

SECTION D - ECONOMIC

D.1 ECONOMIC ENGINES OF THE COMMUNITY, TRADITIONAL & EMERGING

D.1.1 Auto Oriented Pattern

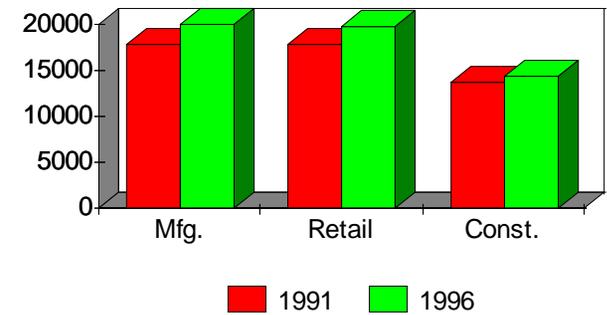
With more land designated for industry than any other municipality in the greater Vancouver area, the City of Surrey characterises itself as a great place to do business. Current economic indicators would seem to reflect this idea. In the years between 1991 and 1996, the community has grown not only in population, but in the area of business and industry as well. There are over 20 million square feet of industrial buildings, an amount that is almost 45% of the Fraser Valley total.

Economic Sectors

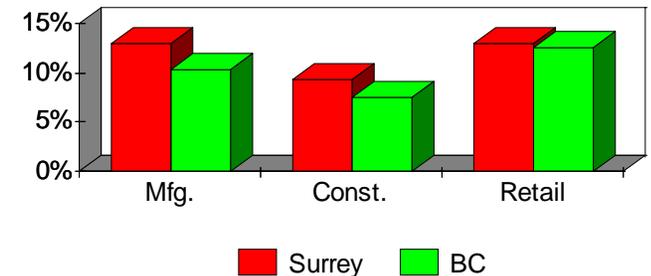
Traditionally, manufacturing and non-governmental service industries have been the economic drivers of the community. This is still essentially true, although retail trade is close to overtaking manufacturing as the main source of employment. Manufacturing, retail trade and construction are the top three employers in the area. Although current trends would indicate that the top three will hold those positions for some years to come, additional job opportunities can be found in high-tech, biomedical, agricultural, and telecommunications, to name but a few.

According to information concerning new business licenses from the City of Surrey, there has been growth in every category except retail, which has remained steady. Contracting and building services have grown the most, with a 15% increase between 2000 & 2001. Manufacturing, transportation wholesaling, and other services have also seen an increase in business license applications, although these percentages range between 2-8 percent, for a final average of 6% growth in license applications.

Top Three Employers



Experienced Labour Force by Industry



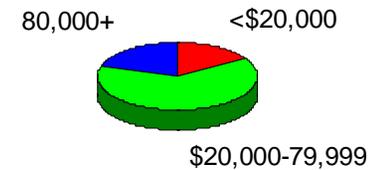
Employment and Income

The top five employers in Surrey have remained constant from 1999-2002. These are Surrey School District #36, Surrey Memorial Hospital, The City of Surrey, Revenue Canada Taxation Centre, and McDonald's Restaurants. Of these, the School District has experienced the most growth, from 6000 employees in 1999 to 8000 in 2002. The others have remained fairly constant, with the exception of the city, which has shrunk from 2213 employees to 1940 within the same period.

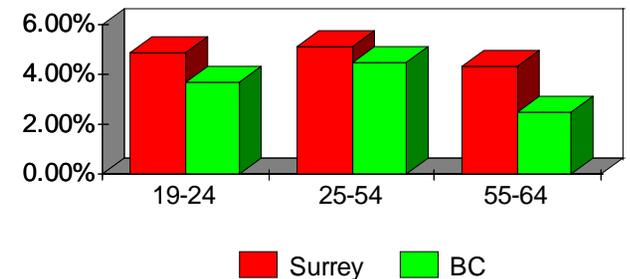
The top five occupations in Surrey are clerical, sales and service, transportation equipment operators, retail salespersons and clerks, and construction trades. Manufacturing comes in at a close sixth. A comparison with overall BC statistics from the 1996 census is instructive in indicating the extent to which overall provincial statistics compare with what has been happening in Surrey (see Labour Force by Industry Chart).

Income in Surrey compares well with BC as a whole. Statistic Canada information from the 1996 census indicates that Surrey average employment income for 1995 was \$28,080, while the average for BC was slightly less at \$27,903. Single parent households earned somewhat less than the average at \$26,952. Two person households averaged \$60,044. These figures do not differ significantly from the overall

Income Distribution Among Families



Employment Insurance Benefits by Age



BC averages. Income distribution among families indicates that the majority of family incomes fall in the \$20,000-79,999 range.

Unemployment in Surrey has averaged slightly higher than that of BC as a whole. Employment insurance beneficiaries for December 2001 list Surrey at 5%, while the BC average was 4.1% (statistics from City of Surrey). This trend has remained consistent over the last five years.

Reliance on the Automobile

Despite the favourable business climate in Surrey, a look at where city residents are working and how they get there is helpful in analyzing proximity to work and reliance on cars. The total employed labour force 15 years old and older in the Surrey census subdivision in 1996 was 142,475 (figures from the City of Surrey web-site indicate that as of 1999, this number had increased to 164,000). Of those listed by the census, 42,515 worked in Surrey itself. The nature of development in the city and its surrounding environs has made dependence on the automobile a fact of life. Almost 80% of Surrey residents travel to work by car. Roughly 10% rely on public transportation and fewer still, in the 1-2% range, walk or bike to their jobs.

D.1.2 Pedestrian Oriented Pattern

In a 1986 publication, the Vancouver City Planning Commission lists the following goals for the economy of the city:

- Promote diversity of employment and business opportunities
- Support regional job development
- Strengthen trade, port, and airport activities
- Promote tourism

The current economy indicates that despite downturns along the way, the pursuit of these goals has been largely successful. Steady increases in hotel occupancy, cruise ship passengers and sailings, and airport traffic prove that tourism continues to be a major growth area for the city. Business incorporations have risen as well, while bankruptcies have declined. Construction activity in the city has remained high, indicating a continued willingness within the business community to invest in the future of the city.

Economic Sectors

1996 census data indicates that the top three industries employing the most people in Vancouver were business services, retail trade, and accommodation, food and beverage services. In 1991, 50 percent of Vancouver employment was taken up by office jobs in the central area, 15 percent were in manufacturing and wholesaling, and 35 percent were in retail or other job sectors. A comparison of 1991 and 1996 figures reveals that manufacturing and construction industry jobs were slightly down, but retail remained constant. Increases were experienced in jobs related to the tourism and hotel industries. Business services saw the largest increase, with a gain of almost 5000 jobs over the time period.

The most competitive industry sectors to emerge since 1996 are advanced technology, tourism, financial/insurance/real estate, film/television, and clothing. The most money, however, still seems to be found in older, more

established and traditional industries. Mining, oil, and gas ranked first in revenue among Vancouver’s 120 top firms. Forestry and high tech ranked second, and contracting/developing came in third. Despite this, these newer industries continue to experience rising fortunes. Whether or not they will eventually displace the old stalwarts remains to be seen, but even in the face of recent slowdowns, the tourism industry and its associated industries are projected to continue to be the fastest growers in Vancouver.

Employment and Income

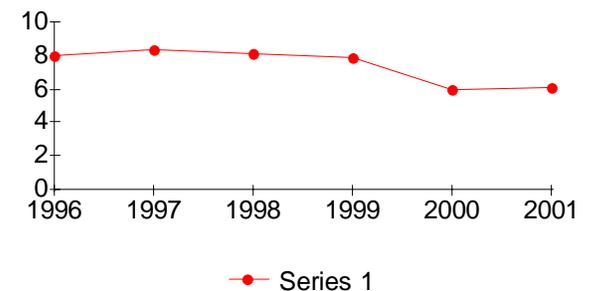
According to 1996 census data, the top five occupations in Vancouver were clerical, sales and service, teachers and professors, retail salespersons and clerks, and professionals in sciences. More traditional sector jobs in manufacturing and construction are far outweighed by those in the professional sector. In the category of job distribution by industry, Vancouver’s 11 percent in business services surpasses the BC average of just under 7 percent. In retail, the BC average is higher, 12.5 to 11 percent. Under accommodation, food and beverage however, Vancouver is on top once again, just under 11 percent to a 9 percent Province wide total.

Average household income for Vancouver as a whole was \$48,087, which compares favourably with the overall BC average. Two income families averaged close to \$60,000 per year, while single income homes were in the \$28,000 range.

Breakdown by Community

The preceding paragraphs have presented an introduction to the overall Vancouver economy. For the purposes of this study, however, it is appropriate to break out the statistics by community for Kitsilano, Fairview, MacKenzie Heights, and Granville. For the purposes of compiling

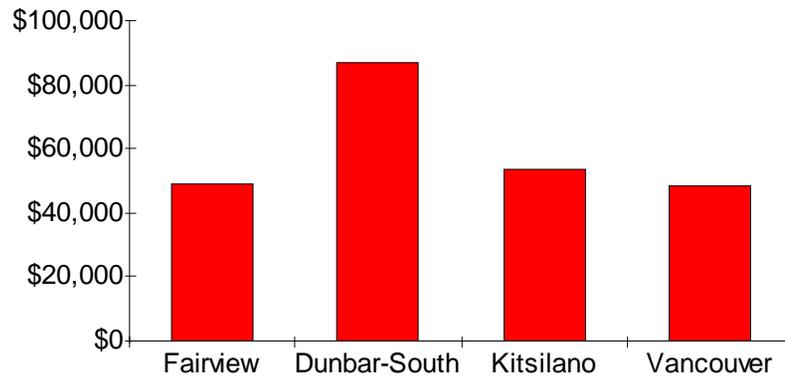
Percent Unemployment 1996-2001



Unemployment has trended down since 1997

community information, Fairview and Granville are taken together as parts of the Fairview community, while MacKenzie Heights is represented in information from Dunbar-Southlands. The following charts will best convey the data and provide comparisons of the individual community information with overall Vancouver statistics.

Average Family Income



Employed Labour Force

Fairview	17,745
Dunbar-Southlands	10,560
Kitsilano	25,400

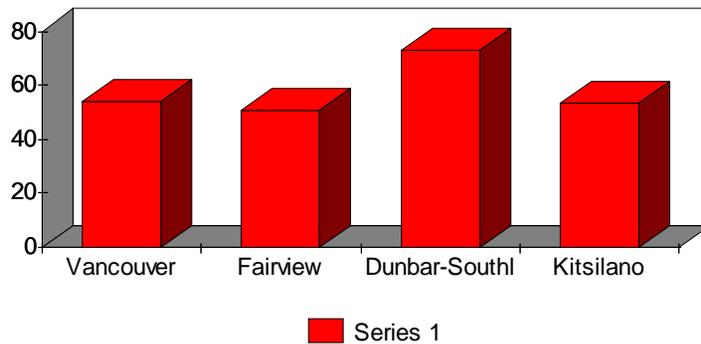
Employed Labour Force Working Within the City

Fairview	67.8%
Dunbar-Southlands	64%
Kitsilano	65.1%

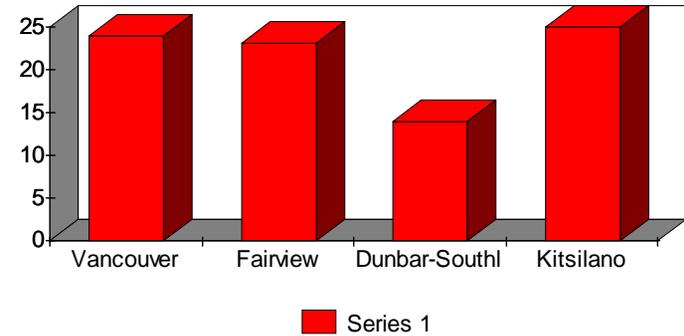
Reliance on the Automobile

Unlike residents of Surrey, those living in Vancouver have greater access to transportation and amenities that creates an environment much more conducive to not having a car. Unfortunately, many still choose cars over public transit, though not to the degree to be found outside of the city.

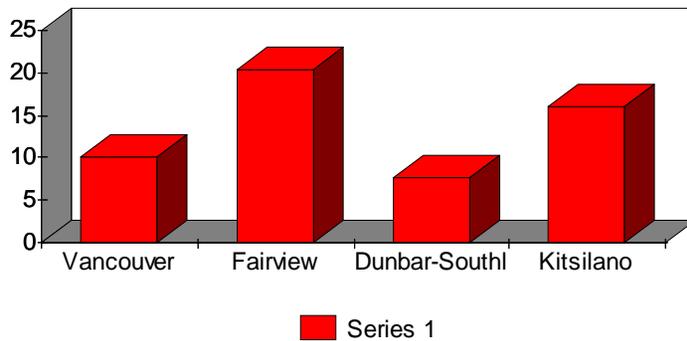
Percentage Commuting to Work by Car



Percentage Commuting by Public Transit



Percentage Walking/Biking To Work



D.2 REAL ESTATE DEVELOPMENT TRENDS

Zoning Shapes Development Potential

Zoning establishes the development potential for property by regulating the use of land and the density of development. A comparison of the current use of land with the potential uses permitted under present zoning regulations can identify opportunities for increasing housing stock. 1.

D.2.1 Pedestrian Oriented Pattern

In **Vancouver** historic zoning in the target communities has dictated housing types and settlement patterns, but revised zoning as a result of community planning derived from CityPlan: Directions for Vancouver, and the Community Vision Program, will result in potential changes in available housing stock. Changes in densities in established communities have broader implications, however, and impact on neighbourhood centres, housing variety, neighbourhood character, services, safety, arts and culture, public places, economy and jobs, transportation, environment, downtown development and decision making. 2. The limitations to increasing density arise when sites zoned for increased density are not economic for redevelopment because the land is too small to redevelop to the maximum use allowed, or when properties are presently within allowable use, but at a density less than the maximum permitted by zoning, and further exacerbated by tight housing markets and scarcity of land for redevelopment coupled with resultant high land cost. 1.

Fairview/Granville –Traditional Multifamily and Landscape Apartments

In the 1970's much of Fairview underwent a community planning process that resulted in zoning and development that exists today, including RM-3, RM-4 3-4 to 12 storey apartment buildings, FM-1, 2 –4 storey townhouses and apartment buildings, C-3A, office or apartment buildings with retail space on the ground level, FCCDD, a mix of uses and building forms, IC-1 and IC-2, light industrial and service buildings, CD-1, comprehensive development, site-specific. 2.



Kitsilano – Traditional Single Family

Area planning in the mid-1970s led to zoning changes eliminating highrise potential from apartment areas, and introducing new design-related zoning to the duplex and commercial areas.

A planning program in the early 1990s did an extensive review of the RT zones. The resulting RT-7 and RT-8 zones place a strong emphasis on retention of older, character buildings, as well as on design control of new buildings. In the early 1990s, the Secondary Suites Program dealt with whether residents in the single family area between Broadway and W 16th Avenue supported rental suites.

The zoning types are RS-5S, single-family houses with family suites or rental suites, RT-7 & RT-8, renovation/conversion of older houses in some cases with infill dwelling over the garage; two- to four-unit new dwellings, RT-9, two-family dwellings, or renovation/conversion of old houses, C-2, C-2B, C-2C, C-2C1, C-7/8, 3-4 storey commercial and/or residential mixed use (the zones vary somewhat in the uses and densities permitted, and the nature of the design guidelines), C-3A, office or apartment buildings with retail on the ground level, heights ranging up to 36.5 m, CD-1, comprehensive development, site-specific. 2.



Dunbar/ Mackenzie Heights – Traditional Single Family Large

In the 1990s, the Secondary Suites Program resulted in some zoning for rental suites in Dunbar. Current zoning includes RA-1 large lot single family with agricultural uses and stables, RS-5 and 6 single family houses with family and/or rental suites, C-2, 3- 4 storey commercial and/or residential mixed use. A city-wide review of the C-2 mixed use zoning district was undertaken in 1998. 2.



D.2.2 Auto Oriented Pattern

At approximately three times the size of Vancouver, Surrey is shedding its "bedroom community" image and is attracting jobs, development and corporate head offices. The new City Centre in Surrey's northwest sector features high-density residential around a retail and business centre connected to Vancouver by rapid transit.⁴

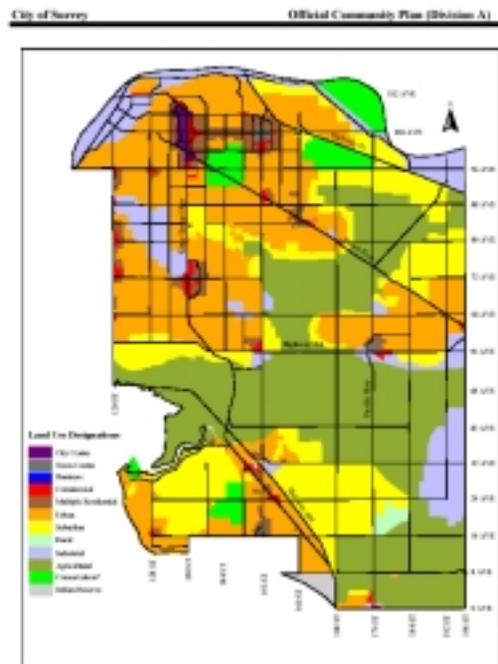


Figure 9 Official Community Plan Land Use Designation Map

In addition to zoning, market factors, economic factors and demographics play a role in determining housing trends over the course of time. If Vancouver is to remain a strong economic core, adequate housing for those people who will be needed to fill the economic demands will need to be found. Limited available land for expansion and inadequate housing production inhibit the ability to meet those demands, and the results are predictable. Housing prices escalate and workers are required to move out of the core area to find affordable housing. This results in increased demand on already stressed transportation systems, longer commutes and subsequent environmental degradation due to the consumption of fossil fuels, and urban sprawl into 'bedroom communities' like Surrey. This cause and effect relationship may be mitigated if densities are increased within the urban core, 'e-commuting' becomes more commonplace and employment opportunities are created in the suburban centres.

Regional economy has been driven by a high rate of population growth and regional residential development has kept pace with steady housing growth. The long-range trend shows a decline in market share of single detached homes (1/3 of total housing starts).

In the GVRD most houses were sold in Vancouver East, most townhouses were sold Richmond, and Vancouver West led apartment sales, according to 1998 data. 3.

The following two graphs chart the average 'housing' prices in our study areas from 1980 to the present. 4. and VRB



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