

TO: CITY MANAGER

1999 OCTOBER 20

FROM: DIRECTOR PLANNING AND BUILDING

SUBJECT: ECONOMIC DEVELOPMENT STRATEGY - RESULTS TO DATE

PURPOSE: To summarize the up-to-date results of the City's Economic Development Strategy.

RECOMMENDATION:

1. **THAT** this report be received for information purposes

R E P O R T

1.0 INTRODUCTION:

During a discussion of New Business at the 1999 October 18 Council meeting, staff were asked to provide an update on the progress and achievements to date on economic development in Burnaby in relation to Burnaby's adopted Economic Development Strategy. The following report has been prepared in response to this request.

2.0 BACKGROUND:

2.1 On 1990 June 18, Council adopted as a guide the Burnaby Economic Development Strategy which was outlined in detail in a document presented at that time. The strategy was coordinated by City staff and involved the work of a 27 member advisory committee who represented a broad range of community interests including, business, industry, education, multiculturalism, labour, the arts, social services and agriculture.

2.2 The Strategy identified 15 Major Economic Development Initiatives and over 100 specific action plans that were intended to be implemented in order to enhance the local economy and help achieve the City's vision and objectives for economic development. The 15 major initiatives are outlined as follows:

- Strengthen Burnaby's role as a major education centre.
- Continue to build a strong light industrial and high technology sector.
- Create a supportive environment for new entrepreneurs, small businesses, and local economic development initiatives.

- Continue to establish Burnaby as a major centre for the film and television industry.
- Acknowledge the contributions to the local economy that are made by heavy industrial and port activity, while constructively addressing any environmental concerns associated with individual firms.
- Continue to expand Burnaby's role as a regional headquarters for business, government, institutions and organizations.
- Continue to expand and diversify the retail and service sector.
- Expand the tourism sector by improving Burnaby's ability to attract visitors.
- Tap the economic development potential of the arts in Burnaby.
- Use Burnaby's sports, recreation and open space resources as opportunities for economic development.
- Identify and tap the economic opportunities associated with Burnaby's multicultural character.
- Recognize the economic development potential inherent in community and human services.
- Encourage and support the not-for-profit-sector since it makes a significant contribution to the local economy.
- Identify potential economic opportunities associated with housing and services to seniors.
- Maintain and support Burnaby's agricultural sector.

2.3 In 1994, Council approved a two year contract with the Burnaby Chamber of Commerce for the provision of economic development services for the City. The Chamber of Commerce, now known as the Burnaby Board of Trade, continues to provide this service.

3.0 GENERAL DISCUSSION:

3.1 Since 1990, when the Burnaby Economic Development Strategy was first developed, many implementation measures were pursued in order to meet the goals of the City's strategy. The City has played a key role in this effort by consistently providing a positive and proactive attitude towards economic development along with the facilitation necessary to ensure that the strategy's visions and objectives are realized. Burnaby's 1998 Official Community Plan

has also incorporated a number of important measures that further the objectives of the Livable Region Program and support the Economic Development Strategy initiatives. One such example is the identification and development of Business Centres in Burnaby which have fostered the growth and expansion of the local high tech industry. A measure of the strength of the market's response to Burnaby's support for the high technology sector is found in investment in new industrial construction, which has seen over \$450,000,000 of new investment since 1990 in Burnaby, with almost \$300,000,000 of that amount constructed in the most recent 5 year period (95-99 to date), and over \$90 million invested in 1998 alone. This represents a substantial contribution to growth in Burnaby's industrial tax base and also points to the parallel growth in employment, largely in the productive high tech research and development field which produces significant spin-off benefits and also helps to provide attractive employment opportunities to a new generation of graduates of Burnaby's premier post-secondary institutions Simon Fraser University and BCIT. Additionally, within the past decade over \$550,000,000 of new commercial development activity has taken place in Burnaby for a combined total of over \$1.0 B in these two categories alone.

While too numerous to mention in this report, certain of the more significant results achieved since adoption of the economic strategy are outlined below. These results have been categorized into a number of the major Economic Development Initiatives, some of which have been combined for convenience and clarity.

A. Expand the Light Industrial and High Technology Sectors and Burnaby's Role as a Regional Headquarters

Consistent with the economic development objectives, a number of major business parks have been developed over the last decade with numerous businesses that have contributed to Burnaby's increasing role as a centre of high technology and regional headquarters. With the number of technology firms growing and relocating to Burnaby, this segment of the development sector is expected to continue to do well. As stated in a recent edition of Royal LePage Commercial Incorporated's Office Market Review: "Burnaby continues to experience phenomenally low vacancy rates and high construction activity. Prized for its quality space, campus-style settings, location to major arterial routes and price, Burnaby continues to shine."

The following is a list of the major business park developments that have occurred in Burnaby during the last ten years.

- *Willingdon Business Park (Slough Estates)*

This 12 hectare (30 acre) business park is located in the Central Industrial Valley within the northwest quadrant of the Highway #1/ Willingdon Avenue Interchange. A number of the sites in the park have been developed with office buildings which together

currently occupy a total of approximately 48,624m² (523,400 square feet) of floor area. Some of the companies that have located here include Newbridge Networks Corp. Norsat International, MacDonaldis of Western Canada, Motorola, Dominion Directory Information Services, Rico Canada, Trillium Digital Systems, Kodak Canada, Lifescan Canada, Golder Associates, Reid Crowther & Partners, Foxboro, Attachmate and University of Phoenix.

- *The Bridge Business Park*

This 17 hectare (42 acre) business park is located on the south side of the Lougheed Highway between Gilmore Avenue and Boundary Road. A number of light industrial, office and retail oriented projects have been developed including the Bridge Film Studios which has recently expanded and now includes five sound stages and an effects stage. The Bridge Business Park also includes a 128 room Stay N' Save hotel, the Earl's and Swiss Chalet restaurants, a Home Depot outlet and another 11 sites which have been developed with a variety of single and multi-tenant light industrial and office buildings which occupy a total of approximately 64,101m² (690,000 square feet) of floor area.

- *Willingdon Green Executive Park*

Located between Highway #1 and Canada Way east of Willingdon Avenue, this 8 hectare (20 acre) business park was subdivided and serviced by the City in order to attract high profile office developments that take advantage of this key location. Subsequent to the development of the Teleglobe Canada, Health and Welfare Canada, and Southlands Canada facilities prior to 1990, more recent developments include the offices of B.C. Cellular, B.C.A.A. and the United Way of the Lower Mainland.

- *Glenlyon Business Park*

This 55 hectare (135 acre) business park is located in the Big Bend area of the city between the Fraser River and the Riverway Golf Course and represents a large regionally significant, comprehensively-planned industrial estate with a unique environmental theme. The first phase of Glenlyon comprises 14 hectares (35 acres) and includes the 10,962m² (118,000 sq. ft.) Ballard Power Systems office and research centre, the 13,006m² (140,000 sq. ft.) Future Shop headquarters, the 4,645m² (50,000 sq.ft.) office building for Inex Pharmaceuticals and Jenosys Technologies, the 5,388m² (58,000 sq.ft.) Telus facility, and the soon to be completed 10,409m² (112,000 sq. ft.) Ballard Generation Systems facility. There are two other sites (one under construction) that are expected to house additional high tech and office uses in the near future.

- *Discovery Park BCIT (Discovery Place)*

This 28.3 hectare (70 acre) business park located to the west of BCIT and south of Canada Way has been developed with a number of significant projects that include well known high tech and service oriented companies. These include MDS Metro Labs, Creo Products, Electronic Arts, Open Learning Agency, Hong Kong Bank of Canada, Pacific Blue Cross and others. Many of these companies have developed large facilities such as Electronic Arts and Pacific Blue Cross with 19,230m² (207,000 sq. ft.) and 11,705m² (126,000 sq. ft.) respectively. As an example to illustrate the growth in employment associated with development of such high technology office parks, the approximate number of employees in Discovery Place has increased from approximately 1,032 in 1996 to an estimated 3,582 at the present time. This type of contribution to the overall growth of the tax base and employment in the City exemplifies some of the important goals of the Official Community Plan adopted in 1998 as well as the Economic Development Strategy.

- *Lake City*

This 162 hectare (400 acre) industrial park situated on the north side of the Lougheed Highway at the base of Burnaby Mountain is the City's oldest industrial park. Given its locational and access advantages, Burnaby has encouraged high tech development in Lake City which has resulted in the recent establishment of facilities for numerous high tech companies including PMC-Sierra, Clearnet, Xantrex Technology Inc. and others. These companies occupy new office/high tech facilities that have recently been developed with other similar developments currently in the rezoning process.

Since Lake City is one of the designated Business Centres outlined in the OCP, a development plan process is also currently underway to further respond to the needs of the high tech industry.

- *Canada Way Business Park*

This 4 hectare (10 acre) business park located at Canada Way and Wayburne Drive, when completed, will provide a total of approximately 30,100 m² (324,000 sq.ft.) of office space. At this time, three quarters of the complex is nearing completion and the regional headquarters of IBM will be occupying the two office buildings that are currently under construction.

B. Expand and Diversify the Retail and Service Sector

Burnaby has experienced considerable growth and expansion of its retail and service sector primarily associated with the development of Metrotown, the City's primary town centre. The Metrotown Commercial Complex comprises the second largest retail centre in Western

Canada with over 185,800m² (2 million sq. ft.) of retail floor area which includes the recent 155,000 square feet addition of the Metropolis Entertainment Centre, two office towers and two residential towers. In addition, the Crystal Square complex nearing completion to the west of the Metrotown Retail Complex includes a 283 room hotel, 248 residential units, 6,503m² (70,000 sq. ft.) of office and approximately 13,935m² (150,000 sq. ft.) of retail-commercial space.

The second level addition to the Brentwood Mall in the early 1990s also added to Burnaby's expansion of its retail and service sector along with the addition of approximately 18,580m² (200,000 sq. ft.) of office space within a number of recent developments in Metrotown, including the Newmark project at the corner of Kingsway and Nelson Avenue, which provides a total of 4,180m² (45,000 sq.ft.) of office/commercial space and the Metropointe at 4603 Kingsway which is a 8,155m² (87,789 sq.ft.) office complex.

C. Expand Burnaby's Sports and Recreation Sector

In recent years, the City has taken significant steps to expand the Burnaby Lake Sports Complex that has included the construction of the new multi-sport field complex with five new sports fields of which three are constructed with artificial turf with lighting to permit play under any conditions, day or night. These new fields will be completed later this year and work will begin on the second phase two sand-based grass fields in the near future.

The City also recently opened the new Bill Copeland Sports Centre which provides a 2,400 seat NHL regulation state-of-the art rink, community facility and convention centre combined with the existing and adjacent Burnaby Lake Rink. These facilities are in addition to the existing, privately owned Eight Rinks ice sports centre, 10 existing grass sports fields, C.G. Brown Pool, 16 tennis courts and the Burnaby Rugby Clubhouse.

The City also recently developed the Riverway Public Golf Course in the Big Bend area of Burnaby.

Consistent with Burnaby's Economic Development Strategy, these facilities and others in Burnaby together have created a major sports/recreation complement that will continue to well serve Burnaby residents and attract sports tournaments from around the Province and Western Canada.

D. Expand "The Arts" Sector

Burnaby has undertaken major steps to expand the arts sector in the community by developing the new Shadbolt Centre for the Arts which features the James Cowan Theatre, a studio theatre, recital hall, various meeting rooms and a reception facility and the current

restoration of the Ceperley House art gallery which is home to a permanent collection of over 2,000 works with two exhibition spaces.

Burnaby has also taken an active role in holding outdoor festivals and concerts, including the annual Discovery Days Festival, the annual VSO concert in Deer Lake Park, along with other major entertainers such as Kiri Te Kenawa, the Moody Blues and the Beach Boys. The new Burnaby Civic Library, Bob Prittie Metrotown Branch is one of the most popular libraries in the Lower Mainland, and the civic square located in Metrotown has also become a major focus in the City.

Related to museums, the Burnaby Village Museum is now home to the restored vintage Parker Carousel, housed in a special pavilion at Burnaby's Heritage Village. This feature fits in well with the popular developmental history museum in Deer Lake Park.

E. Expand The Tourism Sector

- *Burnaby Tourism Strategy - Burnaby Tourist Infocentre.*

In 1995, the City developed and adopted a Tourism Strategy and an annual Implementation Program. The program included the opening of the Burnaby Tourist Information Centre in the Metrotown Retail Complex which is currently in its fifth year of operation. The Infocentre is open seven days a week from May 01 through September 30 and provides information, advice and the display of numerous brochures which help promote the tourism industry in Burnaby and around the Province of B.C. In 1998, the Infocentre served over 78,000 people.

- *Burnaby Visitors' Guide Brochure/Web Site*

The production and widespread distribution of the Burnaby Visitors' Guide is also an integral part of the Tourist Implementation Program. Approximately 150,000 guide brochures are distributed annually around the Lower Mainland, throughout B.C. and in Washington state promoting Burnaby and its tourist attractions. The recently developed City of Burnaby Web Page also includes the Burnaby Visitors' Guide.

- *Hotel Development*

Two new major hotels are currently under construction in Metrotown; a 283 room Hilton hotel expected to open 1999 October as part of the Crystal Square complex and a 204 room Marriott on the north side of Kingsway at McKay to be completed in the year 2000. In addition, a 128 room Stay N' Save hotel was recently built at the corner of Henning Drive and Boundary Road. These three hotels and particularly the two in Metrotown will significantly raise Burnaby's profile in the tourist industry and increase its tourist

accommodation capabilities. The City, through its Civic Development Committee, is currently considering making available a further site for hotel accommodation in the Central Valley, in conjunction with its artificial turf sports field development.

F. Support the Film Industry

Burnaby has continued to promote and facilitate the film industry by establishing a clear and responsive policy for assisting film companies to use the City's facilities and locations for filming-on-location. Burnaby has also encouraged the film industry to establish studios and film related businesses in the City. In this regard, the Bridge Studios has added two sound stages with plans approved for a third which will include a total of six sound stages and large effects stage. A number of other film studios have been built in Burnaby along with numerous other related businesses that serve the film industry.

Filming-on-location activities has also expanded considerably over the last five or six years with seventeen television series, fourteen commercials, ten television movies and five feature films taking advantage of Burnaby locations, studios and related service industries in 1998.

As a result, Burnaby continues to increase its important role in the B.C. film industry.

G. Maintain and Support Burnaby's Agricultural Sector

Council policy is to support the Agricultural Land Reserve and the objective of preserving agricultural land for farm use. To this end, Council has rezoned City lands from P2 Institutional to A3 Truck Gardening and leased them for greenhouse use. Lands are also leased at a nominal value for allotment garden use. New drainage works have been constructed including relocating and enhancing creeks to prevent flooding while providing restoration of valuable fish habitat.

Council has consistently opposed proposals for non-agricultural uses for productive ALR lands and has worked closely with the Agricultural Land Commission resulting in the transfer of ownership of 165 acres of vacant ALR lands from a major development company to local farming interests. These lands are currently being brought into agricultural production.

4.0 CONCLUSIONS

The process used in the preparation of the Burnaby Economic Development Strategy is another good example of community involvement in the establishment of local government policy where members of the public have played an active role in the decision making process. Further public involvement is encouraged in this type of policy development and is an integral part of the process that would be used if and when the Economic Development Strategy is revisited.

While the original Economic Development Strategy did not make any specific predictions regarding the impact it would have on the local economy, it rather focused on actions that could be taken to achieve the stated objectives and goals. As such, by following the plan, the City has been able to implement numerous actions and plans which, as outlined above, have demonstrated positive results towards accomplishing many of the strategy objectives.

While it is evident that the City has achieved many results that have furthered the objectives of the strategy and helped to realize the long term vision for Burnaby's economic well being, further work is still necessary. In order to achieve further results, the City can continue to play an active role in the pursuit of economic prosperity by providing a clear and supportive policy and responsive leadership through its economic development strategy. The key to Burnaby's success will be its continued pursuit of a balanced community that will provide a full range of employment and lifestyle opportunities. The City will continue to expand its physical infrastructure which will include roads and utilities, as well as parks, recreation, community and arts facilities and provide favourable land use policies that encourage and facilitate business and industry.

While the Economic Development Strategy was prepared in 1990, the majority of the goals and action plans remain relevant. However, it is customary for policies of this type to be revisited from time to time in order to establish new directions, fine-tune existing policies as required, which is similar to the city's review of the Official Community Plan. Should Council determine that a review of the Economic Development Strategy is warranted, then staff will prepare a further report to outline a process to respond to this request.



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