
Richmond Resilient Economy Strategy Action Plan

February 2014

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1.0 Introduction

1.1 Background

The City of Richmond adopted an Economic Development Strategy (EDS) in 2002, which was comprehensive and considered all aspects of the local economy. While many of the 2002 EDS actions were implemented, the City's decision to develop a venue for and participate in the 2010 Winter Olympics delayed implementation of the entire set of actions identified in the 2002 EDS.

A decade has now passed since the creation of the 2002 EDS. Both the regional economy and Richmond's local economy have grown and evolved over the last ten years. A review and update of the 2002 EDS is needed, in view of the developments of the last decade, to evaluate outstanding action items and develop new ones based on current economic prospects and priorities for Richmond.

The City recently completed a major review and update to its Official Community Plan (OCP), which included developing the City's vision for its growth and development to 2041. The new OCP incorporates the City's Employment Lands Strategy, which included a detailed analysis of Richmond's inventory of employment lands. The OCP also supports the concept of an open and flexible local economy, resilient to volatility in the global marketplace, into its long-term community planning. To help achieve this goal, the City decided to develop an updated EDS: the "Resilient Economy Strategy." Richmond wants the new Resilient Economy Strategy to help the City and other organizations take effective action that will:

- Retain the economic sectors that are fundamental to Richmond's economic well-being and character.
 - Grow the sectors for which Richmond is well-suited to tap opportunities, taking into account local and regional natural, social, and economic assets.
 - Make the local economy more resilient, in terms of weathering future economic and environmental change.
- *Retain fundamental sectors of local economy.*
 - *Grow sectors well suited to Richmond.*
 - *Become more resilient to economic and environmental change.*
-

1.2 Project Participation

This Resilient Economy Strategy incorporates input from many participants.

The **City of Richmond Economic Development Office** initiated and managed the project, coordinated the participation of the Economic Advisory Committee, and directed the work of the consultants.

Neonila Lilova, Manager Economic Development
Katie Ferland, Business Development Liaison

The **Economic Advisory Committee** is appointed by City Council to provide strategic economic advice. The Committee participated by providing insight into the structure and trajectory of Richmond's economy, commenting on draft materials, and helping select priorities for City action. The members are:

Tom Corsie	Port Metro Vancouver
Jerome Dickey	
Howard Harowitz	Howard Harowitz Consulting Ltd.
Tony Kwan	Pryke Lambert Leathley Russell LLP
Thomas Land	Ecowaste Industries Ltd.
Shelia Luft	Cadillac Fairview Corporation Limited
Debbi-Jo Matias	
Michael Priest	LiteAccess Technologies Inc.
Bruce Rozenhart	Counterpoint Communications
Amit Sandhu	Ampri Group
Parm Sandhu	Telus
Kristi Searle	PeopleBiz
Raymond Segat	Vancouver Airport Authority
Derek Dang	Councilor, City of Richmond Council Liaison to the EAC

External, stakeholder organizations were interviewed by the consultants and provided information about Richmond's economic prospects and challenges:

BCIT Aerospace Technology Campus
Canadian Manufacturers & Exporters BC
Fairchild Property Group
GC Gaming Corporation
Kwantlen Polytechnic University
Port Metro Vancouver
Richmond Agricultural Advisory Committee
Richmond Chamber of Commerce
Richmond Olympic Oval
Steveston Merchants Association
Tourism Richmond
Urban Development Institute
YVRAA

Coriolis Consulting Corp. completed the three Technical Reports and helped draft the Action Plan.

1.3 Approach

The work program was divided into four major phases as shown in Exhibit 1.

Exhibit 1

Phase	Scope	Timing	Deliverables
1	Analysis of Richmond's Economy in Regional Context Initial Stakeholder Consultation and Input Opportunities and Constraints Review of 2002 Strategy Implications for Resilient Economy Strategy	May to September 2013	Technical Report #1 for the Richmond Resilient Economy Strategy, September 2013.
2	Workshop with City Staff Workshop with Economic Advisory Committee	September 2013	Comments and direction regarding the main elements of a new economic development strategy.
3	Draft Action Plan Review by Economic Advisory Committee Review by City Staff	October to November 2013	Technical Report #2 for the Richmond Resilient Economy Strategy, late November 2013. Technical Report #3 for the Richmond Resilient Economy Strategy, late November 2013. Draft Action Plan.
4	Review by Council Review by Stakeholders Final Action Plan	December 2013 and January 2014	Final Action Plan

2.0 Scope of the Action Plan

This Action Plan draws on these key inputs:

- Existing City policy.
- The 2002 Economic Development Strategy.
- Consultation with a wide variety of external organizations with a major stake in Richmond’s local economy.
- A detailed analysis of Richmond’s economy in the regional context, documented in the Technical Report #1 for the Richmond Resilient Economy Strategy, September 2013.
- Input from City staff.
- Input from the Economic Advisory Committee.

The Action Plan has been developed with these parameters in mind:

- The Plan is primarily intended to outline actions that should be taken by the City of Richmond, in some cases in collaboration with other agencies, to strengthen, enhance, or diversify Richmond’s local economy. The Action Plan concentrates on work to be done or led by the Economic Development Office, other City departments, or by the City’s leadership including the Mayor and Council and senior managers.
- The Plan includes some actions that focus on particular economic sectors, but it is also intended to generally strengthen Richmond as a location for a wide range of businesses. The sectoral dimension of the Action Plan concentrates on goods movement, transportation, and tourism as these are seen as the key sectoral investment and employment growth opportunities for the future.
- The Plan concentrates on high priority actions to be implemented over the next 3 to 5 years. Recognizing the resources available to the Economic Development Office, the list of actions has been deliberately kept manageable on the grounds that is more effective to do a comprehensive job on a few key tasks than dabble in many.

Scope of Action Plan:

- *Focus on actions the City can take.*
 - *Strengthen Richmond as a location for a wide range of businesses.*
 - *Concentrate on high priority actions that can be implemented over the next 3 to 5 years.*
-

3.0 Richmond's Economy

3.1 Current Situation

Exhibit 2 shows Richmond's current distribution of employment by major cluster and also show Richmond's share of total regional employment. Exhibit 3 compares the structure of Richmond's economy to Metro Vancouver.

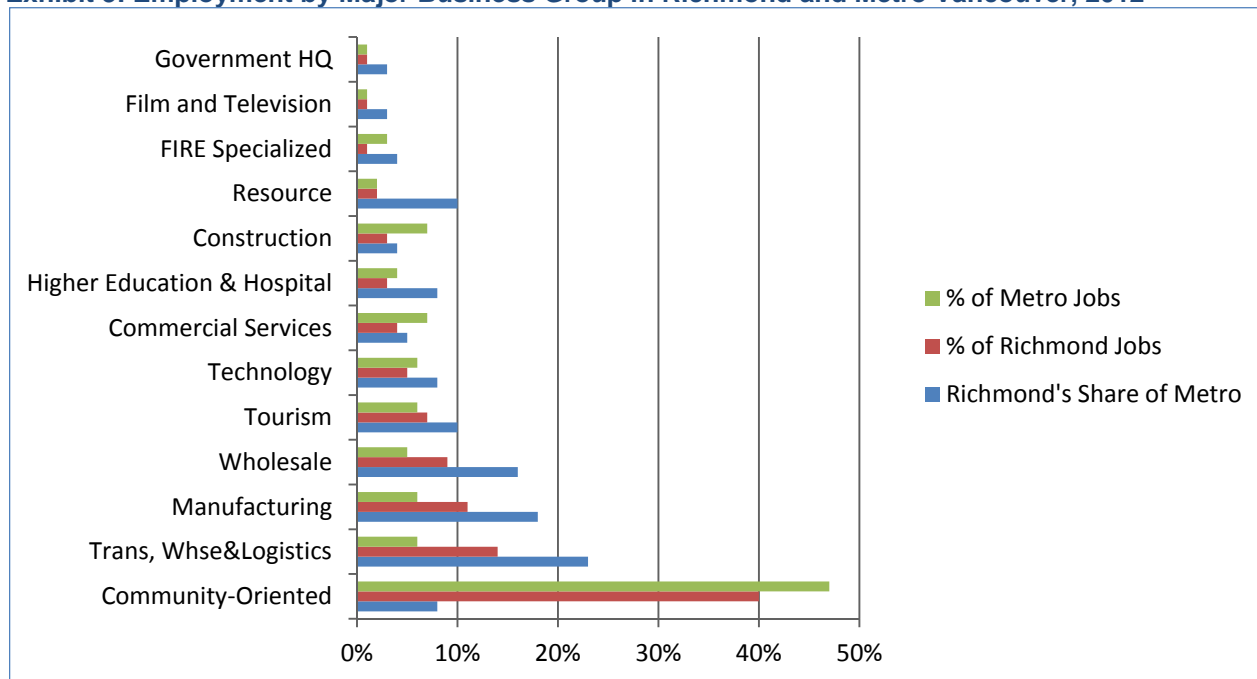
Exhibit 2: Employment by Major Business Group in Richmond and Metro Vancouver, 2012

Business Groups	Richmond ^a		Metro Vancouver ^b		Richmond's Share of Metro Jobs
	Number of Jobs	% of Total Richmond Jobs	Number of Jobs	% of Total Metro Jobs	
Community-Oriented	44,000	40%	550,000	47%	8%
Transportation, Warehousing & Logistics	15,000	14%	65,000	6%	23%
Manufacturing	12,000	11%	65,000	6%	18%
Wholesale	9,500	9%	60,000	5%	16%
Tourism	7,500	7%	75,000	6%	10%
Technology	5,500	5%	65,000	6%	8%
Commercial Services	4,500	4%	85,000	7%	5%
Higher Education & Hospital	3,500	3%	45,000	4%	8%
Construction	3,000	3%	80,000	7%	4%
Resource^c	2,000	2%	20,000	2%	10%
FIRE Specialized^d	1,500	1%	40,000	3%	4%
Film and Television	500	1%	15,000	1%	3%
Government Headquarters	500	1%	15,000	1%	3%
Total Number of Jobs	109,000	100%	1,180,000	100%	9%

Sources:

- Estimated by Coriolis using a variety of sources (see Technical Report #1 for details). Note that the total number of jobs in Richmond is jobs at a fixed location. Richmond also has a share of regional employment that is not at a fixed location (e.g. mobile workers, workers where job site changes frequently). Including these brings Richmond's share of total regional employment to 10% to 11%.
- Estimated by Coriolis using a variety of sources. Metro Vancouver includes jobs at a fixed location and jobs with no fixed workplace.
- Resource includes jobs in agriculture, forestry, fishing and hunting, mining, oil and gas extraction, and utilities.
- FIRE refers to Finance, Insurance, and Real Estate.

Exhibit 3: Employment by Major Business Group in Richmond and Metro Vancouver, 2012



The numbers tell this story:

- As in the entire region, a large share of Richmond jobs (40%) are community-oriented, meaning jobs (such as retail clerks, hair stylists, elementary school teachers) that meet the day-to-day needs of local residents. The rest (60% in Richmond) are in the sectors that comprise Richmond’s economic base.
- Transportation, warehousing, logistics, wholesale, and manufacturing combined account for 34% of all jobs (or 57% of the economic base) in the City.
- Tourism, which in Richmond is heavily linked to the City’s role as gateway due to YVR, accounts for another 7% of jobs, so transportation of people and goods can be thought of as directly or indirectly responsible for almost 70% of Richmond’s economic base employment. This is a very different profile than the regional average and demonstrates the importance to Richmond of its role as air, sea, rail, and ground transportation hub.
- Technology, specialized business services, higher education, and health are important contributors, but proportionally smaller than in the rest of Metro Vancouver.

Richmond’s share of total Metro Vancouver employment has remained steady, in the range of 10% or so, for the last two decades. It will be challenging to retain this share going forward, as population and employment growth in the region are shifting eastward due mainly to the availability of land.

Richmond’s share of total Metro Vancouver population has been just under 9% over the last two decades. Having a higher share of employment than population gives Richmond an advantage in terms of property taxation: the City can provide attractive commercial and industrial tax rates while providing high quality facilities and services for residents.

3.2 Prospects

The diagram below summarizes the outlook for employment growth in key sectors of the local economy:

- The sectors with employment growth potential are sectors in which the Greater Vancouver metropolitan area has growth potential and Richmond has advantages which should allow it to capture a significant share of future employment.
- The sectors likely to remain stable or decline are sectors in which there is not likely much potential for regional employment growth and/or Richmond does not have any particular advantage relative to other communities in the region.



Previous forecasts by City-engaged consultants and by Metro Vancouver have estimated future employment growth in Richmond at about 1% per year, which is a little lower than the estimated employment growth rate for all of Metro. This trend would result in Richmond having a gradually declining share of total regional employment (the number of jobs in Richmond would still be increasing, albeit more slowly than in the past).

3.3 Constraints

Based on the findings of the research phase of this project and on the input from external stakeholders, Richmond's main current constraints to strengthening its local economy are industrial land supply and ground transportation for goods movement. The land supply issue is addressed in some detail in this Action Plan because this is one of the most critical challenges that Richmond faces.

This conclusion may seem to be at odds with the Employment Land Strategy's conclusions about land supply, but it is based on a more detailed analysis of the situation incorporating industry perspectives and recent development trends.

3.4 Resilience, Sustainability, and Growth

“Resilience” and “sustainability” are words used in a variety of ways. In some interpretations, with a focus on the environmental dimension of sustainability, these ideas are seen as being at odds with economic growth. Growth certainly can have negative impacts, in terms of greenhouse gas emissions and other forms of environmental impact, consumption of resources (including land), and increased ecological footprint. At the same time, it must be acknowledged that for the foreseeable future Metro Vancouver will continue to absorb growth in population and employment and a significant share of this growth will occur in Richmond. Even the communities (and there are many in North America) that explicitly strive to be “the

The key to achieving sustainability and resilience is to optimize the benefits and minimize the impacts or costs.

greenest City” are also seeking to strengthen and expand their employment base and are trying to accommodate residential, commercial, and industrial expansion in ways that are greener than in the past. The key is to manage this growth so as to optimize the benefits and minimize the impacts or costs.

Richmond aims to retain a strong, diverse local economy. It also aims to achieve this economic strength in a responsible fashion.

This Action Plan aims to increase the resilience of Richmond’s local economy in these ways:

- Retaining existing employers, meaning retaining existing commercial and industrial tax base and jobs, because these support the City’s ability to provide its residents with a services and facilities.
- Maintaining the ability to accommodate a steady share of regional employment growth in the sectors in which Richmond has an advantage.
- Diversifying the economy, so that it is more robust in the face of major economic or environmental change.

Increase resilience by:

- *Retaining existing employers.*
 - *Accommodating a steady share of regional employment growth.*
 - *Diversifying for adaptability to economic and environmental change.*
-

Other City policies and initiatives, in community planning and sustainability, should be coordinated with this Action Plan, to ensure that the land use, development, and transportation changes that are associated with employment growth are managed so as to reduce energy consumption, reduce GHG emissions, reduce waste, increase recycling, produce healthier environments for living and working, and address the impacts on Richmond of climate change.

4.0 Economic Goals for Richmond

The Resilient Economy Strategy has these goals:

- Maintain and increase Richmond's attractiveness for, and ability to accommodate, businesses across a wide range of sectors. Rather than focus on picking winners, the strategy aims to make sure Richmond has a broad ability to maintain a diverse and growing industrial and commercial base.
- Reinforce the sectors that are extremely important to Richmond's local economy and that have substantial potential for growth in employment and tax base.
- In quantitative terms, aim to at least maintain Richmond's share of total regional employment, which has been about 10% over the last twenty years.
- Aim to continue having a larger share of regional employment than regional population, as this enables Richmond to maintain a reasonable allocation of property tax burden and to provide a full range of services to residents.

5.0 Major Strategies

The Action plan recommends 9 main strategies.

- 1 • Increase Richmond's capacity to accommodate light industrial business.
- 2 • Strengthen Richmond's role as a gateway for goods import and export.
- 3 • Increase the tourism sector in Richmond.
- 4 • Retain and support existing businesses.
- 5 • Increase Richmond's appeal as a Regional office centre.
- 6 • Support economic diversity, small business opportunities, and localization.
- 7 • Invest in stronger relationships with senior governments.
- 8 • Cooperate with the rest of the Region.
- 9 • Maintain a high quality of environment, life, and public services.

5.1 Increase Richmond's Capacity to Accommodate Light Industrial Business

5.1.1 Introduction

Richmond has a very small inventory of vacant, available, serviced, zoned, developable land to accommodate new light industrial uses including light manufacturing, warehouse/distribution, and sales/service uses.

The Employment Land Study, completed as part of the OCP 2041 update, indicated that there is a large “on paper” inventory of industrial land, but a detailed analysis completed for this new economic development strategy indicates that a very large proportion of this land is not readily available for general industrial users because it is controlled by the public sector for specific uses (particularly YVR and Port Metro Vancouver). These organizations have an obligation to ensure that land is available for strategic transportation related uses, which is good for Richmond in that this allows continued growth of air and marine goods movement. However, there is large regional demand for “general” light industrial users (i.e. not directly related to air or sea shipping, but part of the international and inter-provincial trade and logistics supply-chain sector, such as local manufacturers, warehouse/distribution, transshipment, and brokers). Richmond has a very small inventory of land available for this type of user. In fact, there is virtually no land currently on the market that could be characterized as vacant, subdivided, serviced, and available for sale to an industrial user that wants to commence construction immediately.

Technical Report #2 contains a review of the industrial land situation and a preliminary review of the challenges and opportunities associated with trying to increase Richmond's capacity to accommodate this kind of use. The situation is of great concern for these reasons:

- Richmond will not be able to continue to accommodate its past share of regional light industrial development unless it can figure out how to provide the land capacity.
- The situation will be exacerbated over time because much of the land around the City Centre designated for high density residential and mixed use development is currently occupied by light industrial users. These will have to relocate and if they cannot find sites in Richmond will move to Delta, Surrey, or further east.
- Richmond's past strength as a concentration of regional employment has been founded on being able to accommodate firms in transportation, warehousing/distribution, light manufacturing, and storage, all of which require relatively large sites.
- The inability to accommodate light industry will result in a long term shift in the composition of the tax base. Richmond will have to either draw more tax revenue from a proportionally smaller industrial base or shift more of the tax burden to residential.

Technical Report #2 contains an initial explanation of what could be done to try to increase capacity for light industrial employment growth, without removing land from the ALR.

The City has adopted strong and clear policy regarding the protection of lands within the Agricultural Land Reserve. It is in Richmond's (and the entire region's) interest to protect land used for food production,

particularly given the forces that will cause the locally-raised share of food to increase. Richmond must find creative and pro-active ways to accommodate light industry within the existing available land inventory.

5.1.2 Actions

1. Develop a much more comprehensive understanding of industrial land and supply in Richmond.

There is a need to go beyond lumping all of the industrial land into a single category and calling it sufficient to meet long term demand. The Richmond industrial land market can be divided into three broad categories:

- a. Demand for uses that require an airport location and the supply of these lands.
- b. Demand for uses that require a waterside location and the supply of these lands.
- c. Demand for general light industrial uses (in warehouse/distribution, light manufacturing) and the supply of these lands.

It is the third category above in which there is the greatest constraint. The City should seek the participation of YVR and Port Metro Vancouver in a comprehensive industrial land market study that parses supply and demand into these categories and that develops a greater understanding of how best to accommodate the non-air and non-marine uses. This analysis would be confined to lands outside the ALR.

Priority: High (2014-2016)

Responsible: Economic Development and Planning

Resources: \$50,000 for consulting (from existing departmental budgets)

2. Work with owners of large tracts of vacant industrial land to see where it is possible to create subdivided, serviced industrial lands available in the short term.

Priority: High (2014-2016)

Responsible: Economic Development and Real Estate

Resources: No new

3. Convene a team of City planning and economic development staff to examine lands that are not in the ALR, currently zoned agricultural, and designated industrial in the OCP.

There is a small amount of land in this category that is not viable agricultural land and could potentially be converted to certain types of industrial use.

Priority: High (2014-2016)

Responsible: Economic Development and Planning

Resources: No new

4. Examine the potential to achieve higher site coverage on industrial land.

Current zoning regulations only allow 60% site coverage, which forces low intensity land use because most industrial uses must be on the ground floor. While requirements for truck loading/unloading and parking put an upper bound on site coverage, users should have the flexibility to achieve higher intensity use if it works for them.

Priority: High (2014-2016)

Responsible: Planning Department

Resources: No new

5. Evaluate older industrial areas that are un-intensively developed to see if there are realistic opportunities for densification using zoning, infill, re-subdivision, or other development tools.

Priority: Medium (2016-2018)

Responsible: Planning Department

Resources: No new

6. Review regulatory processes to look for ways to make permitting and licensing for industrial and commercial businesses and developments more cost effective, efficient, and supportive while complying with City policies, bylaws, and regulations.

Richmond should be business-friendly, in terms of ensuring that approvals processes, development timeframes, and development costs are reasonable and look good in comparison to competing jurisdictions. Businesses that are new to the region have some degree of flexibility when it comes to location, so they consider factors such as accessibility, land cost, development costs, and approvals processes. Richmond's industrial property taxes compare favourably with the rest of the region but its DCCs are relatively high. The development industry does not regard Richmond as a particularly difficult place to obtain approvals, but it is not particularly easy either. There is upside to having a reputation for efficient, fair, cost-effective permitting.

Some aspects of this work include:

- Regular liaison with UDI regarding processing times.
- Reviewing industrial DCC rates.
- Obtain feedback from businesses that have dealt with the City to obtain permits and licences and work with relevant departments to continually improve customer service.

Priority: High, ongoing

Responsible: Economic Development, Finance, Planning

Resources: No new

7. Explore creative ways to allow or encourage a wider range of uses in the large inventory of vacant office space in low density business park projects. Much of this space was built in anticipation of growth in technology firms that did not materialize.

Priority: Low (2017-2019)

Responsible: Economic Development and Planning

Resources: No new

8. Continue to maintain an on-line inventory of lands/buildings available for sale.

By working with the local brokerage community, the Economic Development Office could provide an on-line resource for any firm looking for sites or space.

Priority: High, ongoing

Responsible: Economic Development and Real Estate

Resources: No new

9. Continue to maintain DCC rates for industry competitive to major Metro municipalities.

Priority: High, ongoing

Responsible: Economic Development and Finance

Resources: No new

5.2 Strengthen Richmond's Role as Gateway for Goods Imports and Export

5.2.1 Introduction

With YVR, major Port Metro Vancouver facilities, rail links, and a direct highway route to the US Border, Richmond is a major gateway for goods movement in and out of Canada. This role as gateway has created the basis for a large inventory of commercial and industrial floor space and a large amount of employment.

The City of Richmond is not directly involved in goods movement or regional transportation infrastructure, but there are ways in which Richmond has cooperated and can continue cooperating with senior government and with major agencies such as YVR and Port Metro Vancouver to ensure that Richmond maintains and increases its role as a major regional gateway for goods movement. An example of such collaboration is the completion of the Nelson Road Interchange. There are further opportunities for cooperation in areas such as traffic and transportation management between Sea Island and Lulu Island, drainage infrastructure in East Richmond, and improvements to the regional highway network in Richmond.

5.2.2 Actions

1. Enhance collaboration with YVRAA.

Mutually explore with YVRAA how best to work together to ensure that opportunities for goods and people movement are tapped. This can be achieved in a variety of ways:

- Richmond and YVR can work together on plans to improve vehicular access between Sea Island and major highway routes.
- Richmond can continue to cooperate regarding developing and implementing community planning policy that tries to minimize conflicts between residents and YVR over noise and other impacts.
- The City and YVR should continue or expand regular contact, at all levels in each organization, to identify and address opportunities or problems.

Priority: High, ongoing

Responsible: All Relevant Departments, Mayor and Council

Resources: No new

2. Enhance collaboration with Port Metro Vancouver.

Mutually explore with Port Metro Vancouver how best to work together to ensure that opportunities for goods movement on the Fraser River are tapped. This can be achieved in a variety of ways:

- The City and the Port can work together to improve vehicular access to/from port lands. The Nelson Road interchange is complete but there are other possible transportation initiatives that could be explored by the City and the Port, including possible Blundel interchange and road access to Port lands in east Richmond.

- The City and the Port should continue or expand regular contact at all levels in each organization, to identify and address opportunities or problems.

Priority: High, ongoing

Responsible: All Relevant Departments, Mayor and Council

Resources: No new

3. Collaborate on the technical design of improvements to Highway 99.

The Metro Regional Growth Strategy and regional transportation plans are aiming to reduce automobile travel and so emphasize expansion of transit infrastructure over road infrastructure. However, goods movement depends on the highway network. Major investments have improved access to Maple Ridge/Pitt Meadows (Golden Ears Bridge), Surrey and Langley (Port Mann and Highway 1), and Delta (South Fraser Perimeter Road). For Richmond's role as a goods movement hub, its Highway 99 link to the US Border and its Highway 91 link to the east are vital, but these routes are congested.

The Province of BC has announced its intention to replace the Massey Tunnel with a new bridge and to enhance Highway 99 and the links to Highway 91 and the South Fraser Perimeter Road.

At the technical level, Richmond should engage with the Province in project planning to achieve these aims:

- Make sure the whole network is improved, not just the river crossing, and ensure that choke points are fixed, not just shifted. The project should include Highway 99 improvements from the Oak Street bridge all the way south to the new crossing and should deal with links to Highway 91 and to the South Fraser Perimeter Road.
- Achieve priority for goods movement and transit.

Richmond, the Province, YVR, Port Metro Vancouver, and the entire goods movement sector have a common interest in advancing this opportunity to improve Richmond's regional accessibility to the east and to the US border.

Priority: High (2014, 2015)

Responsible: Transportation

Resources: Transportation consulting budget, to be determined

5.3 Increase the Tourism Sector in Richmond

5.3.1 Introduction

Tourism is one economic sector in which Richmond has a clear potential to increase jobs and tax base, because of the City's unique advantages in the region. Richmond has the international airport, a very convenient location for visitors to the region, an interesting cultural character, and a diverse array of attractions including the Oval, the night markets, Steveston, and extensive riverfront pathways.

Richmond has the ability to appeal to a variety of tourism market segments including:

- Very short stay visitors such as meeting/convention delegates and en-route travelers whose main reason for staying in Richmond is proximity to YVR.
- Visitors to the region who choose Richmond as their base because of its convenience, attractiveness, of affordability relative to downtown Vancouver.
- Visitors drawn to Richmond, for overnight visits or day trips, because of attractions such as the Oval, Steveston, or the night markets.

At present, Richmond does not have destination attractions of the magnitude of (for example) the Vancouver Aquarium or Grouse Mountain. Richmond, like most of the municipalities in the region outside the City of Vancouver, benefits from the "Vancouver" brand and from existing world-class attractions. The completion of the Richmond Olympic Experience attraction in late 2014 will add to Richmond's appeal as a destination, although Richmond's total annual overnight and day visitor volume will still be primarily driven by Richmond's location in a regional context as opposed to Richmond's strength as a stand-alone or primary destination attraction.

Broadly speaking, there are three main ways in which Richmond can grow the tourism sector of its economy:

- Use branding and marketing efforts to increase Richmond's share of the regional market. Using messaging such as convenience, affordability, specialized cultural character, and existing/planned attractions, Richmond can increase overnight visitation. This approach does not require large capital investment. It requires effective branding, consistent and targeted marketing, and ongoing efforts to maintain/increase the quality of the visitor experience.
- Develop Richmond's destination appeal in ways that require modest but effective capital investment. There are aspects of destination development that can achieve significant gains in visitor volume with targeted but small capital expenditures. In the case of Richmond, this might include more events (e.g. sport hosting, trade shows, arts/culture performances) and enhancing existing attractions (as in the case of the Richmond Olympic Experience which is being built in an existing facility, or improvements to bikeways and creation of bike share programs that use Richmond's natural appeal as a cycling experience, or enhancements to the venue for night markets). These are just examples, but they illustrate the point that there are opportunities for destination development that do not require very large capital expenditure.
- Develop major destination attractions. Some major attractions involve private capital (e.g. River Rock) and these should be encouraged. Other major attractions – such as museums large enough to become

destinations, aquariums, major performing arts facilities – require very large public capital investment and usually large ongoing operating costs.

Richmond has potential in all of these areas, but its ability to implement projects in all areas is a function of how much money the City is willing to invest and whether senior governments are willing to contribute.

5.3.2 Actions

1. Continue to fund Tourism Richmond as the City’s designated agency responsible for marketing Richmond to visitors.

Given the City’s involvement in Tourism Richmond at the Board level, the City should be prepared to participate constructively and collaboratively in goal-setting, prioritization of activities, and budgeting.

Priority: High, ongoing

Responsible: Tourism Richmond

Resources: No new

2. Develop a destination and tourism product enhancement strategy.

The City is generally supportive of enhancing Richmond as a tourism destination but there is not a specific plan in place. To develop a strategy for new product, these steps are needed:

- a. Make it a priority to develop a destination and tourism product enhancement strategy.
- b. Provide general direction with regard to capital investment. What is the appetite for major capital investment, ongoing operating funds for new attractions, and ongoing funding of destination-oriented events?
- c. Take a strategic approach to identifying potential destination enhancement projects. What are Richmond’s strengths, what products would fit well in the competitive context of existing regional destination-calibre attractions, what has the potential to significantly increase the number of overnight visitors to Richmond, what is the optimal mix of events versus physical attractions?
- d. What are the pros and cons of destination enhancement using events versus new facilities?

This work should involve collaboration with the Richmond tourism sector, including the arts and culture community, hotels, restaurants, and attraction operators.

Priority: Medium (2015-2017)

Responsible: Economic Development, Tourism Richmond

Resources: \$100,000 for consulting assistance to creation of destination strategy

3. Continue to expand the potential to use the Olympic Oval for events that draw tourists.

The City should continue realizing opportunities to use the Olympic Oval for events that draw visitors, such as sport tournaments, conferences, trade shows, and events associated with the new Richmond Olympic Experience. The City should continue to refine the balance between membership-based and attraction-oriented activities, at no loss of projected revenue streams.

Priority: Medium (2016-2018)

Responsible: Economic Development with Olympic Oval Management

Resources: No new

4. Protect and enhance Steveston as a village with a marine, fishing, and historic character.

Steveston is one of the region's heritage precinct jewels (in a small group that includes Fort Langley, Gastown, Cloverdale, New Westminster, Granville Island, and Lower Lonsdale). Steveston's oceanfront setting, charm, history, authentic and ongoing role in the fishing industry, and lands-end location make it an important heritage asset and a significant attraction for regional residents and out-of-town visitors. The City should use all the tools at its disposal – zoning, development permits, public realm investment, heritage property designations, and support for existing museum attractions – to protect and reinforce Steveston as a community asset and visitor attraction.

Priority: High, ongoing

Responsible: All Departments

Resources: No new

5.4 Retain and Support Businesses Already in Richmond

5.4.1 Introduction

Businesses already in Richmond are of course a key source of employment and property tax revenue. Prevailing wisdom in local economic development says it is much easier to retain an existing business than recruit a new one.

Richmond should continue investing in working with existing businesses to make them want to stay and expand. The City's Economic Development Office has recently launched a business retention and expansion program that includes reaching out to employers to understand their challenges and opportunities, assisting with permitting and licensing, and acting as a first point of contact at City Hall.

5.4.2 Actions

1. Continue the outreach to businesses located in parts of the City Centre designated for high density redevelopment.

The Economic Development Office should continue to be proactive in identifying firms that are at risk of relocating out of Richmond because they are losing their present quarters due to redevelopment and cannot find (or do not think they can find) alternative locations in Richmond.

Priority: High, ongoing

Responsible: Economic Development

Resources: No new

2. Continue to monitor commercial and industrial property tax rates to ensure they are reasonable relative to competing municipalities and continue to identify ways to ease property taxes on employers located in redevelopment areas.

Richmond previously initiated the City Centre Area Transitional Tax Exemption, as a means of easing the tax burden on industrial employers located in areas planned for higher density redevelopment. This program may need to be extended.

Priority: High, ongoing

Responsible: Economic Development and Finance

Resources: No new

3. Continue to assist businesses in the permitting and licencing process by providing a main point of contact and assistance in obtaining approvals.

The Economic Development office has been acting as the main contact for businesses and has been helping businesses navigate approvals.

Priority: High, ongoing

Responsible: Economic Development

Resources: No new

5.5 Increase Richmond's Appeal as a Regional Office Centre

5.5.1 Introduction

There are many sectors with potential for growth in Richmond that will occupy office space. These sectors include specialized business services (e.g. consulting engineers, architects, lawyers), technology companies, specialized medical services, finance and real estate, international trade, development and construction, shipping/cargo, media, and others. While these sectors are all very different in terms of the economic forces that will drive growth and influence where in the region they will locate, they all have in common the desire for office space that is accessible, attractive, close to amenities, well-served with infrastructure, and attractive. Broadly speaking, these kinds of office users can be divided into two categories based on their preference for space: some prefer a business park environment (which typically provides relatively large floor plates, a high proportion of space with direct ground access, high auto accessibility, and large amounts of parking) and some prefer a high density, urban environment. Richmond offers both.

The actions below do not target specific subsets of the regional office-using sectors. Rather, the strategy aims at increasing Richmond's general attractiveness to all office-based firms. Richmond already has several advantages:

- Rapid transit service. Increasingly, office-based businesses are putting a priority on convenient access to rapid transit.
- Airport. There is a subset of firms that are particularly interested in proximity to the airport.
- Strong Asian links, which may help attract some kinds of firms in shipping, trade, and development.
- A high quality of life.

However, historically Richmond has not attracted a large share of the regional suburban office market.

Technical Report #3 provides a detailed look at Richmond's role in the regional office market, current market conditions, and factors that can affect Richmond's ability to attract a larger share. One of the key findings is the need to ensure that there is an opportunity for office space to be developed at rapid transit stations without having to compete with residential use.

5.5.2 Actions

1. With the planning department, examine City Centre land use policy at rapid transit stations to explore the potential for including office space in mixed use developments at transit stations.

An office bonus density incentive is available at the Bridgeport and Aberdeen stations, but it is worth exploring whether similar incentives should be available at the Lansdowne and Richmond-Brighthouse stations.

Priority: Medium (2016-2018)

Responsible: Economic Development and Planning

Resources: No new

2. Explore providing development incentives for stand-alone office developments in the City Centre, considering that vacancy is falling in good quality transit-oriented office buildings.

Priority: As required

Responsible: Economic Development and Planning

Resources: No new

3. Encourage and where possible assist the development of office space at rapid transit stations, such as the proposed Sea Island Business Park, which has the potential to accommodate a large amount of office space with a direct link to YVR.

Priority: High, ongoing

Responsible: Economic Development and Planning

Resources: No new

5.6 Support Economic Diversity, Small Business Opportunities, and Localization

5.6.1 Introduction

Fostering a more resilient local economy means working to increase the diversity of employment and supporting sectors that may become more important in the future if the traditional mainstays of Richmond’s economy (particularly transportation, good movement, and tourism) are negatively affected by rising energy costs and changes to the global economy that result from reduced economic growth and climate change.

Richmond can provide a supportive environment for a diverse range of businesses, entrepreneurs, localization of sectors of the economy such as food production, and arts/culture.

5.6.2 Actions

1. Provide a supportive environment for local food production and processing.

For several reasons (increased fuel costs, increased consumer concern about food freshness and quality, reduced carbon footprint, and local employment potential), there will be growing interest in North America in locally sourced food. Richmond, with a large inventory of agricultural land within Metro Vancouver and a major base for the west coast fishing fleet, can be a significant source of food for the large and growing metropolitan population. The City should be supportive (via zoning, regulations, and licensing) of food production and processing, in a variety of ways:

- Continue the policy of protecting farm land in the ALR.
- Make sure that zoning regulations and licensing provisions are supportive of active farming and ensure that farming activity is not constrained by adjacent urban development.
- Support farm gate sales.
- Support growth in the number and size of local farmers markets.
- Maintain the industrial and commercial lands in Steveston that are used for the fishing industry and ensure that residential development does not encroach on or constrain fishing-related activity.
- Support dockside fish markets.

Priority: High, ongoing

Responsible: City Departments

Resources: No new

2. Continue to support film and television work in Richmond.

While Richmond does not have major studio facilities, there is economic activity in on-location work, digital media, and other non-studio aspects of the industry. Richmond should strive to be a “film friendly” community, though efforts such as these:

- The Richmond Film Office should continue to provide information about locations and provide a supportive and efficient process for assisting firms doing location shoots in the community.
- The City should ensure that its permitting process and regulations for on-location shooting are reasonable and harmonized with requirements in other Metro communities.

Priority: High, ongoing

Responsible: Richmond Film Office

Resources: No new

3. Provide a supportive regulatory context for appropriate home-based businesses.

The City should ensure that its regulations pertaining to home-based businesses are reasonable and supportive of entrepreneurs, especially in sectors that have few negative externalities (e.g. software design, architecture, graphics, consulting).

The City should also work with the development industry to see if there are opportunities to develop live-work spaces in Richmond.

Priority: Medium (2015+)

Responsible: Economic Development and Planning

Resources: No new

4. Continue to support the arts and culture sector in Richmond.

The City should continue to support cultural institutions and facilities, festivals, performing arts, and public art, both for their contribution to the local economy and for their contribution to the quality of life.

Priority: Ongoing

Responsible: Mayor and Council, Arts and Cultural community

Resources: No new

5.7 Invest in Stronger Relationships with Senior Governments

5.7.1 Introduction

Senior governments fund infrastructure, health and education facilities, international trade missions and other projects that can have a large impact on local investment and employment.

Local governments need to be nimble in identifying opportunities to secure provincial or federal investment, which in part means building and maintaining good relationships and taking advantage of political opportunity.

Part of Richmond's economic action plan should be for the City's leadership to retain close relationships with BC and Canada, especially when locally elected representatives achieve influential positions such as cabinet postings.

5.7.2 Actions

1. Maintain an up-to-date list of priority projects that would benefit from provincial or federal assistance.

The City should have a clear and consistent position regarding major infrastructure projects that warrant investment by senior government. This information should be ready for presentation to provincial and federal representatives at opportune times. Examples include Fraser River dredging, dyking, and the goods movement aspect of Highway 99 improvements.

Priority: High , ongoing

Responsible: Council and Senior Staff

Resources: No new

2. Continue to take advantage of opportunities to communicate Richmond's priorities to government, particularly through Richmond's elected representatives.

Priority: High, ongoing

Responsible: Council and Senior Staff

Resources: No new

5.8 Cooperate with the Rest of the Region

5.8.1 Introduction

One of the major patterns that emerged from a review of good practices in local economic development in North America is a smart balance between local initiatives and regional initiatives.

To some degree, investment and business see this region as “Vancouver”, without a clear understanding of the difference between the City of Vancouver, Richmond, Burnaby, and other communities. Some investment is attracted to the region for all of its assets and then makes a choice as to where to locate. Programs and activities intended to get non-local investment and business to come to this region should be funded regionally and provincially. While there can be value in individual municipalities collaborating with industry to sell what we already make here on the international stage, with few exceptions individual municipalities will not benefit by launching independent international trade missions or marketing programs aimed at attracting new business from other jurisdictions. Even if such actions are successful at finding prospects that come to the region, there is no way to guarantee that the investment or businesses lands in the specific municipality that first made contact.

Richmond should focus on retaining existing business, accommodating businesses that need to be in Richmond, and capturing a share of investment that lands in the region. Richmond should be willing to participate in good regional or provincial partnership ideas for international prospecting, but should not fund major initiatives on a solo basis.

5.8.2 Actions

1. Continue to cooperate with other Metro municipalities on regional initiatives to reduce red tape.

Richmond is participating in the Inter-Municipal Business Licence program, which allows mobile businesses (operating in more than one municipality) to purchase a single business licence. The City should be open to other initiatives of this type, such as uniform permitting for film shoots.

Priority: Medium, ongoing

Responsibility: Economic Development

Resources: No new

2. Be willing to collaborate with other Metro municipalities in regional marketing activities.

Priority: As needed

Responsible: Economic Development

Resources: To be determined

5.9 Maintain a High Quality of Environment, Life, and Public Services

5.9.1 Introduction

Employers are drawn to locations that meet basic business requirements and that have a skilled labour force. Increasingly, highly skilled labour is found in places that offer high quality of life, in the form of attractive and affordable housing, high quality public services, safe communities, efficient public transportation, and healthy environments.

The reason for making this point is simply to emphasize that investments in community building are investments in the local economy as well. The City should continue to place high priority on community building and environmental quality as fundamental elements in strengthening and diversifying the local economy.

5.9.2 Actions

- 1. Continue to work with local businesses to reduce energy consumption, solid waste, and water consumption.**

Priority: High, ongoing

Responsible: Sustainability

Resources: No new

- 2. Continue to invest in public realm improvements in the City Centre and the community as a whole, particularly in ways that promote walking, cycling, and transit use.**

Priority: High, ongoing

Responsible: City Departments

Resources: As needed and available

- 3. Continue to invest in public services and community facilities that make Richmond a healthy, safe, and attractive place to live, work, start a business, and visit.**

Priority: High, ongoing

Responsible: City Departments

Resources: As needed and available

6.0 Monitoring and Updating

The Economic Development office will monitor Richmond's economic trends and evaluate progress in achieving the goals and objectives of this Action Plan.

The Economic Development office will report, through its annual reporting mechanism or as significant action items are completed, on:

- Key statistical indicators that track progress in achieving the aim of this Action Plan, particularly data on land availability, employment, commercial and industrial floorspace, and business licences
- Actions that have been initiated or completed to date.

The Action Plan will be reviewed in 2018 and updated by 2020.