




# Burnaby Employment Land Needs Assessment

## What We Heard Report

JANUARY 2024



# Acknowledging the unceded homelands of the hə́ńqəmińə́m and S̓k̓w̓x̓w̓ú7mesh speaking Peoples

The City of Burnaby recognizes that we are on the ancestral and unceded homelands of the hə́ńqəmińə́m and S̓k̓w̓x̓w̓ú7mesh speaking Peoples and are grateful to be on this territory.



# Table of Contents

<b>Targeted Outreach</b>	<b>1</b>
Engagement Objectives	1
How We Informed – Round One	1
How We Informed – Round Two	2
Engagement by the Numbers	2
Who We Engaged	2
What We Heard: Interview Questions	3
<b>Closing Comments and Next Steps</b>	<b>12</b>







# Targeted Outreach



The Employment Lands Needs Assessment includes targeted outreach to Burnaby’s major employers, property owners and development companies to supplement desktop research and technical analysis. The outreach was facilitated by Urban Systems (an independent consulting firm) between December 6, 2023, and January 12, 2024.

## Engagement Objectives

The objectives for this engagement exercise were:

-  To raise awareness of the Burnaby 2050 Official Community Plan.
-  To engage with select major employers, property owners and development companies in a timely and effective manner.
-  To engage a cross-section of people with multiple perspectives and experiences.
-  To have conversations that provide constructive feedback for policy development.

## How We Informed – Round One

On December 6, 2023, the City of Burnaby sent a letter (via email) to 15 organizations inviting them to participate in a brief (25-minute) virtual interview. The interviews were designed to identify employment trends, barriers to development and/or redevelopment and recommend strategies for Burnaby to remain competitive and a preferred location for business. The letter provided a link to the Burnaby 2050 webpage and the list of interview questions so participants could provide informed and meaningful feedback. Participants appreciated the opportunity to consider the questions in advance of the interviews.

On December 8, 2023, Urban Systems sent a Doodle poll (via email) to the 15 organizations inviting them to select a date and time for their interview. A Doodle poll reminder email was sent to the organizations who had not replied by December 15, 2023. Participants reported the Doodle poll to be a helpful and efficient way to schedule the interviews.

## How We Informed – Round Two

On December 15, 2023, the City of Burnaby sent a letter (via email) to six (6) organizations inviting them to participate in a brief (25-minute) virtual interview. The second round of letters were sent to individuals recommended to Urban Systems by the initial interviewees.

On December 15, 2023, Urban Systems sent a Doodle poll (via email) to the referrals inviting them to select a date and time for their interviews. A Doodle poll reminder email was sent to the referrals who had not replied by December 21, 2023.

### Engagement by the Numbers

- 21 organizations were invited to participate in the targeted outreach
- 11 organizations participated in the virtual interviews
- 25–35 minutes – average interview time

## Who We Engaged

Urban Systems interviewed representatives from the industrial, commercial, healthcare, education, technology, development and construction sectors as well as the Burnaby Board of Trade. A total of 11 interviews were conducted as part of the targeted outreach.

**Table 1: List of Interview Participants**

#	Organization	Interview Date
1	Beedie Industrial	December 13, 2023
2	W P J McCarthy & Co	December 20, 2023
3	Oxford Properties	December 20, 2023
4	Beedie Industrial	January 4, 2024
5	Burnaby Board of Trade	January 5, 2024
6	Carter-Mitchell Auto Group	January 5, 2024
7	Grosvenor	January 9, 2024
8	Fraser Health	January 11, 2024
9	STEMCELL Technologies Canada Inc.	January 11, 2024
10	AHC Construction	January 12, 2024
11	SFU	January 12, 2024



# What We Heard: Interview Questions

The interviews consisted of eight (8) questions which the participants were given before the interviews to prepare. The following provides a summary of what we heard through the interview process. The detailed meeting notes have been provided to the City of Burnaby under separate cover.

## *Q1. What are Burnaby's competitive advantages in terms of economic development and job-creation compared to neighboring municipalities and other similar municipalities?*

- **Location – Burnaby's central location is the city's leading competitive advantage**
  - Located in the heart of Metro Vancouver
  - Proximity to the Port of Vancouver, YVR and the US border
  - Proximity to Vancouver where business services are concentrated
  - Proximity to the Fraser Valley where businesses draw employees
- **Accessibility – Burnaby is easily accessible by transit and private vehicles**
  - SkyTrain network is a very attractive feature
  - Transit system enables employees to commute to work easily
  - Highway 1 and Lougheed Highway traverse the city making Burnaby accessible
  - Highways make it easy to transport supplies and goods across Metro Vancouver
  - Customers are plentiful because of transit and the transportation system
- **Land – Burnaby has land available for development and redevelopment**
  - Supply of industrial and employment lands is attractive
  - Value of industrial and employment lands is lower than Vancouver
  - Town Centre land use designation has been an effective development tool
- **Demographics – Burnaby is BC's third largest city with a population of 230,000**
  - Rapid population growth creates opportunities to source talented employees
  - Large and diverse workforce to choose from due to Burnaby's size
  - Burnaby attracts immigrants who diversify the workforce
- **Academic Institutions – Burnaby is a learning hub and centre for innovation**
  - SFU, BCIT and Douglas College provide an educated and skilled labour force
  - SFU provides the talent required to support new technologies and industries
  - Hydrogen, fuel cell technology and health sciences are big opportunities
  - Clean technology companies are attracted because of collaborations with SFU

- **Strong Financials – City Hall has a reputation for being financially strong**
  - City Hall is known for being debt free
  - Burnaby has the financial resources to build more civic infrastructure
  - Burnaby understands businesses need to be profitable to survive
  - Burnaby is known as a great place to do business
- **Pro Growth and Development – City Hall embraces growth and development**
  - There is support for higher density projects at both a staff and Council level
  - Planning department is transparent when it comes to density
  - Building approvals are quick to secure once development approvals are in place
  - Hospital expansion could be a huge opportunity for growth and development

**Q2. What specific challenges or barriers has your organization faced in pursuing employment-oriented (i.e. industrial, office, retail, institutional or mixed-commercial) development or redevelopment opportunities within the City of Burnaby?**

- **Lengthy planning and development approvals** are the leading barriers participants face
  - The rezoning process is complex and time consuming (approximately one year)
  - Requirement for both site plan and development permit approval can be onerous
  - The need for a Comprehensive Development (CD) Zone for industrial and commercial developments introduces unnecessary time and risk because the applications must be approved by Council – makes doing business in Burnaby less attractive
  - CD Zones limit future redevelopment opportunities
  - Land use designations and zones need to be more specific to provide clarity
  - Simple tenant improvement approvals are lengthy, and provides challenges for small businesses
- **Lack of affordable housing** makes it difficult to attract skilled labour
  - Housing is becoming too expensive for all workers across the city
  - Businesses are having to source employees from the Fraser Valley
  - Cost of housing is making it difficult to attract health care professionals
  - It is difficult to find housing for entry-level employees
  - Problem is compounded by technical programs being at capacity at BCIT so there is a shortage of skilled labour available in Burnaby





- **Employment requirements** are not always realistic
  - Blanket Floor Space Ratio (FSR) does not reflect market conditions
  - Blanket FSR is too high and difficult to achieve in several cases
  - Burnaby has a narrow definition of what a job is – more research and analysis is needed
  - Need to consider occupancy rates at existing locations when thinking about office jobs – there are SkyTrain locations where the office components have not been fully developed
  
- **Development costs** are high in Burnaby
  - New development leasing costs are too high for small businesses including health care professionals to establish themselves
  - Property taxes are expensive because they are driven by the highest and best use of land rather than the actual use of land
  
- **Lack of infrastructure** in some parts of the city
  - Transit service levels could be improved
  - Neighbourhoods could be more walkable
  - Development could be more sustainable
  - Burnaby needs more investment in civic infrastructure to attract labour
  
- **Burnaby's geography** makes it difficult to articulate Burnaby's identity
  - Highways traverse Burnaby making the city feel less cohesive
  - SFU is located at the top of Burnaby Mountain, so it is less connected to the city
  - Burnaby lacks a single downtown core to help define the city



### Q3. What emerging market or development trends in employment land uses (industrial, office, retail, institutional or mixed-commercial) do you anticipate in the next 25-years?

- **Industrial**

- Single use industrial areas are becoming less prevalent – opportunities will emerge to use industrial land more efficiently by allowing office, retail and mixed-commercial uses on upper floors
- Greater demand for industrial land for logistics and distribution purposes will emerge
- Greater demand for large warehouses as the movie industry expands in Burnaby
- More amenities (e.g., childcare, restaurants, cafes) will be offered in industrial areas
- Developers will seek out quality industrial spaces over large industrial spaces
- Large industrial tenants will pay more to be in the places they need/want to be
- An innovation district will be created with land to collaborate with multiple partners, develop ideas, spin-out companies and produce materials

- **Office**

- Greater demand for office space near amenities and public transit will emerge
- Burnaby will see a shift toward office and retail mixed developments

- **Retail**

- Logistics will replace large format retail uses – big box retail is dying
- Greater demand for smaller format retail space with an experiential component
- Retail will follow mixed-commercial and office developments for the foot traffic

- **Institutional**

- Burnaby will continue to be an education hub that businesses collaborate with
- Staff housing will be required to attract quality talent to institutional uses
- Land for health care, education and training will continue to be in demand

- **Mixed-Commercial**

- Industrial uses will be incorporated into mixed-commercial developments like Marine Gateway because the land base and density require it
- Industrial and mixed-commercial developments will offer more staff amenities e.g., larger lunchrooms, health centres, childcare facilities etc.

- **Other**

- Electrification of the auto industry will require more specialized skills, more electric charging stations and more BC Hydro grid capacity to keep pace with demand
- More electrification and automation will reduce the number of cars on the road
- An expanded rapid transit system will create development opportunities because there will be greater access to labour and inventory
- Educated and skilled labour will continue to work where housing is most affordable
- Businesses will continue to demand more amenities
- Businesses will continue to compare Burnaby to Vancouver



### *Q3a) How do you think these trends will impact development/redevelopment opportunities within the City of Burnaby?*

- Industrial lands will be used more efficiently – this will not necessarily translate to more stacked industrial developments as stacked industrial is expensive to build, but lower parking requirements and higher site coverages
- New land use designations will be created to allow for a greater mix of industrial and commercial developments and further protect these areas from residential development
- Zoning will become more flexible to accommodate new technologies and industries – participants noted the existing zoning regulations make it difficult for non-residential developments to succeed
- Town Centres will evolve to have a greater mix of commercial, office and retail spaces – participants described development opportunities where commercial and retail uses would occupy the first floor of towers and office space would occupy the next three (3) storeys with residential development above.
- New technologies and industries will not succeed unless more industrial land is secured and Official Community Plan (OCP) and Zoning Bylaw (ZB) policies do more to protect industrial land from residential development – clarity is required to prevent speculation
- Small businesses will go extinct if the planning and development approvals process does not improve – it is not economically viable for a small business to wait longer than a year for a development permit when they are tied to a five-year lease. Local businesses cannot afford the holding costs which is why Burnaby is seeing a proliferation of multi-national businesses occupying retail spaces in the four (4) Town Centres.
- New development/redevelopment opportunities require clear OCP policies and ZB regulations. All land use designations should be reviewed and updated for clarity.

### *Q3b) What kinds of land, space, or facility needs do you foresee in the future because of these emerging trends?*

- Smaller parcels and smaller spaces for all industrial and employment land uses
- New areas for industrial and employment land uses throughout the city
- An innovation centre on Burnaby Mountain with access to SFU labs and students – SFU is a magnet for innovation and has land available to support new technologies and industries
- Health care facilities to leverage the new hospital and cancer centre
- New technologies will require more investment inside employment spaces
- Clean energy sector will need large warehouse spaces in good locations
- Dedicated Class AAA office space within 400m of a SkyTrain station

#### Q4. How could the City help respond to these emerging market or development trends?

- **Reduce Parking Requirements** was the most popular response to this question
  - Relax parking requirements for development in proximity to public transit
  - Relax parking requirements for industrial uses which tend to have surplus parking
  - Maximum site coverage is difficult to achieve (for industrial) due to parking requirements
  - Calculate parking requirements based on number of employees vs. square footage
  - Recognize automation and new technologies require fewer employees than before
- **Reduce Property Taxes** was the second most popular response
  - Restructure industrial property tax based on main floor square footage and use
  - Lower property taxes would make industrial lands regionally more competitive
- **Leverage Post Secondary Institutions** to attract new technologies and industries
  - Burnaby should play a convener role and bring academia and new businesses together
  - Use the Civic Innovation Lab to inform municipal decision-making
  - Collaborate with SFU to develop a clean energy cluster or business park
  - Liaise with academia to stay on top of clean energy trends
- **Create a Health and Wellness Land Use Designation** in the OCP
  - Leverage development of the new hospital to build a thriving health care sector
  - Designate new service hubs with multiple partners and health care professionals
  - Require purpose-built health care space in new developments around SkyTrain Stations
  - Incentivize doctors and healthcare practitioners to establish practices in Town Centres
- **Create a 50-year Business Plan** for how Burnaby will remain competitive moving forward
  - Define what Burnaby wants to be known for from a business perspective
  - Research market trends when creating land use designations and drafting policy
  - Recognize employment targets are aspirational and consider market realities
  - Continue to reach out to developers, property owners and businesses for input
- **Redesignate Municipal Land** for industrial and employment uses
  - Municipal lands could be used to target specific industrial and employment uses
  - Burnaby could adjust rental and lease rates to make targeted businesses more viable
  - Research examples where municipalities are doing this across the US



**Q5. Considering your organization's experience in pursuing development or redevelopment of employment land uses in other jurisdictions, what should the City of Burnaby consider in terms of employment land use policies that can better balance demand and supply?**

- Provide incentives for parcels of land with lower site coverages to redevelop
- Protect employment lands from residential development
- Consider power requirements when designating employment lands
- Reduce timelines for planning and development approvals
- Set (and adhere to) approval timelines to provide certainty to foreign investors
- Reduce parking requirements to allow for more employment space on land parcels
- Revisit how jobs are defined and calculated especially population-servicing employment – these jobs are in high demand across Burnaby and planners need to better understand their role in the local economy. Burnaby should undertake a market assessment to highlight this.

**Q6. Why would an organization choose to locate their offices in one of Burnaby's four Town Centres (Metrotown, Brentwood, Edmonds, or Lougheed)? Why not?**

An organization **would choose** to locate their offices in one of Burnaby's four (4) Town Centres for the following reasons:

- **Location – Burnaby's Town Centers are centrally located within Metro Vancouver**
  - Proximity to Vancouver is attractive because of the business services located there
  - Proximity to the Fraser Valley is attractive because of the diverse labour force
  - Proximity to YVR is important to foreign investors
- **Accessibility – Burnaby's Town Centres are well-served by roads and public transit**
  - SkyTrain service makes it easy for employees to commute to work
  - Sky Train service attracts and retains high quality employees
  - Proximity to higher order public transit boosts customer traffic volumes
  - Proximity to highways makes it easy to source materials and transport goods
  - Central location draws employees and customers from other municipalities
- **Amenities – Burnaby's Town Centres have the highest concentration of amenities**
  - People from across Metro Vancouver want to work here because of the amenities
  - Employees have access to a broad range of shops and services
  - Services like grocery stores, professional offices and daycares make life easier
  - Prime location and rich amenities align with several corporate brands
  - Metrotown and Brentwood are more attractive because they are newer

- **Vibrancy – Complete communities are being created at the Town Centres**
  - Mixed-use development contributes to activity throughout the day and night
  - Generate energy like Downtown Vancouver without Vancouver’s social challenges
  - Multiple residential rezoning applications are active in the area
  - Several office and retail development opportunities are available
- **Affordable – Burnaby’s Town Centres are an affordable alternative to Vancouver**
  - Cost of leasing space is more affordable than Vancouver
  - Development costs tend to be lower here than Vancouver
  - Built form is attractive and the cost is competitive

An organization **would not choose** to locate their offices in one of Burnaby’s four (4) Town Centres for the following reasons:

- Burnaby’s Town Centres lack the business services Downtown Vancouver offers like lawyers, architects, accountants etc.
- Town Centres offer no industrial development opportunities

## Q7. Thinking about your current workforce...

### a) What have been the impacts of the work from home policies?

- Participants reported the work from home policies have had limited impact
- Employees have been working in the office full-time for quite a while
- Technology companies were some of the first businesses to shift back to in person work
- Suburban office locations have larger floorplates so employees can spread out more
- Development companies need employees to be working in the same location
- Consensus that a hybrid work model has limited benefits

### b) What are the greatest perks and challenges to attract/ retain employees in Burnaby?

- **Access to skilled labour is the greatest perk** to attracting/retaining employees
  - Central location enables businesses to draw employees from across Metro Vancouver
  - Academic institutions provide an educated, skilled and trained labour force
  - Transportation network and transit service reduce commuting times
- **Affordability is the greatest challenge** to attracting/retaining employees
  - Burnaby is relatively affordable compared to Vancouver but housing is still expensive
  - Businesses need more affordable housing options for their employees
  - Competition with municipalities further east where housing costs are a little lower



**Q8. Is there anything else the City of Burnaby could be doing to prepare itself for the economy of the future and become a top choice location to do business?**

- Identify what Burnaby's competitive advantages are in a global (not regional) market
- Partner with post-secondary institutions to realize Burnaby's long-term vision
- Apply a sustainability lens to the municipal decision-making process
- Designate land for a variety of housing typologies and tenures
- Locate employment land uses closer to residential land uses to reduce commuting times
- Expedite planning and development approvals for small businesses
- Set (and adhere to) timelines for planning and development approvals
- Invest in community infrastructure to support a rapidly growing population
- Develop office uses around SkyTrain Stations
- Relocate City Hall to Metrotown
- Integrate employment opportunities in neighbourhoods to create complete communities
- Improve customer service at City Hall
- Research the jobs that are being created in Burnaby to better define what a job is
- Incentivize new technologies and carbon ready development projects
- Maintain Burnaby's strong financial position at City Hall
- Move towards electrification and increase the number of electric charging stations
- Eliminate parking at SkyTrain Stations to allow for alternative commuting options to emerge
- Understand how the provincial TOA guidelines will impact land around SkyTrain Stations
- Take a more flexible approach to planning and development



# Closing Comments and Next Steps

Participants appreciated the City of Burnaby reaching out to members of the community for input into the Burnaby 2050 planning process. Participants would welcome continued conversations with planning and development staff as employment land policies are drafted and refined.

This What We Heard Report (and the detailed interview notes) will be considered by the project team alongside the desktop research and technical analysis. Together, the Burnaby Employment Land Needs Analysis will inform Burnaby 2050 – Burnaby's OCP Review. The OCP Review will also be further informed by a third round of public engagement that will launch in April 2024.





