

An aerial photograph of an industrial area in Port Moody, British Columbia. The image shows several large industrial buildings, parking lots filled with cars, and a train passing on tracks. In the background, there is a residential neighborhood with houses and a dense forest on a hill. A semi-transparent dark grey rectangle is overlaid in the center of the image, containing the title text.

PORT MOODY INDUSTRIAL LAND STRATEGY

Port Moody Industrial Land Strategy

FINAL REPORT, MARCH 2023

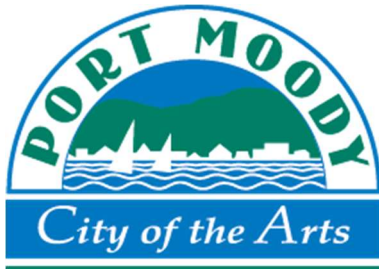
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Cover photo: Sutton Group Realty

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1 INTRODUCTION

Industrial development in Port Moody has been a fundamental driver of the growth and prosperity of the community for nearly 150 years. Originally attracted by the arrival of the Canadian Pacific rail line, industry was concentrated along the waterfront on both sides of Burrard Inlet, as well as the central core of the community on Murray, Spring, and Clarke Streets.

The industrial composition of the community has evolved over the years due to the changing fortunes of core industries and high demand for land from alternative commercial and residential uses. At the same time, industrial land shortages and extremely high land values are a persistent challenge throughout Metro Vancouver.

The City of Port Moody places high priority on a strong local economy, including through the recent completion of an Economic Development Master Plan. Industrial land is recognized not only for its value in supporting high quality employment, but in keeping valuable support services located in proximity to other local businesses, households, and traditional marine-focused industries.

The pressures facing industrial land in Port Moody will continue and change is inevitable. The purpose of this Industrial Land Strategy is to provide guidance to the City on managing the continued evolution of industrial land to retain vital industrial uses, sustain and expand quality job opportunities, and support a strong local tax base and complete community.

PURPOSE OF THE STUDY

Establishing clear direction for industrial lands is a priority for the City of Port Moody. It is relevant to the ongoing updates to the City's Official Community Plan, which includes the industrial areas of Murray Street, the Transit Oriented Development (TOD) area including Spring Street, and the Oceanfront District as priority neighbourhoods.

The recently completed Economic Development Master Plan included a strategy to support the retention of industrial land options. Increasing local employment opportunities is a priority for the Master Plan, following from earlier Council direction, and industrial land has a key role in achieving this goal.

STUDY OVERVIEW

The study included the following elements:

- Review of existing research on industrial trends in Metro Vancouver and other comparable markets.
- Detailed review of existing industrial uses in Port Moody, using both data and a walking site tour.
- Site tours of multiple innovative industrial developments in Vancouver.
- Consultation with local industrial business owners and operators, as well as industrial developers and brokers with expertise in the Port Moody and Tri-Cities markets.

2 REGIONAL INDUSTRIAL CONTEXT

METRO VANCOUVER

The preservation and optimal use of industrial land has been a research and policy focus for Metro Vancouver for many years.

The long term erosion of industrial land, particularly waterfront land, through conversion to higher-value uses like residential has led to the current situation of land shortages, high and rising land values and lease rates, and the displacement of some industrial functions outside the region.

The 2020 Metro Vancouver Regional Industrial Land Strategy recommended four “Big Moves” to address the situation:

1. Protect Remaining Industrial Lands
2. Intensify and Optimize Industrial Lands
3. Bring the Existing Land Supply to Market and Address Site Issues
4. Ensure a Coordinated Approach

While the 1st recommendation to Protect Remaining Industrial Lands is relevant to Port Moody, the Port Moody report is focused more on the 2nd – Intensify and Optimize Industrial Lands. The specific language supporting this recommendation include:

- Removing any unnecessary restrictions to density or height limits, where contextually appropriate
- Planning the space to accommodate new, smaller industrial uses when older, centrally located industrial areas densify

- **Allowing the mixing of industrial with other employment uses so long as the industrial component is secured as a condition of redevelopment**
- Exploring opportunities to encourage intensification in target areas (i.e., proper geotechnical conditions, access to infrastructure and transit) via incentives. These could include pre-zoning, density bonuses, financial incentives, and/or others

While recognizing the inherent challenges in mixing industrial and residential uses, the strategy suggests that in addition to mixing employment uses, “Metro Vancouver will explore allowing mixed-use with residential on Mixed Employment lands immediately proximate to Rail Rapid Transit Stations (distance to be determined, but suggest 200 metres) as long as existing industrial space is maintained or expanded and other Metro 2040 objectives are met (e.g. affordable, rental housing).” [p. 55]

EMERGING TRENDS

The following summary of emerging trends in industrial land development is based on the Metro Vancouver Industrial Land Strategy, submissions by NAIOP Vancouver to the City of Vancouver Employment Lands and Economic Review, and consultation and review of innovative new projects in Metro Vancouver and elsewhere.

It is useful to distinguish between “urban industrial,” as exemplified by the Mount Pleasant neighbourhood in Vancouver, where densification and mixing of uses is occurring on smaller lots in a highly urbanized context, versus suburban industrial, characterized by large parcels with highway, rail or port access where innovation is occurring in massive warehousing and logistics centres. Port Moody is a suburban market in location, but features small lots and almost no vacant land, suggesting the relevant trends are closer to the Vancouver example than to Langley or Richmond.

These trends include:

- Technological innovation is allowing **vertical integration of formerly separate business functions** into the same site, including design, prototyping and testing, production, sales and distribution, and sometimes retail and food service. These functions resemble traditional office, laboratory, manufacturing, warehouse, and retail/restaurant functions, but are increasingly integrated in the same unit or building.

One of the points raised by NAIOP is that future innovation will continue to change how products are conceived and produced and zoning needs to be flexible

in relaxing the manufacturing requirement and recognizing these other functions.

- A huge **expansion of the technology sector** in Metro Vancouver, most of which generates tremendous economic value in digital, rather than physical, form. Many of these companies locate in traditional offices, but may desire integrated light industrial space if they require an R&D or distribution element.
- The combination of computing power, advances in materials science and 3D printing technology, and the “re-shoring” movement to increase manufacturing capacity allows for **smaller-batch and custom-order manufacturing**.
- High land costs and limited space is driving growth in **higher-density industrial buildings**, most often featuring more office-like functions on upper floors, but increasingly ramping and loading to allow for core industrial functions on the 2nd level of buildings.
- In an era of **labour shortages** across industries, recognizing the value of an attractive work environment for industrial employees, including incorporating amenities within buildings (e.g., food service, recreation) and having a desirable surrounding area (including access to transit).
- Interest in **circular economy** systems where complementary businesses cluster together such that by-products of one company are inputs to another.

- **Growth in strata tenure** industrial buildings and units continues, driven by smaller buildings in urban areas. Two factors are at play: the small industrial business who wants to own a unit, and the shift to industrial property as an investment primarily to earn rental income.

Strata owner-occupiers can be characterized as smaller, established businesses looking for their new “signature”

building or space. Renters are more often in the startup phase, or expanding businesses who need additional space.

- There are other trends relating specific to goods movement through the port and **advances in warehouse and logistics facilities**, but these are less relevant for Port Moody.

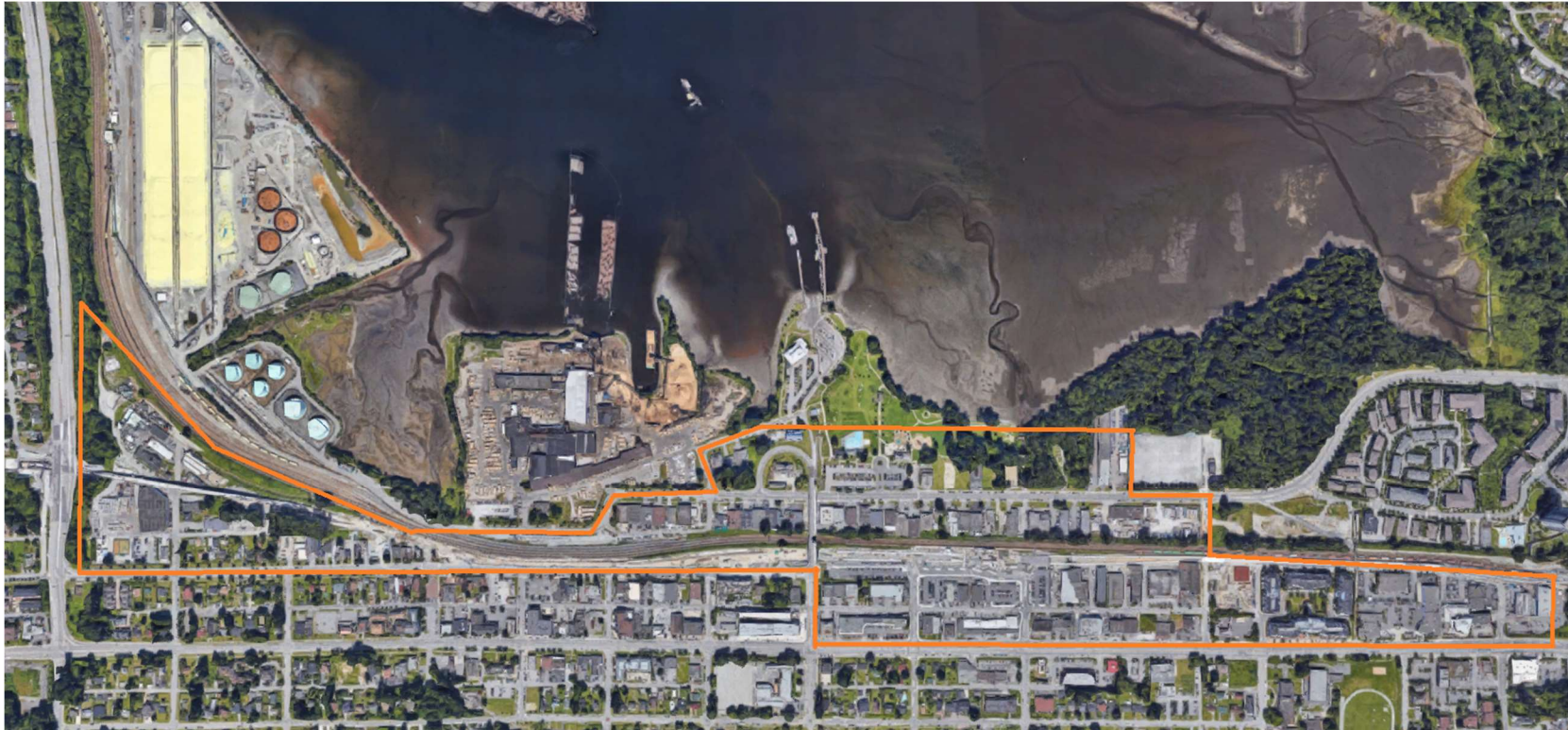
3 INDUSTRIAL LAND INVENTORY

Industrial land in Port Moody has traditionally been oriented toward the water or the railway, or in many cases both. Major industrial areas that remain in the city, some of which are not currently operational, include:

- On the north side of Burrard Inlet
 - Burrard Thermal power generating facility
 - loco oil refinery
- On the south side of the inlet flanking Barnet Highway
 - Suncor (both marine terminal on the inlet and upland fuel mixing and storage facilities)
 - Pacific Coast Terminals, a deep-water port facility
- On or near the waterfront adjacent to the traditional town centre
 - The now-closed Flavelle Sawmill site (now referred to as the Oceanfront District), which was the largest of multiple sawmill sites over the years
 - Polynt Coatings (formerly Reichhold Chemical) and the now-closed Andrés Wine site, which is part of the proposed Westport development project
 - Dozens of smaller industrial parcels home to a diverse mix of businesses, including fabricators and

service providers who are key suppliers for major local industries (Suncor, the film sector) or large institutions in the community (Eagle Ridge Hospital, City of Port Moody). Others provide a variety of repair and other services to households in Port Moody and across the region and some create specialized goods and services for export beyond the region and around the world.

Port Moody's industrial areas have been affected by many of the same trends impacting industrial districts throughout the region, including the decline of traditional industries, the incursion of non-industrial users onto industrial land, and the escalation of land values due to extreme scarcity and speculation about possible transition to other uses. The construction of the Evergreen Line SkyTrain also heavily impacted the city's industrial core by absorbing former industrial land and simultaneously encouraging the transition to higher-density urban land uses due to rapid transit proximity.



INVENTORY PROCESS

Compiling an inventory of industrial land and the economic activity it supports was an important objective for this study.

The inventory was created with a focus on the city's core industrial area, bounded by Barnet Highway to the west, St. Johns Street to the south, Moray Street to the east, and Murray Street to the north. This area also includes significant non-industrial

development, including commercial and residential development along St. Johns and Clarke Streets.

It excludes several major industrial parcels elsewhere in the city, including on the north shore and along Barnet Highway. It does not include Pacific Coast Terminals, which is under federal jurisdiction and not subject to the same development pressures as other industrial land in the city. It also excludes the former Flavelle sawmill site on the waterfront, which will eventually redevelop through a comprehensive development process that many include

some industrial activity. Despite not being part of the land inventory statistics discussed below, many of the recommended strategies will be relevant for future development on the Flavelle site.

INFORMATION SOURCES

The inventory was compiled from several sources:

- BC Assessment records and other local or provincial property data that were previously compiled for the market analysis component of the recent Economic Development Master Plan.

Parcels were included in the inventory if they (A) have industrial zoning or (B) are designated for industrial use in the Official Community Plan.

Industrial strata units, as legally separate parcels, are counted in the inventory as individual parcels with a proportionate share of the total land area of their lot.

- City of Port Moody business licence data.
- Walking tour of the central industrial areas in June 2022 to confirm occupancy status and type of occupant. This approach is reasonably accurate for industrial parcels with one or two occupants, but less accurate for strata developments with multiple tenants as individual unit occupancy can be difficult to determine.
- Supplementary online research to confirm company details, particularly for strata sites and other industrial properties with multiple tenants.

This included online mapping tools, such as Google Maps and the City's public GIS portal, to visually inspect property information and to estimate the built area of the parcel in cases where available data was lacking. Company websites and real estate listings were among the other online information sources that were useful for some properties.

These information sources allowed basic information such as parcel and building size, vacancy, building occupancy, and type of economic activity to be compiled.

INVENTORY STATISTICS

The industrial inventory statistics outlined below are estimates as of June 2022, although as noted above some property information is from the previous year and some supplementary business research in the following months may reflect more recent occupancy changes. Regardless of the effective date, any inventory of this type represents just a single point in time in an evolving and dynamic marketplace. The outcome is a reasonably accurate baseline of information that can assist in policy recommendations and serve as a benchmark for measuring the future evolution of the area.

LAND USE

A high-level summary of current industrial land usage in central Port Moody is shown in Table 1. Note that strata units are counted as separate parcels in this analysis.

TABLE 1. SUMMARY OF CURRENT INDUSTRIAL LAND USAGE IN CENTRAL PORT MOODY

INDUSTRIAL SITE STATUS	PARCELS	SITE AREA		% OF SITE AREA
		(SF)	(HA)	
TOTAL	94	1,690,000	15.7	100%
Developed and Currently Occupied	68	1,175,000	10.9	70%
Developed and Unoccupied	5	180,000	1.7	11%
Undeveloped	21	335,000	3.1	20%
Undeveloped Types				
...current redevelopment site	3	100,000	0.9	6%
...SkyTrain parking lot (potential future development site)	6	100,000	0.9	6%
...vacant lot	4	120,000	1.1	7%
...likely undevelopable	8	15,000	0.1	1%

- There are a total of 94 parcels (including strata) with a total land area of 15.7 ha included in the inventory. About 80% of the land area has been developed, including 70% that is currently occupied.

- While 20% of the total land area is undeveloped, only 7% is vacant land with development potential for purely industrial purposes. About 6% is currently being redeveloped, generally for mixed-use with a small industrial component. Another 6% is used for SkyTrain parking and has been designated for Transit Oriented Development, which has redevelopment potential but not likely with industrial as the primary use. Just under 1% of the total land area is spread across eight small parcels that due to their small size and/or awkward shape and location, are not considered to be developable.
- Of the 5 parcels that are currently developed but unoccupied, two are current or likely redevelopment sites as their current structures appear obsolete. This includes the former Andres Wine building that is part of the Westport proposal at Clarke Street and Barnet Highway, as well as the former Pacifica Steel building on the corner of Spring Street and Electronic Avenue (within the TOD area). The other structures that appear vacant are on Murray Street and two are strata units in a building that is otherwise occupied.

FLOORSPACE BY TYPE OF INDUSTRY

The types of industrial activity occurring on Port Moody's industrial land has been grouped in the following categories, based on a mix of visual inspection of the subject properties and research on the nature of industrial tenants:

- Industrial
- Light Industrial
- Office
- Retail/Services
- Non-Employment

Note the Polynt Coatings site is the only one within the industrial category. The single non-employment property is the cadet hall on Esplanade Avenue.

Many other properties have a blend of uses, but are assigned according to the predominant type of activity for each parcel. For example, light industrial sites may have a small amount of office space in addition to the workshop or production areas of the building. Office sites contain primarily office uses, but may also include a small amount of loading or studio or other non-office space.

These categories are used to summarize industrial floorspace use in Table 2.

TABLE 2. ESTIMATED INDUSTRIAL FLOORSPACE IN CENTRAL PORT MOODY

PRIMARY TYPE OF INDUSTRIAL ACTIVITY	SITE AREA (SF)	FLOORSPACE		FLOOR AREA RATIO (FAR)
		(SF)	(M3)	
TOTAL DEVELOPED	1,355,000	572,000	53,000	0.42
Industrial	390,000	53,000	5,000	0.14
Light Industrial	535,000	293,000	27,000	0.55
Office	29,000	28,000	2,600	0.96
Retail/Services	215,000	114,000	10,600	0.54
Non-Employment	9,000	3,000	300	0.34
Total Occupied	1,175,000	491,000	46,000	0.42
Likely obsolete	165,000	71,000	6,600	0.43
Potentially available	13,000	10,000	900	0.78
Unoccupied	178,000	81,000	7,500	0.45
(Total Without Likely Obsolete)	1,190,000	500,000	47,000	0.42

- Total built floorspace is approximately 53,000 m³ (572,000 square feet).
- About 7,500 m³ (81,000 square feet) is not occupied, which suggests a vacancy rate of 14%. But as noted in the discussion of Table 1, two of the sites with unoccupied floorspace are in buildings that appear functionally obsolete and will be redeveloped rather than occupied with new tenants (the former Andres Wine and Pacific

Steel buildings). Removing those buildings from the inventory leaves just under 1,000 m³ (10,000 SF) of potentially available space, all on Murray Street. **The functional vacancy rate is therefore 2%.**

- The estimated floor area ratio (FAR), which measures development density by comparing floorspace to site area, is 0.42 across all developed industrial parcels.
- The FAR varies significantly from a high of 0.96 for primarily office uses to around 0.55 for both light industrial and retail/services uses.

EMPLOYMENT ESTIMATES

Employment estimates are prepared based on typical job densities for each type of industrial activity, supplemented by actual employment counts when available from consultation interviews or other sources.

This approach is an extension of the analysis completed for the recent Economic Development Master Plan. As noted in greater detail in Appendix B of the Master Plan, the job density assumptions are based on numerous previous studies across Metro Vancouver.

**TABLE 3. EMPLOYMENT DENSITY ASSUMPTIONS
(SQUARE FEET OF FLOOR SPACE PER JOB)**

FLOOR SPACE TYPE	SF / JOB
Office	175
Retail/Services	300
Institutional	350
Light Industrial	350

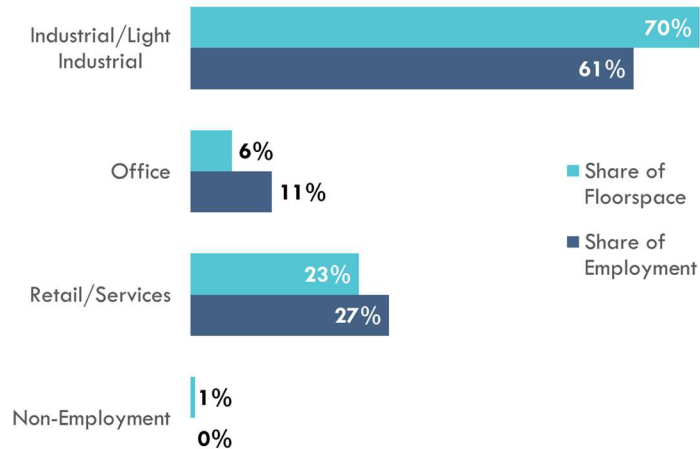
Institutional employment is not a factor in Port Moody's industrial areas, while employment for the single Industrial property (Polynt) is estimated separately.

TABLE 4. ESTIMATED EMPLOYMENT IN CENTRAL PORT MOODY INDUSTRIAL LAND

PRIMARY TYPE OF INDUSTRIAL ACTIVITY	OCCUPIED FLOORSPACE (SF)	ESTIMATED EMPLOYMENT
TOTAL	491,000	1,420
Industrial/Light Industrial	346,000	870
Office	28,000	160
Retail/Services	114,000	390
Non-Employment	3,000	0

- There are an estimated 1,420 jobs in the central industrial areas of Port Moody.

Port Moody Industrial Floorspace and Employment
by Primary Economic Activity



- About two-thirds of the total, or 870 jobs, are in industrial or light industrial activities.
- About one-quarter of floorspace and employment is in retail/services, which includes the breweries that contain significant manufacturing operations as well. This highlights the increased blending of activities within industrial properties that makes it challenging to assign them to a single category.
- Buildings that are primarily office are a minority in terms of employment (about 10% of the total) but many of the industrial and service facilities also contain ancillary office space.

EMPLOYMENT BY BUSINESS LICENCE CATEGORY

Another way to show estimated employment in Port Moody's central industrial areas is by business licence category.

TABLE 5. ESTIMATED EMPLOYMENT IN CENTRAL PORT MOODY BY BUSINESS LICENCE CATEGORY

PRIMARY TYPE OF INDUSTRIAL ACTIVITY	ESTIMATED EMPLOYMENT
TOTAL	1,420
Services	480
Manufacturing	265
Retail Commercial	170
Retail Industrial	170
Consultants and Technical Services	130
Industrial	65
Contractors	55
Non Profit Society	20
Barber/Beauty/Esthetics Salon	15
Professional/Practitioner	5
Unknown or No Licence	40

- The diversity of economic activity is further demonstrated by the variety of business licence categories present in the central industrial areas.

BUILDING AGE

There has been virtually no new industrial development in Port Moody for the last several decades. Most development that has occurred in the area has replaced industrial sites with non-industrial uses.

The following table shows the range of building ages, as well as the average age, for each type of economic activity in the area.

TABLE 6. AGE OF INDUSTRIAL BUILDINGS IN CENTRAL PORT MOODY

PRIMARY TYPE OF INDUSTRIAL ACTIVITY	RANGE OF BUILDING AGE IN YEARS (AS OF 2022)		AVERAGE BUILDING AGE (2022)*
	NEWEST	OLDEST	
Light Industrial	18	92	43
Office	18	110	39
Retail/Services	25	77	45
All Occupied	18	110	44
Unoccupied	43	61	57

* Weighted average based on floorspace

- On average, employment space across all categories is 44 years old (as of 2022), meaning it was constructed in 1978.
- There is little variation by type of activity, with the average primary office use being slightly younger (39 years) than either light industrial (43 years) or retail/services (45 years).

INVENTORY SUMMARY

The industrial inventory data presented in this report suggests the following about Port Moody's core industrial areas.

- A wide range of industrial activity occurs on industrial land. About two-thirds of the activity is light industrial, with the remaining in retail/services and office employment.
- Available industrial space is well utilized, with an estimated 2% vacancy rate.
- The density of industrial development, as reflected in Floor Area Ratio, is lower than the current emerging standards for new industrial space.
- Some land is available for new industrial development, but parcels are relatively small and consolidation opportunities are limited. The sites currently under development, as well as sites that are part of active development applications, are significantly larger than other vacant lots.
- Industrial land remains a substantial contributor to total employment in the community, accounting for an estimated 1,400+ jobs in the central industrial areas.
- Very little new industrial space has been constructed in the last 20 years, with an average building age of 40 to 45 years in most categories. Most structures continue to provide functional space for current users, but there is a lack of renewal of the building stock.

ROLE IN CITY'S EMPLOYMENT TARGETS

In addition to the estimated 1,420 jobs on industrial land in central Port Moody, larger industrial employers like Suncor, Pacific Coast Terminals, and BC Hydro are located outside this area and collectively add about 200 more jobs to the total.

Based on the 2021 Census, Port Moody experienced remarkable job growth in recent years. Total jobs with a usual place of work in Port Moody reached 12,885, an increase of 51% compared to 2016 (+4,400 jobs).

This increase was almost entirely driven by the rise in home-based employment connected to the ongoing COVID-19 pandemic. Home-based jobs increased by 4,200 and accounted for 47% of all fixed-location jobs in 2021.

Some of this increase is transitory as people eventually move back to their regular place of work outside the home. Looking only at jobs located outside the home, the core industrial areas account for perhaps 20% of the city's total. And with the larger industrial employers elsewhere, the industrial land total approaches 25%.

One important point relating to this analysis is the land inventory includes only parcels zoned or designated as industrial, meaning that many other employment-supporting parcels within the Moody Centre and nearby areas are not counted. There are multiple non-industrial parcels on Clarke Street, for example, that are located next door or across the street from industrial parcels and have employment not counted in these figures.

With respect to **Port Moody's employment targets**, the Economic Development Master Plan identified the opportunities and constraints for expanding the local employment base. Office-

based employment has the largest growth potential, but is also less certain to arrive in a timely fashion.

Industrial land has a role in achieving the desired job growth, but due to the lack of major development parcels, employment increases will be achieved primarily through intensification of existing land use. Working against this are rising labour shortages across the economy and continual technological advancements that allow businesses to economize on labour.

There are three main routes to increased industrial employment:

1. **Significantly increasing employment floorspace.** There is some undeveloped industrial land in central Port Moody and several currently-vacant sites that will redevelop, but over time a significant increase in floorspace would require further intensification of uses. This includes multi-storey developments that integrate industrial with related functions include office, retail, and food service.
2. **Shifting toward more job-intensive uses.** Table 3 showed that, on average, offices have about twice as many jobs as light industrial spaces. The City could attempt to increase employment by encouraging more office development on current industrial land, such as through stacked industrial/office that retains at least the existing amount of industrial floorspace and/or employment.
3. **Attracting a major industrial operation to one of the larger and under-utilized sites.** This refers primarily to the large sites outside of central Port Moody, such as Burrard Thermal on North Shore. It has deepwater access and full integration into the electrical grid, suggesting it may have a future for clean energy generation (provided

this is the direction agreed by BC Hydro, the Province of BC, and local Indigenous Nations).

Even in this scenario, a major new industrial operation is not guaranteed to be a major employer (given modern technology, as noted earlier).

While none of these options are expected to generate a significant net increase in employment, there are several additional **non-employment arguments** in favour of the first option, which focuses on the retention and gradual intensification of existing industrial areas.

First is the role of existing industrial businesses in providing a critical support function for local households, major institutions, and other businesses. For example, Port Moody has many repair services for automobiles and other machinery that service both households and other business. Major institutions like Eagle Ridge Hospital, the City of Port Moody, Suncor, and others rely on local industrial fabricators and technicians. Losing these functions from the Port Moody economy would be a loss to other major employers and would force residents to travel further for the lost services. In addition, many of these businesses are long-standing

members of the local business community and having no place to retain them is a loss of community fabric.

A second and under-appreciated dimension of industrial space is the social value. Based on previous research by the consulting team and others, industries that rely on industrial land have a substantial pay premium over other jobs, and this premium is the largest for non-university educated workers. Metro Vancouver has an extremely high cost of living and preserving land for well-paying employment opportunities for workers of varying skill levels is a valuable goal.

In conclusion, while industrial lands can be viewed as a contributor to achieving Port Moody's employment goals, they are likely to play a secondary role to other types of development. Retaining existing industrial businesses is important, but evolution in industrial tenants will continue to occur, particularly if some businesses are viable only due to the low cost of a legacy industrial building.

Whether existing or new industrial businesses, the important point is to continue to have industrial spaces that help sustain the diversity of support services and employment opportunities in the community.

4 INDUSTRIAL ZONING REVIEW

Port Moody contains a range of industrial areas and uses within the loco site, Inlet Centre, and Moody Centre.

Moody Centre provides for light industrial uses through the following Official Community Plan (OCP) designations that contemplate light industrial uses in Port Moody:

- Mixed Use – Oceanfront District – former mills and waterfront
- Mixed Employment – light industrial and breweries
- Moody Centre TOD – transit station focused
- Mixed Use – Moody Centre

The focus of this review of zoning is on the above designated areas that provide for light industrial in the Moody Centre area.

ZONING FOR LIGHT INDUSTRIAL

Port Moody, through Zoning Bylaw, 208, No. 2937, as amended, provides for light industrial uses through the Light Industrial M-1 zone, as well as more recent Comprehensive Development zones, in particular the CD-82 zone for the Moody Yards proposed development (3015-3093 Murray Street).

LIGHT INDUSTRIAL M-1 ZONE

The Light Industrial M-1 zone is a traditional zone that allows for light industrial businesses and supporting compatible uses. It reflects the intent to distinguish industrial uses from the larger scale and less neighbourhood compatible uses allowed in the General Industrial M-2 zone, which provides for port facilities and mill industries.

The M-1 zone provides for the typically smaller scale, and building enclosed, light industrial uses which are often more compatible with adjacent commercial and residential uses. It permits a relatively limited range of Principal and Secondary uses.

TABLE 7. PORT MOODY M-1 ZONE PERMITTED USES

PRINCIPAL USE	SECONDARY USE
i. Animal Daycare	i. Artist Studio – Type B
ii. Commercial Athletic and Recreation	ii. Office
iii. Laboratory	iii. Retail
iv. Light Industrial	iv. Unenclosed Storage
v. Recycling Return Centre	v. Accessory Food Service
vi. Trade School	
vii. Veterinary Clinic	

The light industrial use permitted as a Principal use, as defined here, represents the traditional description for light industrial:

“LIGHT INDUSTRIAL” means a use that is enclosed within a Building and includes only manufacturing, warehouse use, testing, wholesale use, and service and repair shops.

Secondary uses in the M-1 zone, while including retail, limits that retail to goods manufactured, stored, or wholesaled at the same location and to a maximum of 25% of total floor area used. Food and beverage manufacture is allowed retail of products within an indoor and/or outdoor seating area.

The M-1 zone limits building height to 8.0m (2-3 storey buildings) on a property with a minimum lot area of 1,858 square metres and a lot width of 27.4 metres.

Commentary

The M-1 zone represents limitations for Port Moody to allow for a transition of light industrial use – particularly in the Moody Centre TOD and the Mixed Employment area along Murray Street.

Permitted uses are neither broad nor flexible enough for the likely business/investment interest in the emerging style of urban industrial development. While M-1 provides for the existing legacy light industrial uses, it has not generally resulted in new investment in light industrial development. The limited range of uses, the low density and height limits, and allowable mix of secondary uses (such as office and retail) with the principal light industrial uses, are not proving to attract new businesses to the areas zoned M-1. The exception to this has been the emerging food and beverage uses (craft breweries) situated along Murray Street.

COMPREHENSIVE DEVELOPMENT CD-82 ZONE (MOODY YARDS)

The more recent proposed zoning bylaw amendment within the CD-82 zone for the Moody Yards development incorporates some elements of a more urban industrial zoning.

While based on the M-1 zone, the proposed CD82 zone will allow Artist Studio as a permitted use (as opposed to secondary only), and introduces Low Impact Industrial, including Table-Top Manufacturing uses, as well as Creative Industry, as defined here:

“LOW IMPACT LIGHT INDUSTRIAL USE” means the manufacturing (including “Table-Top Manufacturing”), fabricating, assembling, storage (excluding public storage), wholesaling, and distribution of goods, film and television production, information technology services, data centre and excludes vehicle and heavy equipment servicing, the wrecking or salvaging of materials or things, metal fabricating and bulk materials processing.

“TABLE-TOP MANUFACTURING” means the research and development and manufacturing associated with electronic and consumer products which may be located in a building containing residential use subject to the provisions of the B.C. Building Code.

“CREATIVE INDUSTRY USE” means a business which may include information technology services, digital production, film or television production or other high-skill professional work but excludes professional or office uses such as notary, legal services, real estate services, travel, accounting, or other personal services.

While the CD-82 zone continues to permit Retail, Food Service, Office (not limited to technical professional offices) as secondary uses only, there is an increase to 50% of total floor area.

However, this 50% floor area is for the combined total floor area of these specific uses.

Significantly, the CD-82 zone proposes to add a residential Apartment use to this zoning. Located above the first storey, residential apartment uses are permitted in this mixed industrial and commercial zoning context. The total site FSR of 2.3, together with the maximum building height of 23.3 metres or six storeys, however, maintains a relatively low-rise building form.

Commentary

The proposed CD-82 zone for the Moody Yards development on Murray Street provides for a transition from the M-1 zone and the traditional approach to light industrial use in Port Moody, to a more urban light industrial zoning.

The uses added provide for a range of urban industrial activities that could be attracted to this location in Port Moody. While provision is made for office use in this zone, it is limited by the maximum of 50% for the combined retail, food service and office uses. Residential is allowed in this zone.

However, **the total density limit of 2.3 FAR and the maximum height of 6 storeys does not likely provide sufficient floor area for the urban industrial mix to be achieved.** Combined, the minimum market viable floor area for light industrial, commercial, and residential, when added together, exceeds the density maximum. At most, these limits allow a mix of light industrial with retail/office, or a mix of light industrial and residential, but not all uses combined.

TABLE 8. PORT MOODY CD82 ZONE PERMITTED USES

BUILDING 1 & 2			
PRINCIPAL USE		SECONDARY USE	
(1)	Apartment	(1)	Home Occupation – Type A
(2)	Artist Studio		
(3)	Artist Studio – Type A	(2)	Home Occupation – Type B, limited to the first residential storey of Building 2
(4)	Child Care		
(5)	Civic		
(6)	Commercial Athletic and Recreation		
(7)	Community Care		
(8)	Entertainment		
(9)	Hotel		
(10)	Low Impact Light Industrial Use		
(11)	Office		
(12)	Personal Service		
(13)	Restaurant		
(14)	Retail Food Service		
(15)	Retail		
(16)	Work-Live		
BUILDING 3			
PRINCIPAL USE		SECONDARY USE	
(1)	Apartment	(1)	Home Occupation – Type A
(2)	Artist Studio		
(3)	Artist Studio – Type A	(2)	Home Occupation – Type B, limited to the first residential storey of Building 3
(4)	Commercial Athletic and Recreation		
(5)	Creative Industry Use		
(6)	Laboratory	(3)	Office
(7)	Low Impact Light Industrial Use	(4)	Retail
		(5)	Retail Food Service

LIGHT INDUSTRIAL ZONING IN VANCOUVER

Within the Metro Vancouver region, the City of Vancouver has been reviewing and revising their traditional industrial zoning to adapt to a new urban industrial market demand. The City has modified some of their industrial zones in response to urban pressures on industrial lands, as well as to market and industry demand for new types and forms of light industrial in Vancouver.

The Vancouver commercial real estate development association (NAIOP) has been directly involved in this review process and provided information and recommendations for transitioning some of these industrial areas. NAIOP identified the change that technology has brought to the manufacturing sector, identifying a demand to include the critical office functions of design and prototyping of products as part of the manufacturing continuum, and advocated for changes to allow this urban industrial in key areas of the city.

The range of industrial zones that have been a focus to address the transition of light industrial use includes the I-1 to I-4 zones in Vancouver. The emphasis has been to make these zones more flexible, broadening the industrial use types (e.g., adding creative products manufacturing, production or rehearsal studio, digital entertainment, information and communication technology), but also allowing for mixed use commercial, office, retail, and in some areas residential within a light industrial zone. The modified zoning allows for new forms and functions of industrial buildings and sites; modifying density and height limits, the conditions related to principal and secondary uses, as well as approaches to ensure amenities for business employees are located within these light industrial zones.

The I-1 zones introduced the Creative Products Manufacturing use that was first allowed in the I-4 zone (Historic Industrial District) in the Railtown area of Vancouver. Additional uses found in these I-1 to I-4 zones include Information and Communication Technology, Digital Entertainment, General Office, and Health Care Office. Per Vancouver zoning bylaw:

“Creative Products Manufacturing (CPM) is defined as the creation, development, prototyping, and ancillary marketing of products produced in a physical or digital form that are a result of a customised design process.”

“CPM differs from the existing Manufacturing definition in that it accommodates design and prototyping activities that result in a customised product, which may include the use of digital technology, without requiring large-scale production on-site. CPM is not intended to include general office space for companies undertaking production in another location.”

These broadened uses for light industrial zones have assisted in a transition from traditional light industrial functions and encouraged the reuse of existing industrial building stock (for example, in Railtown), the redevelopment of mixed-use sites in urban neighbourhoods such as Mt. Pleasant, and development of new mixed use light industrial forms such as Marine Landing in South Vancouver.

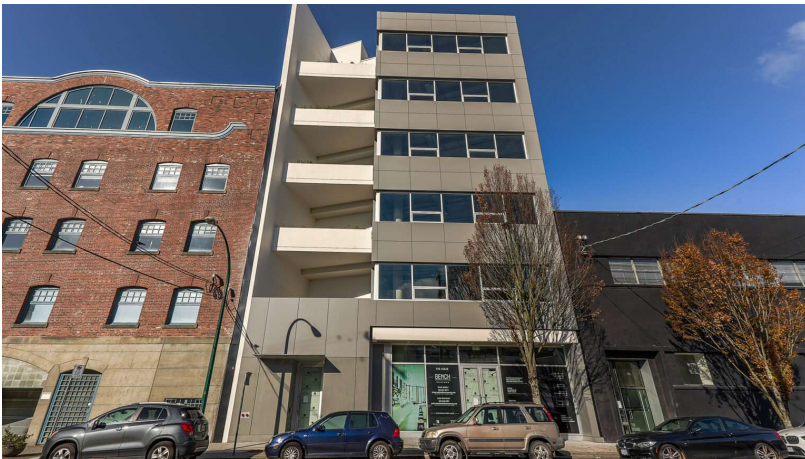
Vancouver has been increasing the flexibility in types of uses allowed, with ground floor industrial (and retail) and office on upper levels, and in some areas allowing residential in floors above ground (i.e., mid-rise to high-rise buildings). Light industrial uses in this urban industrial form are also allowed to provide a portion of the functions of manufacturing - namely the design, prototype, marketing and office functions - and then conducting

the manufacturing and distribution of their product in/from another location. From a broader regional perspective this approach to zoning views the light industrial manufacturing process as a continuum that can be completed in multiple locations for a business - both urban and suburban.

DEVELOPMENT EXAMPLES

LEADING-EDGE, HIGH-DENSITY EXAMPLES IN VANCOUVER

Recent development examples of applying and adapting to urban industrial uses in Vancouver.



Bench project, by Rendition Developments

An infill building in the historic Railtown area. Uses proposed include the urban industrial and office and retail uses allowed in the I-4 zone. Located in a 5-storey vertical stacked light industrial building with high ceilings, each floor is designed with office

functions up front and manufacturing in back. Includes large elevator for shipping and shared truck access to the building is in rear lane.



AbCellera

A redevelopment site in the urban neighbourhood of Mount Pleasant. Building is mid-rise, primarily office and laboratory function for Medical Health use. This is an urban industrial development example that functions to complement and support the surrounding neighbourhood residential and services.



Marine Landing, by Wesbild

A series of six-storey buildings, mixed use light industrial (I-2 zone based) and office use, with loading access at grade serviced by loading bay and elevators to internal goods corridors on the first 4 levels of each building. Broad range of uses allowed with ground level light industrial/retail and then urban and flex industrial above, and office on the top two floors above. The development is strata tenure and the first building is sold out.

KELOWNA

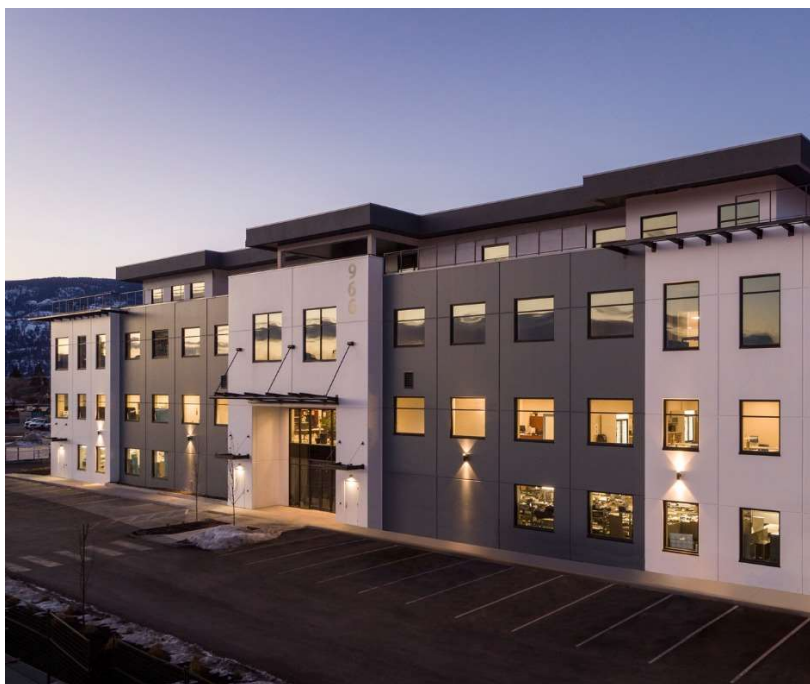
The North End industrial area of Kelowna has many similarities to Port Moody and is redeveloping at a scale that more closely approximates what is achievable.

It has close proximity to extensive residential tower development (adjacent to downtown Kelowna), the loss and pending redevelopment of a major industrial site (Tolko sawmill), and primarily smaller lots that are transitioning from traditional uses to higher-value and more service-oriented uses.



Powerhouse, by PC Urban

A four-building project featuring strata units with high ceilings and rear loading bays for industrial use, as well as mezzanine and strata office on upper floors connected by exterior walkway.



Crowley Avenue Multi-Use Development, Emil Anderson Construction

Emil Anderson Construction intensified their own property by constructing a four-storey building with main-floor manufacturing, two floors of office (including their own), and seven rental suites on the top level. It was considered a pilot project for incorporating residential with industrial uses and is located on the edge of the North End industrial area.

FUTURE ZONING DIRECTIONS

In the context of Port Moody's location and emerging industrial market trends in the Metro Vancouver region, there is an opportunity to consider changes to the zoning regulations in the city. Port Moody contains some larger scale general industrial uses, but is unlikely to see demand in the distribution and manufacturing industrial market that relies on ready transportation access to large sites (as we see occurring in Port Coquitlam, Burnaby, Surrey, and Chilliwack).

Port Moody has the potential to serve as a secondary market for urban industrial uses, such as those that have been locating in Vancouver. Urban industrial typically has a mixed employment base, with some combination of office, retail, and light industrial, and may also contain residential uses on floors above.

The potential for this newer form varies across different areas in Port Moody, with the greatest opportunity along Murray Street and the Moody Centre TOD area. The current zoning framework for light industrial use in these areas should be modified to enhance the attraction of urban industrial development.

MURRAY STREET

The Light Industrial M-1 zone represents limitations for Port Moody to allow for a transition of light industrial use. The permitted uses of the M-1 zone need to be broadened to increase the limited range of uses and the allowable mix of secondary uses (such as office and retail). The low **density and height limits of the zone should be increased** to a scale suited to Port Moody and to allow enough floor area to accommodate the more typical mix of uses for urban industrial spaces. For example, the height maximum could be increased to allow for an extra floor of employment use.

The current light industrial area along Murray Street has already been transitioning to more urban industrial uses. The M-1 zone allows manufacturing of food and beverage products, which has resulted in a number of craft breweries locating along the south side of this corridor. This brewery row is interspersed with existing legacy industrial as well as other small scale light industrial businesses. This mix and small scale of light industrial is well suited to this setting near both the park and Moody Centre.

The food and beverage products in the M-1 zone are permitted to be retailed to consumers – the residents and visitors in both an indoor and outdoor patio setting. However, the limitation on the retail as an accessory use is a maximum 25% of floor area. This should be increased to 50% for accessory uses (similar to the CD-82 zone). Office uses as accessory to light industrial should continue within this area.

The proximity of the craft brewery manufacturing with retail has proven to be quite compatible with the park use on the north side of Murray Street. There may be an opportunity to further this complementarity and encourage arts and entertainment (including restaurant) uses in the M-1 zoned (and Park-designated) lands on **Esplanade Avenue**. Located directly to the west of Rocky Point Park and south of the boat launch, this park-adjacent setting is well-suited to family entertainment uses and would provide a complement to the adult-focused craft breweries on the opposite side of Murray Street. A unique cultural area in Port Moody is developing here and should be encouraged.

The proposed CD-82 zone for the **Moody Yards site** at the east end of Murray Street has the potential to **transition the scale and mix of uses** to provide for an urban industrial zoning transition. The mix of uses in CD-82, including light industrial, office, retail, and residential, are all possibilities here. Residential may have

compatibility concerns in close proximity to light industrial operators, including brewery, but residential is suitable on this site with the connection across the rail line to the Moody Centre TOD area.

However, the permitted scale of development in the CD-82 zone may not provide for the full range of urban industrial uses. A density maximum of 2.3 FSR and height limit of 6 storeys would, on a typical site, only allow a limited mix of use types (e.g., light industrial and office; or light industrial with residential above, but not all combined within a 6 storey building). In addition, condition of a maximum floor area of 50% for the combination of retail, food service, and office uses, should be modified to make this 50% maximum applied to each of the uses, rather than the total combined. There is room for further modification of the proposed CD-82 zone.

While the Moody Yards site has a transitional role from high-density residential to the east and light industrial to the west, **no further residential development should be allowed further west on Murray Street.**

MOODY CENTRE TRANSIT ORIENTED DEVELOPMENT (TOD)

Due to its location next to rapid transit, the Moody Centre TOD area has the potential to provide for the full range and scale of urban industrial uses, including light industrial, office, retail, and residential uses. Policies for increased scale and building height will reflect the regional and local emphasis on higher-density development near SkyTrain stations.

Similar types of development have been achieved in TOD areas in Vancouver, such as Marine Gateway and False Creek Flats near Clark Station. Both are retaining industrial employment, primarily

through tech-focused office, as part of mixed-use tower developments with retail, general office, and residential.

Marine Gateway has two towers of 29 and 38 storeys combining retail, office and residential, while False Creek Flats has mid-rise buildings of 7 and 11 storeys combining tech office and retail.

OTHER AREAS

The **Clarke Street corridor** west of the TOD area is small scale and a mix of legacy industrial and population-serving industrial businesses, some of which are located in heritage structures. There are several vacant lots along Clarke that are not well suited for industrial use due to size and access constraints.

To encourage the retention and expansion of employment in this area, the City should retain current industrial properties for employment use, but allow for a higher share of floorspace for commercial use. Small office, food production with retail and/or food service, or industrial with large office or retail component could fit into the fabric of this street.

The **Polynt Coating (former Reichhold) site** remains in operation for industrial chemical production. It should be retained for industrial use over the long term as its redevelopment potential for any other purpose is limited due to location under the SkyTrain line. Light industrial uses should also be encouraged on adjacent lands to the south, including those currently part of the Westport proposal.

The small number of industrial parcels on **Moray Street**, just to the north of St. Johns St., should be treated in a similar fashion to Murray Street. The priority is retaining industrial space, but taking an expansive view to complementary uses and allowable density to support the viability of urban industrial redevelopment. Given

the location just off a major transportation route, and within a reasonable walk of two rapid transit stations, residential use could also be considered provided it is complementary to industrial retention.

TRANSITIONING AREAS

The transition of formerly industrial lands to other uses has been a long-term and gradual process in Port Moody. It is continuing on select sites, notably the former Flavelle mill site on the waterfront. It is proposed to transition away from industrial to a broader range of community uses in the Mixed Use – Oceanfront District designation of the Official Community Plan.

Because this area has already been approved for an alternative development focus, it was not a point of emphasis in the consultation and analysis in this study. Regardless, incorporating light industrial and other employment uses on this site should remain a priority. Due to proximity to the west end of Murray Street, as well as Esplanade Avenue, complementary uses to the light industrial areas should be considered on the south and southeast of the Oceanfront District property.

INDUSTRIAL SUB-AREAS

The main industrial sub-areas discussed above are highlighted below for reference.



5 COMPETITIVE ASSESSMENT

The competitive environment for Port Moody industrial land has been assessed through consultation with local industrial businesses, interviews with industrial brokers and developers active in the Northeast sector and elsewhere in Metro Vancouver, secondary research on emerging industrial development trends, and consultant experience with industrial development in similar markets.

Previous surveys conducted by the City of Port Moody were also reviewed, including resident surveys through the OCP update process. The competitive assessment is summarized from two perspectives:

- **Existing Port Moody industrial businesses.** This section provides insight into the retention and expansion of existing companies and how they view operating conditions and their future on Port Moody industrial land.
- **Industrial developers.** This section provides insight, usually from outside the community, on the potential for Port Moody to attract new business and expand its industrial space, either through strictly industrial or mixed-use projects that incorporate industrial.

FOR AN INDUSTRIAL BUSINESS IN PORT MOODY

ADVANTAGES

- Attractive location for staff based on natural beauty and desirable amenities, including nearby outdoor recreation, breweries, emerging sense of Port Moody identity
- Rapid transit access for the benefit for staff
- For businesses that serve the public, growth of brewery row and other development has been a benefit by increasing pedestrian traffic and significantly raising Port Moody's profile in the region.
- For businesses providing service region-wide, Port Moody location is good due to central location
- Mix of land uses has benefits for staff and day-to-day vitality (e.g., proximity to restaurants, waterfront, parks)
- For long-standing businesses, location is beneficial due to proximity to local customers, including major institutions and industries

DISADVANTAGES

- Limited highway access for goods shipment by road
- Virtually no readily available leasable industrial space, affecting companies interested in moving to Port Moody as well as existing companies who would like to stay but whose current site is no longer suitable. Several companies with decades of Port Moody history are expecting to move in the near future.
- High lease rates for available space
- Uncertainty over future of industrial spaces makes it difficult to invest in current location and add staff. Even if their own site is owned and not subject to redevelopment, there is a fear that encroachment from non-industrial uses will hamper operations.
- Unequal local property taxation between light industry and commercial properties (see page 27 for related data on this topic)

FOR AN INDUSTRIAL DEVELOPER

ADVANTAGES AND OPPORTUNITIES

- Port Moody is developing a favourable reputation and sense of identity in the region, due to its recreational and cultural amenities, becoming a place that companies and workers want to be
- Port Moody is in competition with other suburban markets and needs to establish a niche, which it has with the locational amenities and “vibe” of the community
- Potential for larger-scale projects in Oceanfront District and TOD area, but industrial likely only a small percentage of floorspace
- Proximity to SkyTrain creates rationale for higher-density projects that are more likely to be financially viable
- With severe industrial land shortages in the region, development interest will naturally spread to secondary markets like Port Moody

DISADVANTAGES

- Vacant industrial lots mostly limited in size, allowing for only modestly scaled new building construction (with the exception of the TOD area and select larger development sites)
- Industrial is not viewed as a favourable option for development among Port Moody residents
- Uncertainty over future of TOD area, which will drive the character of central Port Moody going forward
- Community acceptance of higher-density projects near SkyTrain is uncertain
- Mixed views among consulted experts on the viability of industrial in Port Moody, with some suggesting it is not highest and best use while others saying some is possible combined with retail commercial, office, or residential if possible
- Port Moody not competitive for larger-scale industrial developments that typically require larger sites and better transport connections (including many focused on warehousing and distribution)
- Those with experience with Port Moody development process exhibit high frustration with lack of clarity, continual push for lower densities, and unrealistic requirements (e.g., high office requirement in TOD area).

PROPERTY TAXATION DATA

One of the comments from a Port Moody industrial business with multiple properties in the community concerns the unequal property taxation of light industry versus commercial properties. Their argument that due to faster growth in commercial assessment over time, the relative tax rates between the two classes have become increasingly unequal such that light industry properties are paying substantially more for a property of equal value.

The data in Table 9 supports this argument over the long term, but the tax rate difference actually peaked in 2019 (when the light industrial rate was 2.23 times the commercial rate) and has lessened in the following years.

The taxation of different types of property is a complex issue, but it is worth considering as industrial uses evolve and increasingly resemble a wider range of commercial-like functions, whether such a discrepancy in tax treatment is appropriate.

**TABLE 9. MUNICIPAL PROPERTY TAX COMPARISONS,
LIGHT INDUSTRY (CLASS 5) & BUSINESS (CLASS 6)**

YEAR	ASSESSMENT BASE		MUNICIPAL TAX REVENUE		LIGHT INDUSTRY TO COMMERCIAL TAX RATIO
	LT IND	COM	LT IND	COM	
2017	0.4%	6.3%	1.7%	14.1%	1.90
2018	0.4%	7.1%	1.7%	14.2%	2.05
2019	0.4%	8.3%	1.6%	14.0%	2.23
2020	0.5%	9.1%	1.7%	13.6%	2.16
2021	0.5%	9.6%	1.7%	14.8%	2.03
2022	0.5%	8.8%	1.7%	14.7%	2.01
5-Year Change	+0.1%	+2.5%	+0.0%	+0.6%	+0.11

Source: BC Ministry of Municipal Affairs, Infrastructure and Finance Branch

6 STRATEGIC PLAN

The renewal of industrial land in Port Moody should complement both regional and local goals. From a regional perspective, this means preserving scarce industrial land and encouraging the intensification of the land that remains.

Locally, industrial land is an important contributor to the City's employment goals and the creation of a complete community, featuring a variety of services and employment and business opportunities.

THE OPPORTUNITY

As a suburban market in Metro Vancouver, Port Moody is small and must compete with other secondary markets for investor attention. Fortunately, it has a clear niche opportunity that leverages the positive features of the community and benefits from recent trends in industrial development.

More specifically, Port Moody already has many highly desirable amenities for a modern industrial workforce, while the trend toward higher-density industrial developments that incorporate multiple complementary uses, will allow Port Moody to increase employment and business activity on its largely developed industrial land.

Residential will be a major part of future developments in the TOD area, and perhaps in select other locations if required for project viability and if potential residential/industrial conflicts can be mitigated. Moving further away from the SkyTrain and into less pedestrian oriented areas, the focus should be more on more strict retention of industrial activities that are less compatible with

residents. This could include the western end of Murray and Columbia Streets, plus the Polynt Coating (former Reichhold) site and immediately adjacent properties (pending resolution of the Westport application). Much will depend on the eventual shape of development on the former Flavelle site, but retaining industrial on the “back” part of the site, away from the waterfront and adjacent to existing industrial areas, would be advisable.

While respecting that all lands north of Murray Street, including Esplanade Avenue, have been designated for Parks and Open Space, this is the logical location to concentrate arts and culture space, building on the existing studios at 2709 Esplanade in a City-owned building. Allowing for public access to galleries, for classes, and for watching artists at work would be a complement to adjacent tourist attractions at Rocky Point Park and brewery row on Murray Street, although again the future of the Flavelle site will influence the future of Esplanade.

The future vision is an urban enclave with a mix of traditional light industrial and innovative technology and cultural businesses, featuring highly attractive natural and commercial amenities.

STRATEGY 1: ENSURE THE CITY'S APPROVALS PROCESS SUPPORTS INVESTMENT AND DEVELOPMENT OF INDUSTRIAL LANDS.

The support for investment in industrial use and development begins with the City. A key to attracting industrial investment in Port Moody is ensuring the approvals process is clear and supportive, often referred to as “getting your house in order before you invite guests.” This is particularly important to allow for a transition to urban industrial in select areas, Murray Street and Moody Centre TOD, of the city. The companion to this transparent and supportive approval process is setting out a policy and regulatory framework to encourage this urban industrial transition.

ACTIONS

1.1 Review and determine potential improvements to the land use approvals process associated with industrial development; with a lens to supporting investment in a transition of light industrial uses in Port Moody.

1.2 Communicate the approvals process and the support for investment to both the industrial development industry and to the community.

STRATEGY 2: REVISE THE POLICY AND REGULATORY FRAMEWORK TO SUPPORT INVESTMENT IN URBAN INDUSTRIAL DEVELOPMENT

Reviewing policies and regulations in the context of transitioning to more urban industrial uses is a critical step and would both implement the broader land use approvals process as well as encourage investment in industrial lands.

The zoning review provides some direction to consider changes to the current light industrial zoning regime – primarily the M-1 zone but also potentially in the CD-82 zone for Moody Centre, as well as future CD zones that may be prepared for these areas of Port Moody.

ACTIONS

2.1 Review the policies for industrial use in the Official Community Plan to address support for allowing a transition in light industrial land use to a more integrated urban industrial model for select areas of the city.

2.2 Review and consider amendments to the Zoning Bylaw for light industrial zones to provide for changes to the permitted and accessory uses, as well as regulations for allowable density and height for development in proposed urban industrial transition.

2.3 Consideration should be given to a tailored approach for select areas where light industrial use is permitted, as per the Future Zoning Directions discussion in Section 4.

STRATEGY 3: EXTEND OFFICE-FOCUSED INVESTMENT ATTRACTION INITIATIVES WITH COMPLEMENTARY INDUSTRIAL MATERIAL

The Economic Development Master Plan identified office-based employment, likely to be concentrated in the Moody Centre TOD area, as the focus of investment attraction initiatives. Specific industries identified include technology and digital media, the latter of which builds on the City's arts and culture focus.

A complementary investment attraction initiative would focus on largely the same industries, but would emphasize how Port Moody could accommodate companies needed light industrial space for R&D, prototyping and testing, light storage and distribution, studio space, etc. Similar arguments about Port Moody's amenity-rich environment and rapid transit connections would be included.

Note that the opportunity for industrial intensification in Port Moody will not necessarily be driven only by external developers. Given the predominantly small lot sizes, intensification may happen more organically by existing landowners, or other companies already active in Port Moody, redeveloping their own land with new space for themselves and leasing ancillary industrial or office units. The promotion of the Port Moody opportunity is therefore not only for outside investors, but ensuring that local companies are aware of the City's interest in intensified use and the types of redevelopment that will be supported.

ACTIONS

3.1 Building on investment attraction initiatives for office development, prepare complementary promotional materials or

information bulletins to extend the opportunity to light industrial lands.

3.2 Pending the City establishing new directions for industrial land, including through the updated OCP, ensure intensification opportunities are discussed with existing landowners and local businesses through regular economic development networking discussions.

STRATEGY 4: WORK WITH MAJOR INDUSTRIAL SITE OWNERS TO LEVERAGE NEW OPPORTUNITIES

The largest industrial parcels in Port Moody are dominated by traditional industries that have already or will be transitioning to new opportunities. The City has limited direct influence over several of these sites that are owned by senior governments or major corporations, but should maintain dialogue to help identify emerging opportunities and leverage business spinoff and employment opportunities for the community at large.

Clean energy is a promising opportunity at the Burrard Thermal site and at Suncor (which has already announced the manufacture of hydrogen fuel). There is also additional port-related development possible in future on under-utilized sections of the Pacific Coast Terminals site.

ACTIONS

4.1 Maintain dialogue with BC Hydro, along with the Province of BC and local Indigenous Nations, over future opportunities on the Burrard Thermal site.

4.2 Maintain dialogue with Suncor over spinoff opportunities and local government support for emerging hydrogen fuel opportunity.

4.3 Work with owners of Oceanfront District to realize new comprehensive development that incorporates light industrial uses.

4.4 If industrial is established as a direction for the former landfill site, resolve any required site remediation issues and promote the site for industrial use as part of investment attraction initiatives.

STRATEGY 5: PURSUE LONG-TERM SOLUTIONS FOR ARTIST STUDIO SPACE ON INDUSTRIAL LAND

Port Moody is home to a huge variety of artists, many of whom require industrial space to safely and effectively work. Other artists that do not require industrial space with separate ventilation may still locate on industrial land to access low-cost space and an environment that allows them, for lack of a better term, to make a mess and break things.

This is why artists are often best suited for older industrial buildings that can be repurposed, rather than new space that is more expensive to rent and perhaps less conducive to the messing and the breaking.

The City has limited tools to directly support artists but can provide support through a variety of methods that will ensure a strong artistic presence in industrial areas as they continue to evolve.

ACTIONS

5.1 Continue to encourage landowners to make otherwise redundant space available for artist use, at least until redevelopment occurs.

5.2 Work with the artist community to find affordable solutions to allow visitor access (including tourists) to studio space for viewing artists at work, purchasing art, and attending classes.

5.3 Continue to include arts & culture space in the portfolio of amenities that are provided by developers through a rezoning process.

5.4 Consider establishing/allowing a long-term presence for the artist studio space on Esplanade Avenue, adjacent to existing tourism attractions at Rocky Point Park and brewery row.

STRATEGY 6: ENSURE LIGHT INDUSTRIAL PROPERTY TAX RATES ARE COMPETITIVE WITH COMMERCIAL

In the standard municipal approach to property taxation, each property class pays a fixed amount of tax from year to year, before factoring in new development that may have occurred. This approach does not consider differential rates of value inflation across property classes, which over time can lead to diverging tax rates to raise the same amount of tax.

Light industrial property owners in Port Moody feel their tax rates are excessive (roughly double) for properties with the same value in the commercial class. As light industrial activity evolves to move closely resemble commercial, the City should re-consider the appropriate balance in tax rates between these two classes.

ACTIONS

6.1 As light industrial activity evolves to move closely resemble commercial, the City should re-consider the appropriate balance in tax rates between these two classes.

6.2 Monitor the rates of assessment change in otherwise similar properties in these property classes over time to ensure evolving tax rates are appropriate.

STRATEGY 7: SUPPORT TRANSPORTATION SYSTEM IMPROVEMENTS

An identical strategy is included in the Economic Development Master Plan.

Traffic congestion is a consistent challenge mentioned by industrial businesses, impacting both staff commuting and goods movement to and from a Port Moody location to customers or suppliers throughout the region. Recommending specific transportation system improvements that would enhance goods movement, particularly from Murray Street and elsewhere north of the rail line, is beyond the scope of this report. It is included to highlight the importance of the issue for industrial businesses and to support other transportation-focused initiatives.

ACTIONS

7.1 Building on the Metro Vancouver Industrial Land Strategy “Big Move #7 – Ensure Transportation Connectivity,” participate in regional initiatives to enhance both goods and people movement as regional population and employment grows.

7.2 Ensure that goods movement and traffic impacts are considered in the decision-making process for major development projects.

SUCCESS INDICATORS

Measuring the success of the Industrial Land Strategy can be distilled to two priority indicators.

These are designed to mirror the Key Measures from the Economic Development Master Plan, and are constrained by the type of data that is available. For example, the measurement of floorspace is more straightforward than measuring employment, but both values are highly correlated.

Indicator #1: Increase total **employment floorspace** on industrial land.

The Industrial Land Inventory prepared for this study provides useful baseline information, but relies on assumptions and estimates to fill data gaps and is not easily updated on a regular basis.

Rather than measuring total employment floorspace, an easier approach is to measure on an annual basis (or alternative time period) the **change in employment floorspace**. This can be measured through building permits for new construction and demolition permit for lost floorspace.

Indicator #2: Retain or increase total **light industrial floorspace** outside the Moody Centre TOD area.

At minimum, the redevelopment of Port Moody's industrial land should retain the light industrial floorspace that currently exists, and ideally would increase it.

While measurement of total employment floorspace for Indicator #1 is relatively straightforward, there may be some judgement required in classifying new or demolished space as light industrial, particularly if new units are flexible across multiple types of uses.

The Moody Centre TOD is excluded from this indicator because even though the total employment floorspace in this area should increase substantially from redevelopment with higher-density mixed-use projects, the employment space may no longer resemble traditional "light industrial" space.