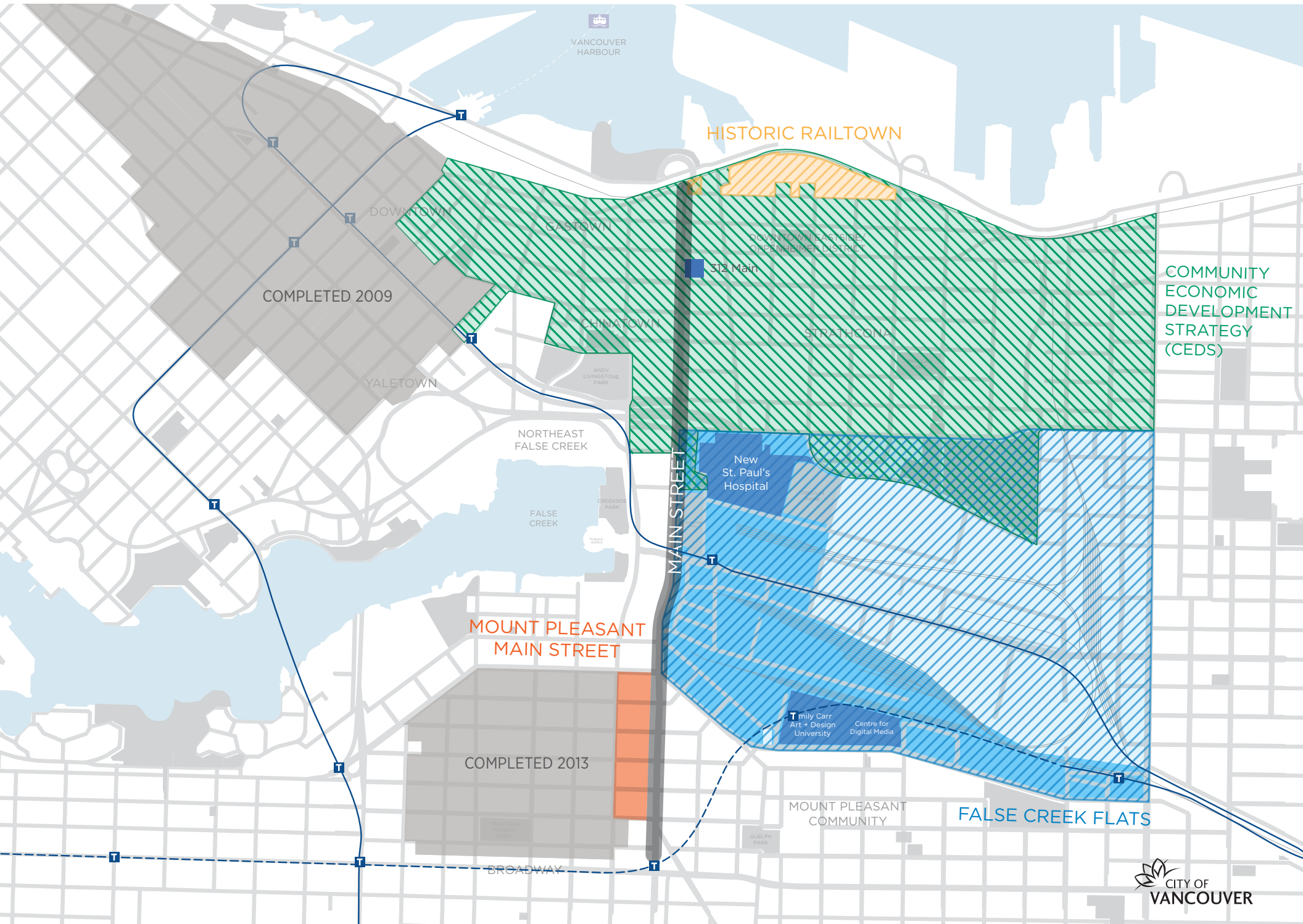


CURRENT ECONOMY PLANNING WORK:

- Railtown
- DTES - CED Strategy
- False Creek Flats
- Mount Pleasant Main Street

POTENTIAL FUTURE ECONOMY PLANNING WORK:
Broadway Corridor & Burrard Slopes

PLANNING IN THE 'INNOVATION DISTRICT'



“Innovation districts constitute the ultimate mash up of **entrepreneurs** and **educational institutions**, start-ups and schools, **mixed-use development** and **medical innovations**, **bike-sharing** and bankable investments—all connected by **transit**, powered by **clean energy**, wired for **digital technology**, and fueled by **caffeine**”.

- *The Brookings Institute*



INNOVATION PLANNING UNDERWAY

RAILTOWN

Tech & Industrial Area

AREA SIZE 15 ACRES

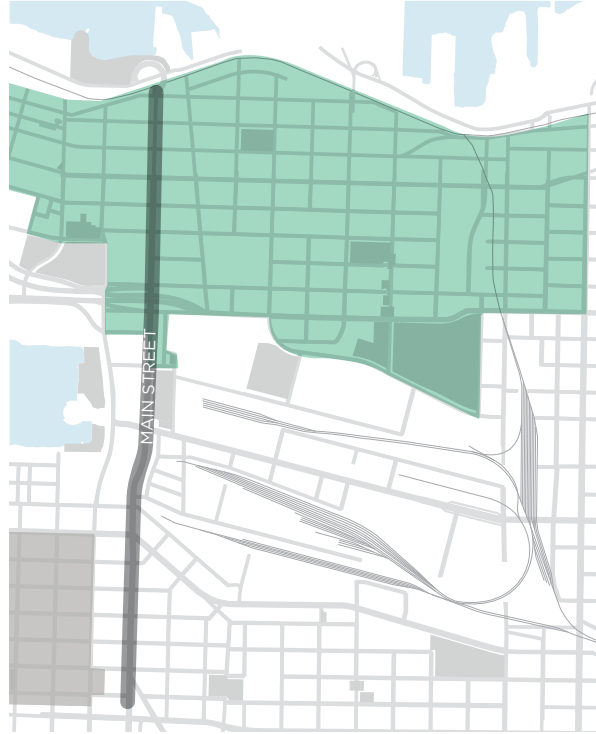
ZONING M-2 HEAVY INDUSTRIAL

CHALLENGES

- Accommodate the growing tech cluster
- Retain important industrial space immediately adjacent to the Port
- Older heritage buildings in the area

SOLUTIONS

- Council approved local area plan and directed staff to review zoning to accommodate the growing tech without displacing the industrial
- Emerging policy is to consider a mix similar to the Mt. Pleasant Industrial Area with creative manufacturing uses



INNOVATION PLANNING UNDERWAY

DOWNTOWN EASTSIDE

Community Economic Development

EMPLOYEES 19,500

CHALLENGES & OPPORTUNITIES

- Resident Poverty (60%) High Unemployment (11.3%) and Low Local Labour Market Participation (13%)
- Displacement of local serving retail and high retail vacancy rate (28%)
- Street disorder impacts of informal economy (vending, binning)

SOLUTIONS

- Infrastructure investments for informal economy (501 Powell, 62 W. Hastings)
- Long-term Community Economic Development Strategy (CED)
- Continue supporting growth of social enterprise and social innovation



INNOVATION PLANNING UNDERWAY

THE FLATS

Framework for Innovation

AREA SIZE 470 ACRES

No. OF EMPLOYEES 8000

ZONING I-2 & I-3 LIGHT INDUSTRIAL

CHALLENGES & OPPORTUNITIES

- High & increasing land values
- Pressures on cultural production space
- Lack of connectivity
- Lack of amenity space
- New major anchor institutions
- Well served by transit

SOLUTIONS

- Build off unique characteristics
- Build amenities & connections
- Deliver opportunities not available elsewhere in Vancouver
- Intensify employment opportunities near existing & future transit stations
- Create infrastructure to support becoming the 'greenest place to work in the world'



CURRENT PLANNING

MOUNT PLEASANT

Main Street Corridor

ZONING I-1 LIGHT INDUSTRIAL

CHALLENGES & OPPORTUNITIES

- High and increasing land values
- Well served by amenities
- Well served by transit
- Close to housing
- Provides a dynamic mix of industrial, service and office uses
- Overall “vibe” is highly attractive to the new economy

SOLUTIONS

- Maintain the production, distribution and repair role of Mount Pleasant
- Identify opportunities near Main Street to further intensify job space near existing and future transit stations
- Improve relationship of industrial edge with future mixed use on Main Street



WE HAVE LONG PUT PEOPLE FIRST IN PLANNING OUR MIXED-
USE NEIGHBOURHOODS. PLANNING FOR INNOVATION MEANS
PUTTING PEOPLE FIRST IN OUR EMPLOYMENT ZONES AS WELL.





04/
Quick Starts &
Next Steps



WHAT ROLE CAN THE CITY PLAY IN INNOVATION?

- Protect & enhance employment land
- Develop policy frameworks that put people at the center of economic areas while investing in place making
- Build shared infrastructure for healthy resilient environments
- Leverage our assets to support innovative models
- Explore public benefits that support business
- Support connections & build awareness of Vancouver innovators

QUICK STARTS

- 1 Deliver Planning Along Main Street
- 2 Launch Innovation Economy Round Table
- 3 Explore Branding Opportunities
- 4 Enhanced Business License Data



QUICK START: PLANNING ALONG MAIN STREET

Bring planning forward to Council for:

- Railtown
 - DTES Community Economic Development Strategy
 - False Creek Flats, and
 - Mount Pleasant Main Street
-

Targeted date: Fall & Winter 2016



QUICK START: INNOVATION ECONOMY ROUND TABLE

Assemble a key group of public and private sector stakeholders to advise on City's contribution to the growth of the innovation economy:

- Urban planning
 - Social policy
 - Modernizing Regulations
-

Targeted date: Fall 2016



QUICK START: EXPLORE BRANDING OPPORTUNITIES

Work to define Vancouver's competitive advantage in innovation & celebrate and connect local innovators

Review opportunities to align and refresh City brand / logos with Innovation Economy and other city objectives

Targeted date: Winter 2016



QUICK START: ENHANCED BUSINESS LICENSE DATA

Bring amendment forward for refined business license data to:

- Simplify process for businesses
- Better align definitions with current industries
- Improve data on innovation in Vancouver

Targeted date: Winter 2016

ENABLERS

Enablers to be further discussed today:

- Update from VEC
- Filming Activity Update
- Business License Rationalization Report

