

Economy

14



RELATED GOALS

- 14 (A). Victoria generates most of its economic growth, through innovation, entrepreneurship and new business formation, while continuing to attract and retain new, sustainable enterprises well-suited to the region.
- 14 (B). Victoria contributes to global knowledge, produces and attracts talented researchers, incubates innovation, and brings new goods and services to market.
- 14 (C). Victorians have the knowledge and abilities to support a vibrant regional economy and the capacity to creatively adapt to economic change.
- 14 (D). Victoria is a premier international tourism destination and gateway to Vancouver Island.
- 14 (E). A broad range of employment opportunities exist across the city and region providing workers with income to financially support themselves and their families.

OVERVIEW

An economy is a system of producers, distributors and consumers of good and services within a geographic area and involves supply and demand within the broader context of issues such as sector growth, wealth distribution and unemployment. Economic development is shaped by land use management through policies that respond to market demands, such as small office space or light industrial uses, which often vary by sector, and the scales of enterprises. At the same time, the purpose of economic development is to increase the standard of living and quality of life in a community.

Victoria's economy is dependent on economic growth and change in BC and the region, and is comprised of government services; visitor-oriented commercial services like tourism, and export products; and business and jobs that serve the local population. Tourism may continue to face the challenges of a strong Canadian dollar, stringent cross-border security and high fuel costs. Cutbacks or limited growth in the public sector over the period of this plan may threaten the role of the Downtown Core Area as the regional centre for government headquarters and traditional sectors such as fire, insurance and real estate. Victoria is projected to continue modest growth in retail, office and industrial development due to the limited availability of land and competition from suburban municipalities with greater supply and less expensive commercial and industrial land, and major retail centres. Emerging sectors include: advanced technology, education services; health services; and arts and culture in the creative economy. Relatively high salaries in these professional areas would help to change Victoria's historical trend of low household incomes compared to the Capital Region.

This plan commits the City to place-based land use management that supports and enables small and medium enterprise, and is supportive of community economic development focused on local businesses, local resources and social enterprise. Tourist and visitor services uses continue to be concentrated in the Inner Harbour/Legislative district with a focus on heritage tourism. The Downtown Core Area will also remain the region's central business district with capacity to meet office job growth in government headquarters, especially provincial, as well as fire, real estate and insurance and professional services. Victoria will be strengthened as the regional specialty retail centre through heritage conservation and job growth in community-oriented goods and services is supported through higher residential densities in large urban villages and town centres. Industrial uses on public and private lands will be retained for economic purposes such as advanced and clean technology but intensified to increase land capacities for commercial, retail, office and mixed uses. Education services and health services uses will be permitted in the Downtown Core Area, Employment districts, Town Centres and Large Urban Villages respectively, and work/live uses for cultural producers are included in each of these designations.

BROAD OBJECTIVES

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

- 14 (a) That Victoria is experiencing growth in major and emerging sectors, and that the proportion of people who live in poverty in the city and the Capital Region is reduced.
- 14 (b) That social well-being is improved through local businesses that use community resources and that specialize in social enterprise.
- 14 (c) That the place-based approach to planning and land use management in this plan provides direction, guidance and enabling conditions for the growth, incubation and retention of small and medium enterprise.
- 14 (d) That there is a stable and competitive environment for Canadian and foreign investment and local businesses and jobs in the city and region.
- 14 (e) That job growth in tourism and visitor services is concentrated in the Urban Core.
- 14 (f) That investment in Victoria's waterfront and heritage character maintains the city's image and competitive advantage.
- 14 (g) That Victoria's Urban Core is the region's central business district with capacity to meet office job growth in government headquarters, especially provincial, and finance, real estate and insurance and professional services.
- 14 (h) That industrial uses on public and private lands are retained for economic purposes but intensified to increase land capacity for commercial, retail, office, and related mixed use.
- 14 (i) That the city is strengthened as the regional specialty retail centre and job growth in community-oriented goods and services are maintained through greater residential density in the Urban Core, Town Centres and Large Urban Villages.
- 14 (j) That employment in education services and health services will increase and be located in the Urban Core and Employment districts, Town Centres and Large Urban Villages respectively.
- 14 (k) That Victoria will remain the regional heart for the arts and culture, and the sector will continue to grow through policies that foster new and existing cultural hubs.

CITY IMAGE

- 14.1. Work with partners to advance a new image of Victoria that is authentic to the city's character, history and people, while proposing a vision focused on the new economy, knowledge-based enterprise, the cultural city, advanced technology, and innovation.

ECONOMIC ASSETS

- 14.2. Support innovation and reinvestment in the hard and soft economic assets that attract investment and support economic activity, and that address challenges to economic performance including:
 - 14.2.1 The physical qualities of place including the historic built environment, Victoria Harbour, the urban public realm, parks and public facilities;
 - 14.2.2 The Downtown Core Area as centre for government and business, culture and entertainment;
 - 14.2.3 Public infrastructure including land and marine transportation facilities, underground services, waste management, utilities, telecommunications, and energy;
 - 14.2.4 Public cultural institutions and destination attractions;
 - 14.2.5 Market and non-market housing that is affordable to workers and attractive to investors;
 - 14.2.6 Customer oriented public service delivery and competitive business taxes, fees and charges;
 - 14.2.7 Community social welfare and development programs and initiatives; and,
 - 14.2.8 Education, training and workforce development.

ECONOMIC DEVELOPMENT

- 14.3. Provide direction for economic growth and change through the development and regular update of an Economic Development Strategy, that:
 - 14.3.1. Identifies major and emerging growth sectors in Victoria, the Capital Region and British Columbia;
 - 14.3.2. Guides the coordination of the local economy with regional economic initiatives; and,
 - 14.3.3. Encourages and supports local ownership, businesses that use local resources and social enterprise.

COMMUNITY ECONOMIC DEVELOPMENT

- 14.4 Encourage and support businesses and organizations whose purpose is to solve a market failure or to improve social well-being in other ways.
- 14.5 Support economic activities that use and strengthen community resources and the capacity of citizens to enhance social well-being, such as food production and processing, through municipal regulations, and incentives, where appropriate.
- 14.6 Encourage and support economic activities that provide household sustaining jobs.
- 14.7 Work with partners to improve the economic and social condition of citizens who are unemployed and living in poverty through support for social services in the Urban Core, Town Centres and Large Urban Villages.

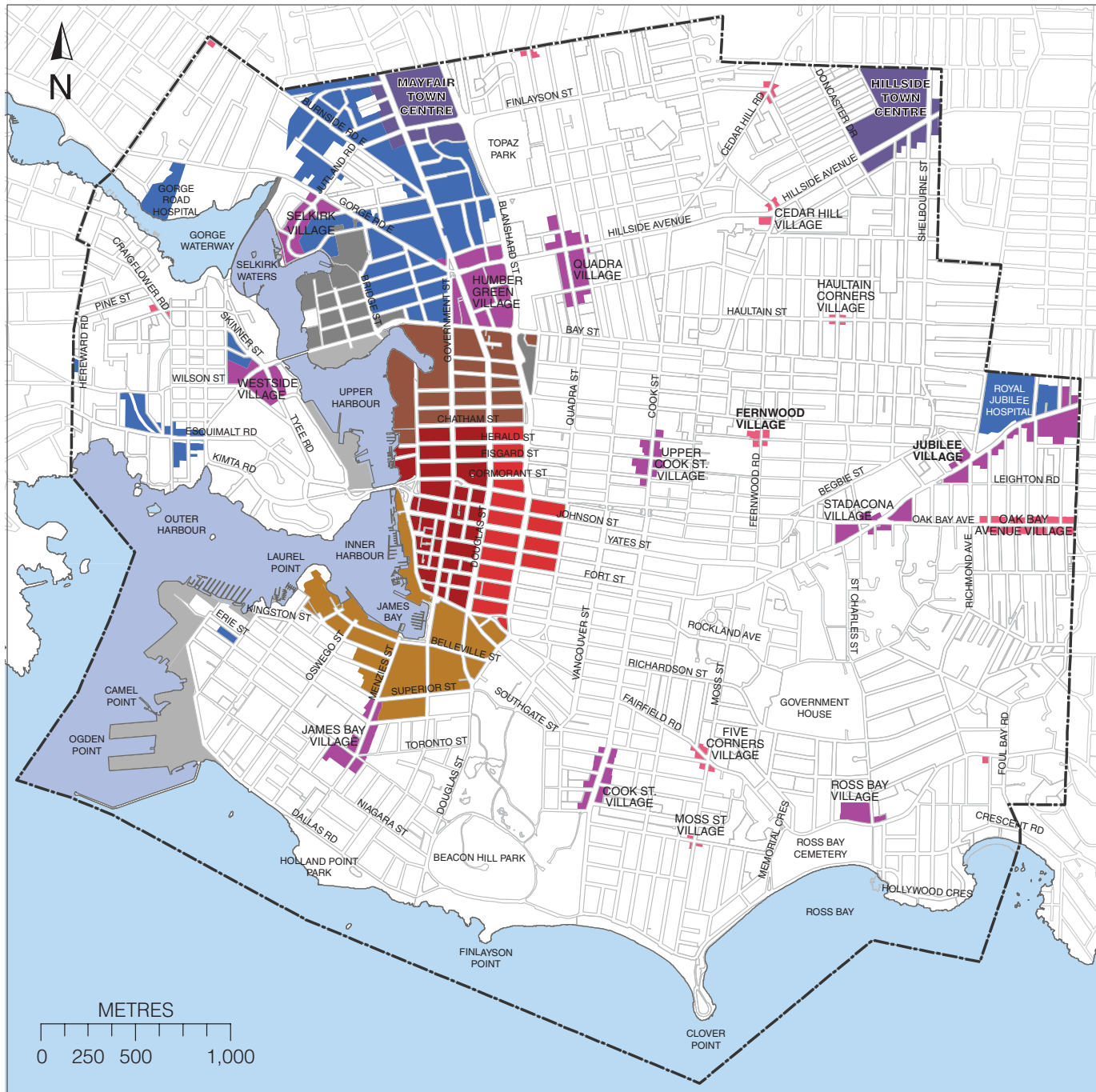
ECONOMIC LAND USES

- 14.8 Consider the place-based conditions for economic sectors generally as described in Figure 16 in support of Victoria's economic structure as shown on Map 13.

Figure 16: Urban Places – Economic Guidelines

Designation	Economic Sector
Core Business	<ul style="list-style-type: none"> › Government headquarters › Public administration services › Finance, real estate and insurance › Professional services › Education services › Arts and culture › Not for profit and voluntary sector › Transportation › Entertainment › Tourism and visitor services › Destination retail trade
Core Inner Harbour/ Legislative	<ul style="list-style-type: none"> › Tourism and visitor services › Government headquarters › Arts and culture › Transportation › Entertainment › Retail trade
Core Historic	<ul style="list-style-type: none"> › Speciality retail › Arts and culture › Public administration services › Professional services › Entertainment › Arts and culture › Tourism and visitor services › Not for profit and voluntary sector
Core Employment	<ul style="list-style-type: none"> › Light industry › Advanced technology › Marine industry › Research and development › Commercial, office and retail trade › Arts and culture › Wholesale trade

Designation	Economic Sector
Core Residential/ Core Songhees Residential	<ul style="list-style-type: none"> › Community-oriented goods and services › Professional services › Retail trade › Visitor accommodation
Working Harbour and Marine Industrial	<ul style="list-style-type: none"> › Traditional industries › Marine related processing and manufacturing › Advanced technology › Transportation › Shipping, cargo, marine recreation › Tourism and visitor services
General Employment	<ul style="list-style-type: none"> › Technology industries › Education services and research › Health services › Retail trade › Visitor accommodation and services › Light industry and business services › Wholesale trade
Industrial	<ul style="list-style-type: none"> › Health services › Technology industries › Primary processing and manufacturing › Warehousing and shipping › Industry
Large Urban Villages	<ul style="list-style-type: none"> › Community-oriented goods and services › Arts and culture › Retail trade › Financial and health services
Town Centres	<ul style="list-style-type: none"> › Community-oriented goods and services › Arts and culture › Retail trade › Financial and health services › Destination retail



MAP 13
Economic Structure

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

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COMPETITIVE BUSINESS ENVIRONMENT

- 14.9 Periodically review and consider the statutory tools available to enable and support new development and improvements, such as property tax rates, tax incentives, charges, fees, grants and density bonus for amenities.
- 14.10 Encourage senior government to offer financial incentives for businesses and jobs in major and emerging economic sectors.

TOURISM AND VISITOR SERVICES

- 14.11 Support the clustering of tourist and visitor services in the Core Inner Harbour/Legislative, and Core Historic districts by retaining and enhancing the mix of service, retail, commercial, transient accommodation and harbour transportation uses and destination attractions such as the Royal BC Museum, the Maritime Museum and others.
- 14.12 Work with partners in the public and private sectors to upgrade public facilities and visitor destinations, and to develop facilities in the Urban Core, including the Royal BC Museum, a new Central Public Library, and potentially a purpose-built centre for performing arts, art gallery location, and other destination attractions.
- 14.13 Work with Tourism Victoria and other partners to market the image of a cultural city that builds on the assets of Victoria's historic built fabric, cultural institutions, and arts and culture community, with complementary attractions, and improved transportation between destinations.
- 14.14 Attract visitors and residents to the Urban Core by enhancing its waterfront and heritage place character through beautification of the public realm, festivals, celebrations and special events that animate the public realm.
- 14.15 Encourage private and public property owners to protect, conserve and seismically upgrade heritage resources.
- 14.16 Maintain, develop and enhance financial incentives for heritage conservation in co-operation with the Victoria Heritage Foundation and the Victoria Civic Heritage Trust; and use senior government programs, as available.
- 14.17 Consider broadening the geographic scope for the Tax Incentive Program to the entire City and extending its time horizon.

GOVERNMENT, COMMERCIAL AND PROFESSIONAL OFFICES

- 14.18 Continue to work with the Province to maintain government office headquarters in Victoria, and the Urban Core in particular, through supportive land use choices.
- 14.19 Support employment growth in government headquarters, finance, real estate and insurance and professional services by maintaining existing commercial mixed-uses in the Core Business district, and in close proximity to the Legislature, to protect office space capacity from the demand for more residential development.
- 14.20 Retain some capacity for small office space in the upper stories of properties in the Core Historic district.

TECHNOLOGY INDUSTRIES AND TRADITIONAL INDUSTRIES

- 14.21 Maintain heavy and light industrial lands for manufacturing and processing activities and jobs in traditional industries including Marine industries and transportation and technology industries, as feasible and required.
- 14.22 Enable and support the clustering of advanced technology firms by maintaining and concentrating light industrial and industrial live/work uses, with a supportive mix of commercial, retail, services, educational institutional and mixed uses in Employment districts particularly in the Core Employment district.
- 14.23 Continue to support jobs in manufacturing and transportation and warehousing by retaining locations for heavy industry adjacent to the harbour on appropriate land separated from employment districts, and other mixed-use areas.
- 14.24 Work with neighbouring jurisdictions, the private sector and other partners to assist the research and academic sectors to intensify its research and development on advanced technology.

COMMUNITY-ORIENTED GOODS AND SERVICES

- 14.25 Encourage job growth in community-oriented goods and services by increasing the residential densities in the Urban Core, Town Centres, Large Urban Villages and along rapid and frequent transit corridors.
- 14.26 Continue to encourage the concentration of specialty retail in the Core Historic and Core Inner Harbour/Legislative districts by retaining pedestrian-oriented uses at street level, maintaining short-term parking, and introducing enhanced public transit, in particular, rapid transit along Douglas Street.

EDUCATION AND HEALTH SERVICES

- 14.27 Enable and support the growth of health services and social services by concentrating health institutional uses in the General Employment district at Royal Jubilee Hospital, and by including community health services in the mix of uses in other Employment districts, Town Centres, Large Urban Villages and in the Downtown Core Area.
- 14.28 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 facilities the Downtown Core Area.
- 14.29 Continue to support English as a Second Language (ESL) education within the Downtown Core Area.
- 14.30 Work with First Nations to encourage the development of a major First Nations Cultural and Learning Centre in the Downtown Core Area, and partner with senior government, the private sector and community organizations, as appropriate.
- 14.31 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.

CREATIVE ECONOMY

- 14.32 Foster the development of cultural hubs, with clusters of cultural industries and related activity in the arts, culture, and entertainment, by retaining and enhancing the supply of work/live for cultural producers in the Core Historic and Core Inner Harbour districts, and give consideration for work/live opportunities in the Core Employment designation in Rock Bay, Town Centres and Large Urban Villages through local area plans as appropriate.
- 14.33 Continue to support the vitality of arts and culture through community development.
- 14.34 Continue to support the film and television industry through the City's permit review process for locations.