

## Economy

## 14



## GOALS

- 14 (A) Victoria generates economic growth through innovation, diverse entrepreneurship and business formation, and attracts and retains sustainable enterprise well-suited to the region.
- 14 (B) Victoria is future-ready and **globally-fluent**, contributes to global knowledge, produces and attracts talented, diverse researchers, incubates innovation, and brings new goods and services to market.
- 14 (C) Victorians have the knowledge and abilities to support a vibrant, inclusive regional economy and the resilience and capacity to creatively adapt to economic change.
- 14 (D) Victoria is the headquarters of the Provincial Government, a premier tourism destination and a gateway to Vancouver Island.
- 14 (E) Victoria supports a high quality of life for the local workforce through a broad range of employment opportunities and diverse, accessible services, amenities, housing, and mobility options.
- 14 (F) Small businesses are resilient and remain the lifeblood of Victoria's economy, where diverse local businesses, including those led by youth, Indigenous residents, and Canadian newcomers have an opportunity to thrive.

## OVERVIEW

Local economic development seeks to create and retain jobs and increase the standard of living and quality of life within a community. Local land management policies and other regulatory tools, programs and initiatives help to shape the economy together with market demands and broader trends. Victoria's economy includes both established and emerging sectors, such as government, technology, tourism and commercial activities that serve the local population. The local economy is embedded in and strongly connected to the broader regional economy.

Victoria's location as a coastal and island community on the Pacific Ocean has proved to be an economic strength. The city's geographic position provides opportunities for marine innovation and connections to Asia-Pacific markets and Arctic transit. The Outer and Upper Harbours continue to host waterfront industries. The Inner Harbour functions as a gateway, hosting marine and air transport and supporting the city's role as the provincial capital and a tourist destination.

In the future, Victoria will continue to build on its competitive advantages as a coastal city. An **ocean futures cluster** under a **blue economy** framework is envisioned to increase innovation and economic opportunity. Waterfront lands will be maintained for marine industrial uses and provide opportunities for global connectivity and innovation focused on sustainability.

Though Victoria has a historically strong supply of industrial space, it is increasingly constrained. Industrial vacancy rates have been near zero in recent years, rents in the region are among the highest in Canada, and limited new space has been added in the past few decades.

Light industrial and commercial lands will be preserved and intensified. In Rock Bay, new development will serve as a catalyst for an arts and innovation precinct. This area is envisioned as a hub of cross-sector collaboration where research and development leads to ideas that are commercialized, new high-value jobs are created, and Victoria's arts and culture sector flourishes.

Tourism and the rich array of downtown businesses have been important elements of Victoria's economy. However, in recent years, cities across the globe have learned how this sector is deeply susceptible to shock. New understandings are emerging around local economic resiliency, workforce trends and the future of downtowns.

In the future, the City will need to place emphasis on economic diversity, creativity, innovation and fostering skills to adapt. The Urban Core will continue to evolve as a regional destination for arts, culture, entertainment, education and recreation through high quality facilities, services and special events. A renewed Victoria Conference Centre will serve as an economic generator in the Urban Core, attracting international audiences. Small and diverse local businesses will thrive in the downtown and throughout the city.

Victoria emphasizes collaboration with regional partners. The City values working together with and learning from local First Nations communities who have lived by Coast Salish waters for generations. In 2016, the South Island Prosperity Partnership (a non-profit) was founded to take a regional approach to growing a sustainable economy while attending to the unique needs of its members, which include local governments, First Nations, the private sector and post-secondary institutions.

The City will continue to coordinate with regional partners to attract business, strengthen assets, support Indigenous-led economies, and promote the region globally. However, Victoria will also focus on local community capacity and resiliency. This plan commits the City to land management that enables small and medium enterprise, and is supportive of community economic development focused on local businesses, local resources and diverse, inclusive and equitable social enterprise.

## BROAD OBJECTIVES

That the economic policies of this plan collectively address six broad objectives:

- 14 (a) That Victoria is more resilient to economic change through the strength of its core sectors, diversification, local business and community-based initiatives.
- 14 (b) That growth of the local and regional economy is sustained, and a greater share of households are lifted out of poverty.
- 14 (c) That the City continues to work with regional partners to nurture the regional economy, while attracting a reasonable share of regional growth in employment and new commercial and industrial development through a competitive environment for investment, business incubation and employment.
- 14 (d) That the Urban Place Designations in this plan provide adequate lands for job and housing growth to support resident-oriented business.
- 14 (e) That the Harbour is strengthened as an economic gateway through an attractive and working waterfront.
- 14 (f) That the function of the Urban Core as the primary regional centre of employment, learning, arts, culture, entertainment, recreation and specialty retail is maintained and enhanced with high quality facilities, services and events.

## CITY IMAGE

- 14.1 Work with local and regional partners to attract jobs, residents and visitors to Victoria by developing and promoting a brand and story that reflects Victoria's authentic identity in history, future and shared values.
- 14.2 Continue to enhance the Urban Core through public realm improvements for pedestrian comfort and enjoyment, such as plantings, lighting, street furniture, art in public places and other placemaking [SEE ALSO SECTION 8 – PLACEMAKING].
- 14.3 Continue to work with the Victoria Police Department, service providers and business partners toward an equitable and inclusive approach to public safety and security in the Urban Core and throughout the city [SEE ALSO SECTION 15 – COMMUNITY WELL-BEING].

## ECONOMIC DEVELOPMENT AND ASSETS

- 14.4 Work with government, community and business partners to advance the transition to a low-carbon economy as described in this plan, including: developing complete, connected communities, transitioning to renewable energy, advancing a blue economy and encouraging green business practices.
- 14.5 Provide direction for economic growth and change through the implementation and regular review of the City's economic plans, policies and initiatives to:
  - 14.5.1 Support and attract major and emerging growth sectors in Victoria, the Capital Region and British Columbia;
  - 14.5.2 Coordinate the local economy with regional economic initiatives;
  - 14.5.3 Encourage and support local ownership, and strong, successful businesses that use local resources and social enterprise; and,
  - 14.5.4 Advance collaborative, forward-looking, and **globally-fluent** approaches to fostering a resilient local economy.
- 14.6 Create a priority plan for capital investment in community facilities and infrastructure that enhance the quality of life of residents, attract visitors and support economic diversification.

- 14.7 Celebrate and support innovative improvements to community assets that attract investment and support economic activity, such as the waterfront, natural and built heritage, arts and culture, parks and public spaces, educational and recreation facilities, community services, diverse and affordable housing, sustainable mobility and green infrastructure.
- 14.8 Work with regional partners to make high priority improvements to transportation infrastructure for business travel, goods movement and visitor arrival, including:
  - 14.8.1 Important gateways, such as the Inner Harbour marine aerodrome, heliport, Victoria Airport and the Inner Harbour and Swartz Bay ferry terminals; and,
  - 14.8.2 Multi-modal linkages between major destinations and the Urban Core, such as regional mobility hubs, rapid transit, high-quality bicycle networks, pathways and greenways [SEE ALSO SECTION 7 – TRANSPORTATION AND MOBILITY].

## COMMUNITY ECONOMIC DEVELOPMENT

[SEE ALSO SECTION 15 – COMMUNITY WELL-BEING]

- 14.9 Encourage and support businesses and organizations whose purpose is to solve a market failure or to improve social well-being in other ways.
- 14.10 Support economic activities that use and strengthen community resources and the capacity of residents in order to enhance individual and community well-being, including by:
  - 14.10.1 Considering City programs, policies and regulatory updates that encourage and enable diverse small businesses, including community serving businesses such as childcare, accessible and inclusive services or food production and processing;
  - 14.10.2 Supporting small business start-up, expansion and strength through resources and tools that help new businesses get established and offer supports for expansion and resilience, including special attention to the needs of Canadian newcomer businesses;

- 14.10.3 Supporting youth in the economy through ongoing engagement, knowledge and information sharing, and other opportunities that encourage youth participation in civic affairs and leadership; and,
- 14.10.4 Support Indigenous businesses and economic reconciliation through ongoing reconciliation dialogs and coordination with the Songhees and Esquimalt Nations, the urban Indigenous community and other agencies and organizations.
- 14.11 Encourage, attract and support economic sectors and activities that provide high-value and household sustaining jobs, and retain more community wealth in the community.
- 14.12 Work with partners to improve the economic and social condition of community members who are unemployed or living in poverty through support for community services throughout the city and in accessible forms and locations.
- 14.14 Working with partners, explore the potential of preparing a waterfront plan to enhance the function and appearance of lands from Ogden Point to Rock Bay [SEE ALSO SECTION 8 – PLACEMAKING].
- 14.15 Support and encourage new commercial development in the Urban Core, Town Centres and Urban Villages and assess the supply of and capacity for additional commercial floor space across the city as part of local area plans and citywide economic strategies.
- 14.16 Increase the supply of office space in the Inner Harbour/ Legislative and Core Business areas through medium and high-density commercial mixed use development, respectively.
- 14.17 Retain some capacity for small scale office use in the upper storeys of properties in the Core Historic area.
- 14.18 Develop and implement a plan for Rock Bay as generally described in related local area plans and economic plans and policies, increasing employment capacity and exploring the inclusion of arts, culture, technology, industry and global connections [SEE ALSO SECTION 6 – LAND MANAGEMENT AND DEVELOPMENT].
- 14.19 Consider the place-based conditions for economic sectors generally as described in Figure 16 in support of Victoria's economic structure, as identified on Map 16.

## EMPLOYMENT LANDS

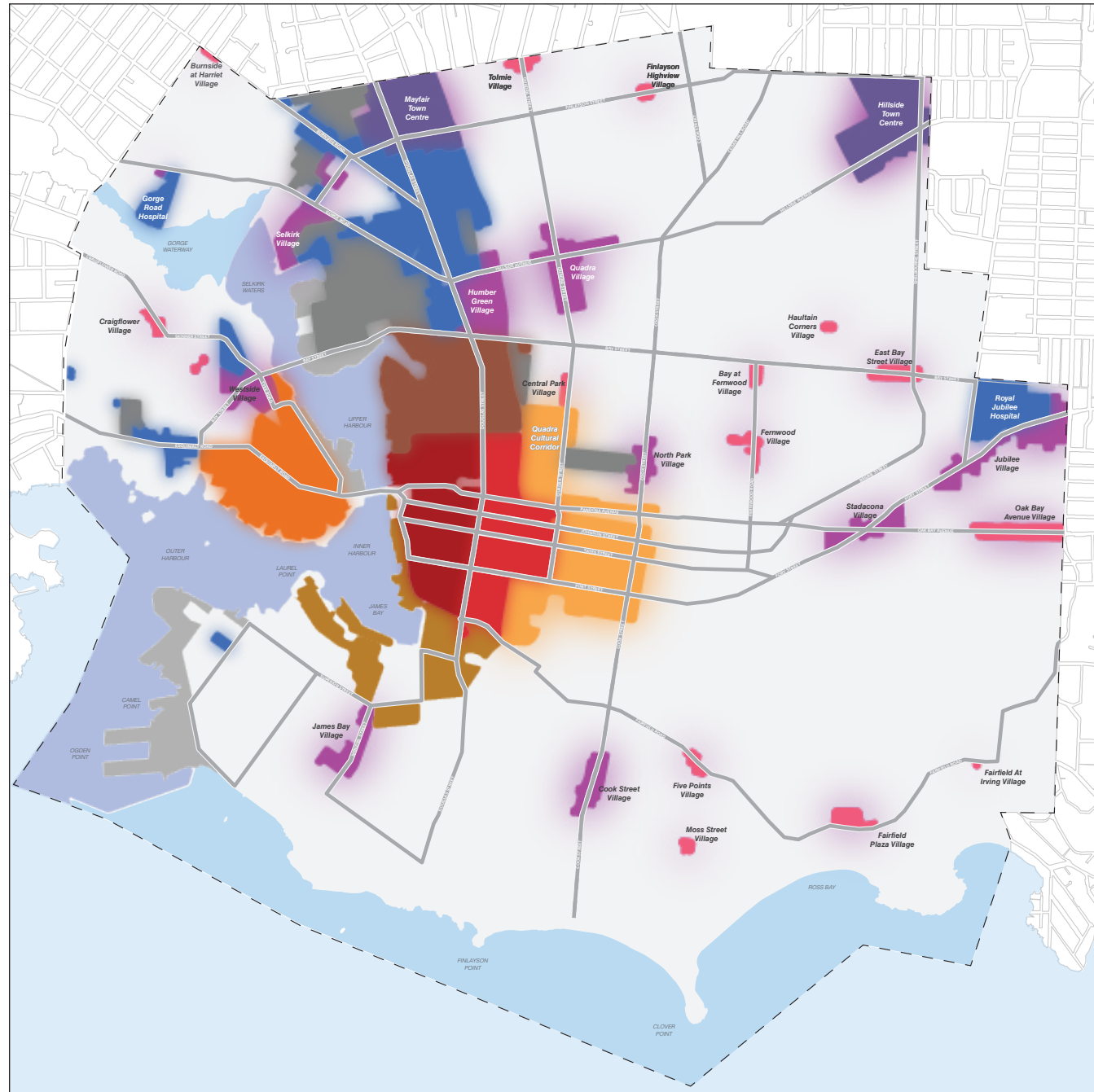
[SEE ALSO SECTION 6 – LAND MANAGEMENT AND DEVELOPMENT]

- 14.13 Support the preservation and use of industrial lands for diverse economic activity, including by:
  - 14.13.1 Maintaining waterfront lands for marine-related and non-marine industrial uses and related Harbour access that supports diverse businesses, blue economy objectives and a regional ocean futures cluster.
  - 14.13.2 Maintaining and, where possible, maximizing the use and viability of industrial lands throughout the city, including through **industrial intensification** aligned with current best practices.

Figure 16: Urban Place Designations – Economic Guidelines

Designation	Economic Sector
Core Business	<ul style="list-style-type: none"> <li>› Transportation and warehousing</li> <li>› Public administration</li> <li>› Finance, insurance, real estate</li> <li>› Advanced technology</li> <li>› Healthcare services</li> <li>› Tourism and visitor services</li> <li>› Arts, culture and entertainment</li> <li>› Residential goods and services (retail, commercial and community services)</li> </ul>
Core Inner Harbour/ Legislative	<ul style="list-style-type: none"> <li>› Transportation and warehousing</li> <li>› Public administration</li> <li>› Finance, insurance, real estate</li> <li>› Advanced technology</li> <li>› Healthcare services</li> <li>› Tourism and visitor services</li> <li>› Arts, culture and entertainment</li> <li>› Residential goods and services (retail, commercial and community services)</li> </ul>
Core Historic	<ul style="list-style-type: none"> <li>› Transportation</li> <li>› Finance, insurance, real estate</li> <li>› Healthcare services</li> <li>› Public administration</li> <li>› Tourism and visitor services</li> <li>› Arts, culture and entertainment</li> <li>› Residential goods and services (retail, commercial and community services)</li> </ul>
Core Employment	<ul style="list-style-type: none"> <li>› Transportation and warehousing</li> <li>› Manufacturing</li> <li>› Wholesale trade</li> <li>› Finance, insurance, real estate</li> <li>› Advanced technology</li> <li>› Healthcare services</li> <li>› Arts, culture and entertainment</li> <li>› Residential goods and services (retail, commercial and community services)</li> </ul>

Designation	Economic Sector
Core Residential / Core Songhees Residential	<ul style="list-style-type: none"> <li>› Tourism and visitor services</li> <li>› Healthcare services</li> <li>› Residential goods and services (retail, commercial and community services)</li> </ul>
Working Harbour and Marine Industrial	<ul style="list-style-type: none"> <li>› Transportation</li> <li>› Manufacturing</li> <li>› Wholesale trade</li> <li>› Advanced technology</li> <li>› Healthcare services</li> <li>› Tourism and visitor services</li> </ul>
General Employment	<ul style="list-style-type: none"> <li>› Transportation and warehousing</li> <li>› Wholesale trade</li> <li>› Finance, insurance, real estate</li> <li>› Tourism and visitor services</li> <li>› Advanced technology</li> <li>› Healthcare services</li> <li>› Residential goods and services (retail, commercial and community services)</li> </ul>
Industrial	<ul style="list-style-type: none"> <li>› Transportation and warehousing</li> <li>› Manufacturing</li> <li>› Wholesale trade</li> <li>› Advanced technology</li> <li>› Healthcare services</li> </ul>
Large Urban Villages	<ul style="list-style-type: none"> <li>› Finance, insurance, real estate</li> <li>› Healthcare services</li> <li>› Residential goods and services (retail, commercial and community services)</li> <li>› Arts, culture and entertainment</li> </ul>
Town Centres	<ul style="list-style-type: none"> <li>› Transportation and warehousing</li> <li>› Wholesale trade</li> <li>› Finance, insurance, real estate</li> <li>› Healthcare services</li> <li>› Residential goods and services (retail, commercial and community services)</li> <li>› Arts, culture and entertainment</li> </ul>



# MAP 16 Employment Lands

- Core Historic
- Core Business
- Core Employment
- Core Inner Harbour / Legislative
- Core Songhees
- Core Residential
- General Employment
- Urban Industrial
- Marine Industrial
- Town Centre
- Large Urban Village
- Small Urban Village
- Working Harbour
- Marine

For reference only; please refer to Map 2.

## COMPETITIVE BUSINESS ENVIRONMENT

- 14.20 Periodically review and consider tools available in legislation to enable and support new development and building improvements, such as property tax rates, tax incentives, charges, fees, grants and density bonus for provisions.
- 14.21 Research and review best practices in other cities, including by:
  - 14.21.1 Working with partners to report on competitive municipalities in the Capital Region to compare property taxes, contributions to amenity funds, available density and location near regional services in the Urban Core, particularly for new office and industrial development; and,
  - 14.21.2 Researching and comparing actions and indicators with other globally-fluent metro areas across the world to understand best practices to support small and medium enterprise, technology and research sectors, economic reconciliation and economic resiliency.
- 14.22 Continue to explore regulatory tools, property tax incentives, and other mechanisms to support the provisions of diverse, affordable housing that complement or improve upon existing approaches. [SEE ALSO SECTION 19 – PLAN ADMINISTRATION].
- 14.23 Consider parking reductions and other zoning variances for new development that significantly contributes to the growth concept in this plan [SEE ALSO SECTION 6 – LAND MANAGEMENT AND DEVELOPMENT].
- 14.24 Continue to support the growth and retention of small and home-based businesses through the periodic review of zoning bylaws and other regulations.
- 14.25 Encourage senior government to offer incentives for businesses and jobs in major and emerging economic sectors.

## COMMUNITY GOODS AND SERVICES

- 14.26 Encourage job growth in community goods and services by increasing the residential densities in and near the Urban Core, Town Centres, Urban Villages, and along rapid and frequent transit corridors.
- 14.27 Continue to encourage the concentration of specialty retail in the Core Historic and Core Inner Harbour/Legislative areas through pedestrian-oriented uses at street level in defined locations, short-term parking, and enhanced public transit, particularly rapid transit along Douglas Street.

## GOVERNMENT AND BUSINESS OFFICE

- 14.28 Work with the Province to maintain the city's status as the headquarters of the Provincial Government, through:
  - 14.28.1 Meeting its needs for institutional and office space in the Urban Core; and,
  - 14.28.2 Working toward a long-term development strategy for under-used lands in the Legislative Precinct.
- 14.29 Support employment growth in government services, professional services and the finance, real estate and insurance sector through the strategic location of commercial mixed-use development in close proximity to the Legislature and throughout the Core Business area.

## TOURISM AND VISITOR SERVICES

- 14.30 Support the clustering of tourist and visitor services in the Inner Harbour and Urban Core by retaining and enhancing the mix of service, retail, offices, visitor accommodation, harbour transportation, and arts and cultural facilities.
- 14.31 Strengthen the appeal of Victoria to tourists and other visitors in ways that enhance the community including:
  - 14.31.1 Accessible transportation to and within the city;
  - 14.31.2 High quality and inclusive amenities, services and events;
  - 14.31.3 An attractive and vibrant waterfront; and,
  - 14.31.4 Character areas in the Downtown and other neighbourhoods.

- 14.32 Attract residents and visitors to the Urban Core through high quality and inclusive festivals, celebrations, special events, and beautification initiatives.
- 14.33 Continue to invest in the heritage character of the Downtown and other neighbourhoods through incentives for rehabilitation and seismic upgrades.
- 14.34 Work with partners in the public and private sectors to:
  - 14.34.1 Enhance facilities and visitor destinations;
  - 14.34.2 Redevelop or renew key destination facilities, including the Victoria Conference Centre, an addition to the Royal BC Museum and a new Core District Public Library in the Downtown Core Area; and,
  - 14.34.3 Develop a priority plan for future capital investment in features that support destination development.
- 14.35 Work with regional, community and business partners to expand and enhance cycling and pedestrian networks and increase the availability of bicycles for visitors.
- 14.36 Encourage the local tourism industry to position Victoria as a green and socially responsible visitor destination through the use of efficient, low emission fuels, carbon offsets, waste reduction, and similar initiatives.

## MARINE SECTORS

- 14.37 Work with senior governments, neighbouring municipalities, public agencies, community and business partners to sustain and enhance a diversity of marine sectors in the Inner Harbour and Outer Harbour by:
  - 14.37.1 Continued direction for marine-related industrial uses on waterfront lands in Urban Place Designations of this plan;
  - 14.37.2 Development and redevelopment of waterfront lands and related urban design initiatives; and,

- 14.37.3 Development of an ocean futures cluster by building on major assets and the existing and potential ocean and marine-related businesses in our region, as guided by City economic plans, policies, and initiatives.

- 14.38 Continue to support jobs in manufacturing, transportation and warehousing by retaining locations for traditional industry adjacent to the Harbour on appropriate lands.

## ADVANCED TECHNOLOGY

- 14.39 Continue to grow the region's technology sector and attract a share of firms into the city, through:
  - 14.39.1 Support for the efforts of regional economic agencies and business partners to grow the technology sector in the Victoria region;
  - 14.39.2 Advocacy on behalf of those partners for research funds; and,
  - 14.39.3 Support for actions and advocacy to attract and retain diverse talent in the sector, including through building an image for the city as described in this plan and as guided by City economic plans, policies, and initiatives.
- 14.40 Work with partners to support growth and retention of businesses that promote urban health and sustainability including innovative mobility technology, sustainable building practices, low carbon energy systems and green infrastructure.
- 14.41 Support growth of technology firms through increasing the employment capacity of Core and General Employment lands while retaining waterfront industrial lands for marine and marine-related industrial uses [SEE ALSO SECTION 6 – LAND MANAGEMENT AND DEVELOPMENT].
- 14.42 Enable and support an arts and innovation district in Rock Bay as guided by City economic plans, policies, and initiatives and local area plans. [SEE ALSO SECTION 6 – LAND MANAGEMENT AND DEVELOPMENT].

## ARTS AND CULTURE

[SEE ALSO SECTION 16 – ARTS AND CULTURE]

- 14.43 Foster the development of diverse and inclusive cultural hubs, with clusters of cultural industries and related activity in the arts, culture, and entertainment sector, by:
  - 14.43.1 Retaining and enhancing the supply of work/live for cultural producers in the Core Historic and Core Inner Harbour/ Legislative areas;
  - 14.43.2 Giving consideration for work/live opportunities in the Core Employment area and work/live and live/work in Town Centres and Large Urban Villages through local area plans as appropriate;-
  - 14.43.3 Advancing strategies for arts, culture, and entertainment as identified in the City's cultural plans, policies and initiatives and local area plans [SEE ALSO SECTION 21 – NEIGHBOURHOOD DIRECTIONS].
  - 14.43.4 Advancing the vision for an arts and innovation district in Rock Bay as guided by City economic plans, policies and initiatives and local area plans.
- 14.44 Work with community partners to retain and enhance arts and cultural facilities and to maintain and expand professional arts companies.
- 14.45 Work with partners in the public and private sectors to develop a new Core District Public Library in the Downtown Core Area.
- 14.46 Consider opportunities for new arts and cultural facilities in the Urban Core and other local arts and culture destinations in the city as part of future capital investment in destination development.
- 14.47 Continue to host high quality events and festivals in the Urban Core, including through the redevelopment of the Victoria Conference Centre and work with partners to explore the feasibility of creating new venues.
- 14.48 Continue to enable access to suitable locations for the film industry.

## HEALTH AND EDUCATION

- 14.49 Seek to establish and maintain a unique niche for Victoria as a green, welcoming, and healthy community to attract technology firms, health and wellness entrepreneurs and diverse research and innovation enterprises, to improve the quality of life for residents, and to attract business to the city and region.
- 14.50 Enable and support the growth and retention of health services and related light industrial and commercial activities in the General Employment area at Royal Jubilee Hospital.
- 14.51 Encourage regional economic development agencies and the regional health sector to collaborate on initiatives aimed at making Victoria green and healthy through attracting, enabling and supporting growth in health innovation and technology as guided by City economic plans, policies and initiatives.
- 14.52 Work with partners to increase sports and recreational events in Victoria, and to expand recreation-based tourism [SEE ALSO SECTION 9 – PARKS AND RECREATION].
- 14.53 Continue to work with the University of Victoria, Royal Roads University, Camosun College and other public and private post-secondary education providers to have a permanent presence in the Downtown Core Area.
- 14.54 Explore the feasibility of an educational presence for major post-secondary institutions in a permanent facility that may be co-located with the arts and innovation district in Rock Bay, and that creates a community of learning through lectures and conferences, formal training and education and innovative public-private partnerships.
- 14.55 Encourage universities, colleges and other educational service providers to offer education and training programs that converge with the needs of major and emerging growth sectors.

## MEASURING PROGRESS

- 14.56 The following targets should be considered in measuring progress towards the plan's economy objectives:
- 14.56.1 Victoria accommodates a minimum of 20% of the region's new employment by 2041; and,
  - 14.56.2 Victoria's employment has increased by a minimum of 10,000 jobs by 2041.