

REPORT TO: Council
REPORT FROM: Community Planning & Sustainability
PRESENTED: October 11, 2022
SUBJECT: Squamish Employment Space Principles

FOR: COW
FILE:

Recommendation:

That Council approve the following resolutions:

THAT the District of Squamish receive the Squamish Employment Space Principles report for information.

1. Objective:

To share the findings of the Squamish Employment Space Principles Report and receive feedback from Council on key findings.

2. Background:

Ensuring an increased supply of employment space, in pace with market demand, is a strategic priority for the District of Squamish. Adequate business space means that local businesses may expand, and new firms may locate in Squamish, translating into more local jobs for our resident workforce.

In recent years, [employment space research](#) has been a strategic focus for the District and its [Emerging Sector Roadmap and Action Plan](#). Research conducted to date has included the development of an [Employment Space Model](#), to assess supply and demand for employment space within the District, the completion of [Financial Viability Analysis](#), to assess the viability of developing employment space in Squamish and the financial viability for business occupying it, as well as qualitative research, [Space Needs Assessment for Business](#), with local and non-local firms intended inform the characteristics of employment space and associated land which can support local sector development.

In 2022, the District is completing two additional pieces of work, focused on generating insights to inform District policy decisions and process related to the provision of employment space.

The District is undertaking an update of the Employment Space Model completed in 2020 to 1) broaden the model's applicability to serve general community land use planning by including residential land use assessment 2) create a model which visualizes outputs related land use decisions. A base-prototype has been developed to date and is being tested. Further development is planned post-initial testing.

The District also commissioned University of Waterloo, Master of Economic Development candidate, Sean Grant, MSCP, to undertake the development of a set of *Guiding Principles for Employment Space* meant to support consistent and effective employment land use decision-

making by the District. This work was made possible through a MITACS grant which funded fifty-percent of the project.

Project deliverables, as shared below and in the attached, included

- a) A set of **Guiding Principles for Employment Space Development** informed by current District land-use policies and bylaws, recent District employment space research, and best practices.
- b) A set of **Recommended Policies & Activities** to be considered by the District to fully enable the Guiding Principles (Appendix I of the Guiding Principles report).
- c) A set of **Development Guidelines** to be utilized by District planners during planning application reviews (Appendix II Guiding Principles report).
- d) A user interface wireframe for an **Employment Space Toolkit**; a dashboard that will allow District planners and staff to identify the *Principles* and *Guidelines* applicable to a site, as well as relevant property market data and sector information. It will also include a project feasibility assessment tool (Appendix III Guiding Principles report).

This work aims to ensure that employment land-use decisions are consistent with District economic development goals and strategies, current and future employment space needs, and economic development and urban planning best practices. The project was fifty percent funded by a grant from MITACS, with supervision support from professor Dr. Jeffery Wilson, School of Environment, Enterprise and Development, University of Waterloo.

3. **Project Information:**

Recommended principles, contained within the **Guiding Principles for Employment Space Development** report, include:

- a) **Support the District's niche development strategy through the provision of employment space that meets the needs of target innovation and media sectors.**
 - i. Creation of new zoning designation for purpose-built **innovation space**, to meet the needs of target tech/green sector enterprises.
 - ii. Establishment of one or more **innovation areas** to facilitate the development and sustainment of innovation ecosystems (*Implementation of i. and ii. may require specific resources and may be possible to initiate in 2023*).
 - iii. Establishment of a **media district** to support the development and sustainment of the adventure media target sector and its complimentary sector firms (*Implementation may not be possible in a short-term but may be possible as a consideration in ongoing Neighbourhood Planning*).
- b) **Encourage economic diversity and support target sector growth by actively planning for the development of employment space that meets the requirements of complimentary sectors.**

- i. Provide for the development of flexible **light industrial space** that meets the full range of operational needs of both target and complimentary sectors (*Given the build-out of the Business Park, implementation could be feasible in the medium-term provided there are lands available, could be combined with neighbourhood planning*).
 - ii. Protect existing **medium industrial lands**, particularly those with large outdoor spaces required by both target and complimentary sectors (*Implementation complete in the Business Park, could be expanded to other locations in the medium term*).
 - iii. Enable the development of a *mixed-use* **Downtown** that is attractive to target and complimentary sector workers and including accommodating viable pedestrian-oriented main street retail space, as well as the provision of **dedicated office buildings** (*Enabling a mixed-use downtown either complete or being done, dedicated office will be part of C-4 review*).
 - iv. **Protect** existing employment lands from conversion to residential use (*Implemented through neighbourhood planning*).
- c) **Ensure that sufficient employment space is available to service the needs of residents and workforce.**
- i. **Protect** existing retail lands from conversion to residential use and protect employment lands required for target & complimentary sectors by **restricting** retail development to *established retail areas*, the mixed-use developments in the *districts* and the *Downtown*, and to *neighbourhood nodes* (*To be considered through neighbourhood planning*).
 - ii. Enable the **provision of community-scale commercial space** in *neighbourhood nodes* (*To be considered through neighbourhood planning*).
 - iii. Allow **partial retail use of industrial units** only within designated *residential service areas* to meet the operational needs of particular enterprises, such as recreational facilities (*Completed in the Business Park, to be considered in other areas through neighbourhood planning*).

Implementation Considerations

While the *Guiding Principles for Employment Space Development* compiled a number of District policies and bylaws in force or currently under implementation, future policy and action recommendations may be incorporated through the District's neighbourhood planning program and Economic Development workplan. Some recommendations would also require new resources (staff and project budget) to implement. It is also important to note that the Guiding Principles report is centered around the provision of employment space and is meant to support land use decision-making together with other planning considerations such as

community engagement results, infrastructure availability to support land use, housing needs and other considerations. As a result, there could be challenges in implementing all recommendations when considered in the broader context of land use decision making. In the short term, the Guiding Principles document will be most relevant in neighbourhood planning processes, Zoning Bylaw updates where relevant, and consideration of rezoning applications.

4. Implications:

a. Budget:

No immediate impact on budget. The implementation and budget related to recommendations contained within this report will be considered and brought forward as part of neighbourhood planning, policy and bylaw, and process recommendations as part of a future five-year budget process.

b. Organizational Impact:

Recommendations contained within the Employment Space Principles report will be considered and prioritized by staff and brought forward for consideration by Council as part of future OCP, bylaw, neighbourhood planning and process amendments.

c. Policies:

The proposed background work specifically supports the following OCP objectives and Official Community Plan

14. Industrial Land Use

14.1.a. Protect the employment function of existing employment lands.

14.1.b. Maximize existing employment land and industrial opportunities in the community for a flexible and adaptive inventory that can meet future need.

14.1.c. Minimize land use conflicts in transition areas between industrial activities and other uses.

16. Downtown Land Uses

16.2.g. Encourage development of commercial space on the first and second stories in the downtown area.

17. Squamish Business Park

17.1.a. Maintain and protect industrial employment opportunities within the Business Park.

24. Economic Development

24.3.a. Support diversified and sustainable economic growth and productivity.

d. Bylaws:

Zoning Bylaw 2200, 2011

5. Strategic Plan

The Economy and Local Jobs

The Guiding Principles for Employment Space report consolidates insights from recent employment space research undertaken by the District, considers current District policies and bylaws, and provides best practices to inform and incent the appropriate level and form of employment space within the District. Ensuring adequate supply of employment space which meets the needs of core, enabling, and emerging sectors of our economy, supports future job creation and priority sector firm development.

6. Engagement:

The IAP2 Public Participation Spectrum for this project was set to “Inform”. During the development of recommendations, engagement in the form of expert interviews with real estate, development, and planning professionals were completed, in addition to a quantitative survey among planners to assess what information would be useful for the purposes of employment land use planning.

As part of the implementation of recommendations included within the report, District staff will engage at the IAP2 Public Participation Spectrum level appropriate for the specific recommendation.

7. Next Implementation Steps:

Following Council’s feedback, staff will review and confirm, and prioritize the implementation of any regulatory, policy, process-related recommendations. The resulting review may result in an amended set of guiding principles.

8. Attachments:

1. Guiding Principles for Employment Space Development

9. Alternatives to Staff Recommendation:

NA.

10. Staff Review

Prepared By:

Katherine Mulligan, Economic Development Officer

Reviewed By:

Jonas Velaniskis, Director of Community Planning

Gary Buxton, General Manager of Community Planning & Sustainability

Robin Arthurs, General Manager of Corporate Services

CAO Recommendation:

That the recommendation of the Economic Development Department be approved.

Linda Glenday, CAO

GUIDING PRINCIPLES
FOR EMPLOYMENT SPACE

DISTRICT OF SQUAMISH

Prepared by: Sean Grant
University of Waterloo

September 2022

EXECUTIVE SUMMARY

The ***Guiding Principles for Employment Space*** will support consistent and effective decision-making by District planners and staff on the development of new employment space in Squamish, ensuring that project outcomes are aligned with DoS economic development goals & strategies; current and future employment space needs; and economic development & urban planning best practices.

An assessment of the strategic situation of Squamish, a consideration of relevant economic development literature, and a review of best practices of similar municipal units provides the following *insights*:

- Like other secondary cities located within regional systems dominated by a major metropolitan area, Squamish must work to resist the removal of higher order economic activities to the metro core, if it is to avoid becoming a ‘bedroom community’.
- Squamish can ‘borrow-size’ by pursuing a niche development strategy focused on building new high-growth target sectors upon the foundations of existing complimentary sectors and local assets, while offloading support & service sector activities to the core. The District’s *Emerging Sector Roadmap* is an excellent reflection of such a strategy.
- However, the success of any niche development strategy is dependent upon *active planning* for employment space. This involves ensuring that finite employment lands are dedicated to enabling the development of spaces most suited to the needs of target & complimentary sectors, and the protection of these lands from lower-order commercial uses, as well as from residential conversion.

An evaluation of the local land economics of Squamish, engagement with developers, and analyses of project feasibility & risk reveal additional *insights*:

- Squamish faces a significant threat of demand spillover – including the conversion of employment lands to residential use – which would result in a progressive removal of higher-order economic activities, and the allocation of remaining employment lands to uses dependent upon the metropolitan core.
- The primary means of ensuring the viability of employment space development in Squamish is to require space that meet the needs of those sectors most able to absorb the increasing costs of development. Fortunately, these happen to be the target and complimentary sectors identified in the District’s niche development strategy. However, current planning policies and zoning need to be adjusted to both enable and require the development of space that suit the needs of these sectors.
- The development community is largely unaware of the potential net absorption from target and complimentary sectors, which is creating viability perception challenges to the development of employment space in Squamish. The District must work to promote these opportunities and inform developers of sector needs.

The *Guiding Principles* have been developed by integrating these *Insights* with:

- The District’s *Employment Space Demand Model*; *Employment Space Viability Analysis*; the *Space Needs Insights* exercise;
- Practices and projects drawn from planning literature and other jurisdictions;
- Engagement with developers, real estate professionals, and target sector enterprises regarding sector needs and market dynamics.

The *Principles* are statements of employment space objectives and articulations of the active planning requirements that will guide the development and use of employment space in Squamish. They can be summarized as follows:

- A) **Support the District’s niche development strategy through the provision of employment space that meets the needs of target innovation and media sectors.**
- i. Creation of new zoning designation for purpose-built **innovation space**, to meet the needs of target tech/green sector enterprises.
 - ii. Establishment of one or more **innovation areas** to facilitate the development and sustainment of innovation ecosystems.
 - iii. Establishment of a **media district** to support the development and sustainment of the adventure media target sector and its complimentary sector firms.
- B) **Encourage economic diversity and support target sector growth by actively planning for the development of employment space that meets the requirements of complimentary sectors.**
- i. Provide for the development of flexible **light industrial space** that meets the full-range of operational needs of both target and complimentary sectors.
 - ii. Protect existing **medium industrial lands**, particularly those with large outdoor spaces required by both target and complimentary sectors.
 - iii. Enable the development of a *mixed-use Downtown* that is attractive to target and complimentary sector workers, and including accommodating viable pedestrian-oriented main street retail space, as well as the provision of **dedicated office buildings**.
 - iv. **Protect** existing employment lands from conversion to residential use.
- C) **Ensure that sufficient employment space is available to service the needs of local residents and workforce.**
- i. **Protect** existing retail lands from conversion to residential use, and protect employment lands required for target & complimentary sectors by **restricting** retail development to *established retail areas*, the mixed-use developments in the *districts* and the *Downtown*, and to *neighbourhood nodes*.

- ii. Enable the **provision of community-scale commercial space** in *neighbourhood nodes*.
- iii. Allow **partial retail use of industrial units** only within designated *residential service areas* to meet the operational needs of particular enterprises, such as recreational facilities.

To facilitate the **implementation** of the *Guiding Principles*, this report also includes:

- A set of ***Recommended Policies & Activities*** to be enacted and undertaken by the District.
- A set of development ***Guidelines*** to be utilized by DoS planners during planning application reviews.
- A user interface wireframe for an ***Employment Space Toolkit***; a dashboard that will allow DoS planners and staff to identify the *Principles* and *Guidelines* applicable to a site, as well as relevant property market data and sector information. It will also include a project feasibility assessment tool.

Contents

EXECUTIVE SUMMARY	i
PURPOSE	1
METHODOLOGY	1
BACKGROUND	2
Strategic Situation	2
Land Economics	5
PRINCIPLES	10
Target Sectors	10
Innovation Space	10
Innovation Area	13
Media District	14
Complimentary Sectors	17
Light Industrial	17
Medium Industrial	21
Office Space	23
Downtown	24
Dedicated Office Buildings	28
Resident Service Sectors	31
Retail Provision	31
Neighbourhood Nodes	32
Resident Service Industrial	34
APPENDIX I: RECOMMENDED POLICIES & ACTIVITIES	35
APPENDIX II: TOOLKIT GUIDELINES	39
APPENDIX III: TOOLKIT UI WIREFRAME	44
References	45

DISTRICT OF SQUAMISH **GUIDING PRINCIPLES FOR EMPLOYMENT SPACE**

PURPOSE

The *Guiding Principles for Employment Space* will support decision-making by the District of Squamish in regards to new employment space, ensuring that development outcomes are aligned with:

- DoS Economic Development Goals & Strategies;
- Current & Future Employment Space Needs;
- Economic Development and Planning Best Practices.

METHODOLOGY

The *Guiding Principles* were developed by integrating the following elements:

- Economic development goals and employment space objectives articulated in the *Official Community Plan*, *Emerging Sector Roadmap*, and other DoS plans and strategies.
- Current and future employment space requirements identified as part of the District's *Space Needs Insights* exercise and *Employment Space Demand Model*, supplemented by engagement with commercial real estate professionals and further evaluation of the space needs of target sectors.
- Appraisal of development feasibility and perceived risk gained through engagement with development industry participants, real estate professionals, and insights from the District's *Employment Space Viability Analysis*.

- Best practices drawn from urban planning and economic development literature, as well as from other jurisdictions.

BACKGROUND

To effectively support the development of the kind and quantity of employment space required for the District of Squamish to achieve its stated goals of strong local employment, high wage density, and innovation-driven economic growth, the *Guiding Principles* must be well-grounded in urban development best practices most pertinent to Squamish's strategic situation – both spatial and economic – as well as in the nature of its land economics.¹ Each of these elements are examined in turn, and each section concludes with a list of *Background Insights* that directly inform the development of the *Guiding Principles*.

Strategic Situation

Strategically, the District of Squamish can be classified as a regional *secondary city*. Such cities generally have populations of under fifty thousand residents, a lower-density built form, and are located within commuting distance of a globally-networked metropolitan centre.² Proximity to and the consequent connections with that larger urban core effectively incorporate secondary cities as nodes within a metro-centric regional economic system.³

Often this incorporation results in an outcome known as an 'agglomeration shadow' which involves the emptying of higher-order economic activities from the smaller nodes and their relocation to the metropolitan core, where these sectors can operate more efficiently and be better serviced by much larger professional and business service sectors located there. Secondary cities within the system then transition into 'bedroom communities' as they succumb to the offloading of residential space demand from the more dynamic metropolitan core. Their economies become comprised of largely lower-order activities; being those which are ultimately dependent on the economies of other urban areas, such as retail, hospitality, and personal service sectors that cater to a commuter workforce and perhaps tourists.⁴

But becoming a bedroom community is not an inevitable fate for a secondary city. Incorporation also provides unique economic development opportunities for those secondary cities that are able to successfully ‘borrow size’. At its core, size-borrowing involves taking advantage of positive network externalities provided by incorporation, most importantly the offloading of the space demands of financial, professional services and business support functions to the larger city, while simultaneously leveraging local assets including existing sector expertise by pursuing a niche development strategy. Whereas an agglomeration shadow results in economic underperformance and low or even negative employment growth, size-borrowing secondary cities enjoy a higher growth rate and greater wage density than non-size borrowing cities of similar population levels.⁵

Wadenswil, a secondary city of just over twenty-thousand located within commuting distance of Zurich, is an excellent example of successful size-borrowing. It has grown from being a largely residential economy to a centre of innovation in biotech and environmental technology.

Wadenswil achieved this outcome by following a niche development strategy that focused on leveraging existing life sciences institutions and legacy expertise in pharmaceutical manufacturing, while simultaneously allowing the offloading of professional services and other support functions to Zurich, a global financial centre. Rather than attempt to plan for a full-spectrum economy, Wadenswil has adeptly positioned itself to make the most efficient use of its existing employment space by building on its natural competitive advantages.⁶

The District of Squamish has recognized its own strategic situation, explicitly stating in the *Official Community Plan* that achieving its **economic development objectives** of a net increase in employment space and local employment growth through innovation and diversification, will be critical to avoiding becoming a bedroom community (1.8).⁷ And like Wadenswil, Squamish has articulated an innovation-led, niche development strategy in its *Emerging Sector Roadmap*, which is focused on green economy sectors (renewable energy, green-building technologies & agri-food tech) and outdoor recreation (smart clothing & performance apparel technologies, as well as adventure-based media).⁸ These are **target innovation sectors** in which the District has a competitive advantage due to the expertise of its existing sectors and its geographic location.⁹

But the case of Wadenswil also demonstrates that beyond simply preserving existing employment land capacity, a key enabler of a successful niche development strategy is *active land use planning* for required employment space. Along with beneficial spatial conditions and suitable pre-existing sectors, major component of effective competitive positioning by secondary cities is the availability of unique space that specifically meets the needs of target sector enterprises. This space must be actively planned for because the development of employment space is highly path-dependent. If other sectors and uses are or are judged to be more viable at present, developers are much more likely to deliver spaces matching those requirements, and in a secondary city these are most often those associated with the offloading of demand for residential and lower-order economic activities. In this scenario, target sectors are not permitted the opportunity to grow locally due to space constraints, and despite the pursuit of a promising development strategy, a secondary city can still become a bedroom community.¹⁰

Wadenswil has actively planned for four innovation districts with zoning that allows the development of employment space that precisely matches the space requirements of its target sectors. Other uses, including residential and lower-order retail and commercial activities, are disallowed in these districts, and in some cases residential areas have even been re-zoned to target sector use. However, Wadenswil has also recognized that employment space planning must not become focused solely on the development of innovation space, lest a secondary city fall victim to cluster risk by failing to diversify. And so, it has also used active land use planning to ensure that employment spaces suitable for complementary sectors – being those legacy sectors upon which its target sectors are being developed – can be developed, and that sufficient space will also be made available to sectors necessary for serving the needs of local residents.¹¹

Background Insights:

- (*Insight 1*) Foster local innovation-driven employment growth by actively planning for the development of space that meets the needs of target sectors.
- (*Insight 2*) Stimulate diversification and reduce cluster risk by supporting the development of space that meets the needs of *complimentary* and *resident service* sectors.

- (*Insight 3*) Protect against demand spillover and optimize the use of limited employment lands by discouraging the development of spaces suitable for lower-order uses, or sectors that can be offloaded to the metropolitan core.

Land Economics

Squamish has a well-considered niche development strategy¹ that will succeed if supported by active land use planning for employment space. However, to be effective that planning must take into account the realities imposed by the nature of land economics within the District.

Employment land values in Squamish have experienced a significant increase of 72% over the past half decade. Combined with similarly dramatic increases in the costs of construction, and this has negatively impacted the viability of employment space development. In its recent *Employment Space Viability Analysis*, the District concluded that any development project, regardless of building typology, would be unviable if undertaken on the basis of current land values, prevailing market prices for completed units, and the rates of return required by developers and their capital providers.¹²

As part of its study, the District made note of a number of potential methods for increasing the viability of employment space development in Squamish. These included: a relaxation of parking requirements; increases in development density; decreases in unit sizes; and increases in lease rates and sales prices for completed units.¹³ Engagement with developers and other real estate professionals during the background research conducted for this present project has also led to the identification of additional suggested methods, including reduction in development approval timeframes; reduction in development charges; and reduction of/greater certainty regarding community amenity contributions.

This engagement, as well as the District's own *Space Needs Insights* study and further analysis of target sector needs undertaken as part of the development of these *Guiding Principles*, has revealed significant variability in the evaluation of parking requirements by developers, brokers, and occupant businesses.¹⁴ Additionally, prevailing parking policies in particular areas of

¹ Also referred to as the District's 'economic development strategy' throughout this document.

Squamish reflect best practices as identified in relevant planning literature. As a consequence, reductions to parking requirements are not generally recommended in this document. Similarly, reductions in development cost charges and community amenity contributions have not been suggested, as DCCs are critical for the provision of infrastructure necessary for the functioning of employment space (the sufficiency of which was a major area of concern for several developers interviewed), and the incidence of CACs – which are only required when density is added to a site through applications for re-zonings or official plan amendments – should be relatively minimal in relation to the development of employment space if the *Recommended Policies* contained within this document are fully implemented.¹⁵ Finally, if the *Guiding Principles* and associated development *Guidelines* provided in this report are applied, development approval timelines should be somewhat reduced through increased clarity, which developer feedback and pro forma modelling suggests will positively impact development viability and reduce required rates of return by lowering financing durations and imputed risk measures. That said, developers interviewed stated that there is a need for clarity in zoning regulations, particularly surrounding industrial uses, that create uncertainty regarding permitted use – a concern that was acknowledged by the District in the *OCP* (14.2.e.i).¹⁶

Recommendations relating to increased density are included within the *Principles*, where this is appropriate from the standpoint of built form and acceptable massing, and only when suitable from a space needs perspective. Also provided are directions on encouraging the delivery of smaller unit sizes where this is practicable. The District's analysis, developer engagement, and pro forma modelling all show that increasing density and reducing average unit size are planning tools that do indeed translate into increased project viability and reduced occupancy costs – while in some cases also enabling the development of unit features required by businesses – but their implementation is limited to only certain project types undertaken in suitable locations.

The most promising means of increasing the general viability of employment space development throughout Squamish is to optimize the operation of the *cost flow-through mechanism* – that is, the 'passing on' of the increasing costs of development to unit occupiers. Typically, land prices are set as residual values resulting from successive transactions and their associated pro forma

processes which subtract the costs of development and capital from project value. This ‘conventional approach’ can be represented as follows:

$$RLV = P - [(H + S + G + F) - R]$$

where *RLV* is residual land value, *P* is Project Value, *H* is Hard Costs, *S* is Soft Costs, *G* is Government Charges, *F* is the cost of debt financing, and *R* is the return demanded by equity capital. However, where low vacancy rates prevail or where a higher value alternate use is permitted, there is no incentive for owners to transact at lower prices. Additionally, land values can also freeze or even continue to increase if influenced by expectations that sites will be re-zoned to accept spillover demand, as the engagement with developers and real estate professionals confirms is case in regards to potential project sites in Squamish. In these situations, the conventional pro forma process is replaced by the flow-through approach, represented by this formula:

$$P = LV + (H + S + G + F) + R$$

where *LV* = land value, is not treated a residual, but instead as another fixed development cost. All fixed costs are then assumed to flow-through a project and as a sum determine *P* = the unit price/rate charged to the end user. This means that development viability is only achieved where there is either inelastic demand, or where end users can absorb higher purchase or lease prices.¹⁷

The District’s *Viability Analysis* indicates that there is significant variation between sectors in terms of their ability to absorb the greater occupancy costs associated with the efficient operation of the flow-through mechanism. In relation to industrial space, wood products & processing, building construction, craft food & food processing, and clothing & sporting goods manufacturing showed the greatest rates of viability at flow-through price levels. Among office space occupiers, research & development services, software & technology, architecture, engineering, and media sectors all demonstrated the capacity to absorb higher occupancy costs.¹⁸ These sectors, identified in the District’s *Emerging Sector Roadmap* as the ‘core and enabling sectors’, are the ***complimentary sectors*** from which the target innovation sectors will grow, and

which are among the more significant contributors to local employment and economic growth.¹⁹ This demonstrates a high degree of fit between the District's economic development strategy and the nature of land economics in Squamish. Therefore, by actively planning for employment space that meets the needs of both target and complimentary sectors, the District can achieve its stated strategic objective of generating a net increase in employment space and its economic development goal of growth through innovation.²⁰

This kind of focused planning also serves to counteract the risks of demand spillover by using zoning and the application review process to limit development threats which can result in the reduction of employment lands through residential construction, or frustration of the District's development strategy through the delivery of employment space suited to the needs of lower-order sectors. This threat of conversion to lower-order uses was recognized as an ongoing issue in the *OCP*, especially in regards to residential spillover reducing the availability of industrial lands.²¹ However, the current low levels of employment space development in Squamish cannot yet be explained by a lack of available lands. Indeed, the District's recent *Employment Space Demand Model* concluded that there is sufficient land available to supply employment space demand across all uses for the next two decades.²²

Instead, demand spillover in Squamish can be attributed to two primary factors: 1. permissive zoning and approvals under conditions of high spillover demand, and 2. developer misperceptions of the absorption potential of target and complementary sector employment space. While the recent *Space Needs Insights* exercise identified flexibility as a one of the key employment space characteristics desired by local businesses, this flexibility must be cautiously applied.²³ In areas experiencing high demand for development sites, as well as simultaneous variance between uses in terms of unit prices and lease rates, any zoning which allows for a multiplicity of uses will almost always result in the development of the 'highest and best use' from a pro forma perspective. And this use may not match the employment use required by a municipality's economic development strategy, especially when that competing use is residential.²⁴

Engagement with developers revealed a general lack of awareness of the absorption potential of employment space projects in Squamish. Interviewees explained that evaluations of the development viability of commercial or industrial space are predicated on assessment of the degree to which absorption will occur through a *net increase* of new employment space demand. Developers and real estate professionals – most especially those located outside of Squamish – perceive the District primarily as a target for residential development, and some indicated that they would not be willing undertake the development of employment space absent evidence of an ongoing net increase in demand from relevant sectors; the kind of demand most have not recognized at present. Moreover, interviewees were not comfortable basing viability judgements on the prospect of absorbing purely lateral demand. Very few of the developers interviewed were aware of the existing displacement demand in Squamish that was identified as part of the District’s *Space Demand Model*, which showed significant use-type displacement and consequent near-zero vacancy rates for impacted sectors.²⁵ Information on the unmet needs of key sectors, prevailing vacancy rates, and lateral demand should be provided to the development community so that they can refine their evaluations of absorption potential, and align project designs with the requirements of target and complimentary sectors. This can be accomplished as part of the application review process by DoS planners, but also as part of investment attraction and related activities undertaken by the economic development team.

Background Insights:

- (*Insight 4*) Enhance viability by increasing density and reducing average unit size where possible, as well as ensuring clarity in the wording and application of zoning regulations.
- (*Insight 5*) Make the development of employment space more viable by encouraging the development of projects that meet the needs of sectors able to absorb the occupancy costs resulting from the operation of the cost flow-through mechanism.
- (*Insight 6*) Practice intelligent flexibility in zoning to ensure that permitted highest and best use matches economic development needs.
- (*Insight 7*) Actively inform the development community of employment space absorption opportunities and target/complimentary sector requirements.

PRINCIPLES

The *Guiding Principles* are broad qualitative value statements, built on the foundation of the *Background Insights* through further research, analysis and integration. The *Principles* form the core of an planning & policymaking toolset designed to support the successful achievement of the District's economic development and employment space objectives.

Each *Principle* is accompanied by an associated set of more focused *sub-principles* which deal with the physical aspects of employment space, as well as addressing use, location, development viability, and the impact of land economics.

There are instances where the *Principles* add to, modify, or replace existing planning and/or zoning regulations. Therefore, the *Principles* are accompanied by a related set of *Recommended Policies & Activities* to be enacted or undertaken by the District to enable planners and staff to fully implement the *Principles*.

Target Sectors

A) Support the District's niche development strategy through the provision of employment space that meets the needs of target innovation and media sectors.

The District's *Emerging Sector Roadmap* identified the provision of suitable space as a key element to be planned for as to support the development of the target sectors. While the engagement undertaken as part of that study identified a number of preliminary requirements – including a need for both office and light industrial units that integrate storage, prototyping, production, and showcase areas – it is useful to further consider the space and area requirements of both the innovation-oriented target sectors, as well as the adventure media target sector, by examining industry practices, existing spaces in use, and engaging with sector participants.²⁶

Innovation Space

It is the practice of growth-oriented technology and other research-intensive enterprises to outsource activities requiring significant amounts of space or heavier land uses to third-party service providers, which in addition to more efficient manufacturing options can provide these

businesses with access to quality control, distribution and even product testing services.²⁷ The local space needs of these sectors are therefore centered on accommodating research & development, prototyping & showcase areas, as well as general office facilities.²⁸ Unit size requirements are relatively small, up to 2,000 sq.ft. with shared indoor/outdoor demonstration and showcase space of 500 sq.ft. Even when dedicated small-scale manufacturing or distribution is undertaken within a unit, this would not require space that exceeds that of a light industrial unit.²⁹

CarboNet, a Vancouver-based cleantech enterprise that develops nanotechnology products for the treatment of water, operates from a single unit in a multi-tenant building, alongside other tech and research-oriented businesses. The company off-sites its manufacturing and distribution to both service provider and subsidiary-sites elsewhere in British Columbia, and in a low-wage district of Texas.³⁰ The building in which CarboNet is based is an excellent example of the kind of innovation space that will be required in Squamish to support the development of its target sectors. Located in the False Creek Flats area of Vancouver, 980 George Street (Figure 1) is a four-storey structure resembling a general-use office building with average design aesthetics. It consists of retail-suitable podium space, loading area/door, utility and outdoor space at ground level –which together could provide shared logistics, storage, workshop, and/or showcasing space to tenant companies – and three floors of multi-unit workspace above. This site was delivered within the context of an economic development strategy for the Flats, which has sought to transform a portion of that area into an innovation cluster for technology firms, including those in the green economy. The background study carried out as part of that process identified several key characteristics that innovation space should have, including affordability through density, flexibility to accommodate changing requirements, and the capacity to provide shared logistics & showcase facilities.³¹ However, while Vancouver's zoning by-law provided for a sufficient density at the site – up to 4.0. FAR – the range of uses permitted would be too wide for critical target sector employment space in a secondary city with a tight land market.³² It is therefore critical that innovation-related uses are protected from demand spillover through restrictive zoning.



(Figure 1 – ‘The George’ 980 George Street, Vancouver BC)

- A-1.** Create and apply a zoning designation for *innovation space*, which permits sufficient density to allow for the development of an office building of three to four storeys, and which provides for the space requirements of target innovation sectors: office/research space on upper-floor floors, and retail/showcase space, storage/logistics space with loading door, and outdoor space at ground level (up to 20% of site).

- A-2.** Protect *innovation space* by allowing only research and development activity as the primary use, with supporting functions permitted as accessory shared uses only.

Innovation Area

Just as important as meeting the space requirements of the target sectors will be situating that space in locations that foster and support innovation. In its *Emerging Sector Roadmap*, the District lays out a cluster-based strategy for target sector development. To support that strategy innovation space should be situated to stimulate the kind of dynamic environment a cluster can produce.³³ It has been shown that innovation potential increases when multiple innovation-sector firms operate in closer proximity. Clustering accelerates the velocity of knowledge exchange, fosters modularity, and optimizes the efficient deployment of expertise through increased inter-sector labour mobility.³⁴ The co-location of similar enterprises at greater-than-average density within *innovation space* buildings will provide the foundation for these kinds of interactions, but the District needs to extend these dynamics through sub-area planning to encompass as much of the target sector eco-system as possible to ensure firms of all stages of growth are included.³⁵ This can be accomplished by creating an innovation area (or areas) that enables cluster generation and sustainment by accommodating both innovation space and innovation-focused light industrial, and by protecting these areas from demand spillover and lower-order uses through the application of restrictive zoning.

Such *innovation areas* should be situated in close proximity to as many of the following as possible: complimentary sector light and medium industrial space to facilitate exchange and expanded use requirements (particularly open testing and demonstration space provided by medium industrial lands); logistics facilities (including warehousing and shipping nodes); post-secondary institutions to facilitate knowledge exchange, co-innovation, and workforce development; and convenience services (retail, restaurant). Potential locations (among others) that the District might consider include: designating a portion of the existing Business Park, given its existing mix of industrial and other required uses; re-development of a section of the *Railyards*; or utilizing the *primary employment zone* of the *Oceanfront Peninsula Sub-Plan Area*,

given its proximity to attractive service and recreation areas and the intended *education and institutions zone*.³⁶

- A-3.** Designate one or more *innovation areas* containing zoned sites for *innovation space* and restricted-use *light industrial*² situated in close proximity to one or more of the following: complimentary sector light & medium industrial, logistics facilities, post-secondary institutions, and/or convenience services.

While strata development will be recommended elsewhere in these *Principles* to reduce long-term occupancy costs for businesses, stratification of innovation-related space is not advised. Strata commercial and industrial space is far more suited to established, family-owned or closely-held businesses that are seeking stability, rather than growth-oriented enterprises that require the flexibility to expand or modify their space needs to reflect fast changing circumstances. Units in a single-owner building can be quickly assembled or partitioned meet the shifting space requirements of target sector enterprises, while assembly of strata units would be comparatively slower and cost prohibitive, and by permitting the potential for speculation, would also increase the cost of market entry. Similarly, allowing strata within innovation areas can ‘freeze’ a district in time, denying an emerging sector the dynamic, interactive environment it requires to generate new ideas and approaches.³⁷

- A-4.** Disallow strata development within designated *innovation areas*.

Media District

Much has been written on the connection between productive creative sector concentrations and certain neighbourhood-level characteristics that are presumed to attract creative enterprises and inspire their work. Such characteristics include the availability of multi-unit rental housing & the ability of creatives to walk to their places work; higher-than-average density; the ‘character’ or ‘chicness’ of an area; affordable rents; and even a high concentration of coffee shops.³⁸

However, while creative industries do indeed exhibit neighbourhood-level location patterns that make them suitable for place-based development planning, caution must also be exercised as

² ‘Restricted-use’ within the context of innovation areas means light industrial space where at least 50% GFA is dedicated to research & development activities. Directions related to general light industrial space requirements applicable to target and complimentary sectors are provided under *Principle B* below.

many of these oft noted characteristics have been identified through studies that examined metropolitan-level aspects of cities where higher concentrations of creatives (as individuals) have chosen to live, rather than the specific districts in which they work. Considered at the neighbourhood-level, a number metro-level characteristics – such as proportion of district residents working from home, character/age of buildings, and number of coffee shops show no meaningful correlation with existing districts, while others – such as the availability of rental housing units, higher density, and walkability – actually exhibit negative correlations.³⁹

This is not to suggest that actively planning for the development of a district to serve the needs of the target adventure media sector (and complementary film & media-related sectors) would be ill-advised. On the contrary, creative districts have much in common with technology-focused innovation districts. In instances when creative enterprises do cluster, participants are able to support and exchange information with each other more readily and at greater velocities – in some cases with a higher performance correlation than has been observed for technology clusters.⁴⁰ It does mean, however, that neighbourhood-level planning activities (and application reviews) must focus on enabling the development of a district that provides the employment space, amenities, and built-form that match characterises which *positively* correlate to those of existing clusters, supplemented by engagement with industry participants (as has been done for the preparation of the *Principles*). These characteristics include:

- Need for both office space and elements of light industrial, all of which need to provide open and adaptive floorplans.
- Proximity of other enterprises from same or similar sector.
- Diversity of ground-level uses.
- Proximity to CBD or business district that provides urban character and amenities, but does not need to be located within it.
- Interviewees expressed need for a social space for inter-sector meetings and exchanges.
- Separation of production spaces and production services offices from residential uses (interviewees expressed concern with mixed-use buildings containing residential – especially in regard to sound separation).⁴¹

In the *OCP*, Downtown South (as defined by the boundaries of DPA 7) is identified as an area where development will have a ‘electric’, ‘funky’ character, and in which a range of commercial,

light industrial, and residential uses are supported.⁴² While the emphasis on ‘character’ is an example of an assumed non-correlated element, the utility of the Downtown South area as a *media district* is two-fold. First, the mix of employment space typologies and uses permitted within it under existing planning policies and zoning regulations generally allow for the development of a district that is highly correlated with the characterises identified above, provided available employment lands and the viability of required uses are protected from demand spillover and lower-order uses. Second, its proximity to the Downtown provides access to an adjacent area possessing many of the metro-level *urban* characterises associated with those areas in which creatives live. The *Oceanfront Peninsula Sub-Plan Area* also benefits from this proximity, and its *primary employment zone* provides for the mix of uses required by the *district*.⁴³

While the two qualities identified above will be key to attracting target and complimentary sector media firms, in order to ensure the viability of the *media district*, DoS will need to implement a two-pronged strategy that involves 1. promotion of the *district* to developers and occupier firms by the economic development team, and 2. use of restrictive zoning that limits film production and related uses to the *district* in order to ‘funnel’ all related light industrial development activity to this area.

- A-5.** Designate a *media district* with a central ‘main’ street, and one or more ‘peripheral’ streets.
- A-6.** Permit the development of use-restricted light industrial, and office space, on all streets within district.
- A-7.** Disallow film production and related uses in all new light industrial developments outside of the *district*.
- A-8.** Permit retail, office, and light industrial uses at ground level along the main street of district.
- A-9.** Encourage small unit frontages and require minimum ground-floor ceiling heights of five meters along main street of district.

A-10. Disallow residential development within district (except as provided for under **A-10**).

A-11. Permit the development of ‘core’ mixed-use buildings located near the centre of the *district’s* main street and peripheral streets, which include ground floor retail space zoned for use by restaurants and food/beverage service, and upper-floor residential or office units.

Complimentary Sectors

B) Encourage economic diversity and support target sector growth by actively planning for the development of employment space that meets the requirements of complimentary sectors.

In order to both support innovation-driven growth and ensure that Squamish has a diverse local economy, it is critical that the District actively plans for the development of employment spaces suited to the needs of the core and enabling sectors (referred to here as the ‘complimentary sectors’), and that it situates those spaces in areas that are most useful and attractive to these enterprises. Additionally, as indicated in *Insight 5*, these are also the sectors most able to absorb the higher occupancy costs associated with the operation of the flow-through mechanism, making this kind of sector-focused active planning crucial for achieving the District’s strategic objective of a net increase in employment space. *Principle B* includes guidance on industrial and office development, aspects of retail space as it relates to mixed-use development, and directions related to sub-area planning in the Downtown.

Light Industrial

The success of emerging target sectors and the continued growth of complementary sectors will depend on the ability of the District to actively plan for the development of industrial space that meets the needs of both. It is necessary to identify what those needs are, determine what can be done to increase the viability of these projects, and consider how to protect that space from demand spillover and lower-order use.

Alongside innovation-oriented office space, the District’s *Emerging Sector Action Plan* identified light industrial space as a key need for some target sector enterprises; those whose

operations or stage of growth require their own workshop/prototyping and showcase spaces, or who need dedicated logistics and storage areas, in addition to associated office/research space.⁴⁴ Key characteristics of ‘innovation’ light industrial are therefore flexibility and multi-purpose utility, and these match the requirements for light industrial more generally that were identified as part of the District’s *Space Needs Insights* exercise. In the feedback received during that study, light industrial occupants in Squamish indicated a need for the following features:

- Flexible-use with open floor plan areas.
- Storage space, loading bay doors, and access for delivery vehicles (incl. 18-wheelers).
- High loading doors min. 10-12ft.
- Higher ceilings of up to 30ft, especially for clean tech and research-oriented enterprises.
- A space for customer-facing activities (retail, showcase).
- Front-facing mezzanines that can be utilized as office space or other accessory use.
- Allowance for full second floor as accessory use space for occupiers who do not require full-height storage/workshop areas.
- Outdoor green or patio space for employee leisure areas.
- A preference for function and affordability over design.⁴⁵

As these requirements not only reflect the needs of existing light industrial occupiers in Squamish – *including those in complimentary sectors* – but are also aligned to those of the target innovation sectors, it is possible to propose single set of guidelines to direct the development of light industrial that will be applicable across the District.

The *Employment Space Demand Model* projected that even at a moderate level of implementation success, substantial new light industrial space will be required to meet the demand generated by the target and complimentary sectors under the economic development strategy. But this demand is not strictly quantitative. Although the *Model* indicated that sufficient light industrial land exists to absorb expected demand at target densities, it will be necessary to increase the unit-count at each site by encouraging the development of multi-unit buildings to ensure that available land is utilized efficiently to create the kind of smaller unit-types (2,500-8,500 sq.ft. of flexible space) required, and which cannot be viably developed as single-unit, standalone structures. However, it should be noted that the District’s *Space Needs Insights*

exercise also indicates that there *are* light industrial businesses that will require significantly larger spaces. Therefore, while some of these needs can be accommodated within multi-unit buildings as many developments of that kind offer larger units as part of their projects, certain sites may still need to be developed as single-unit buildings, and as such these should not be discouraged or disallowed.⁴⁶

There have been a series of light industrial projects undertaken in British Columbia over the past several years that have delivered space that meets the requirements identified above. Many of these have been completed by developer IntraUrban as multi-unit sites consisting of small-medium-sized light industrial spaces that allow occupiers the flexibility to operate a variety of business-types and execute their full-range of functions from a single, generally-uniform unit type. IntraUrban's recent project in the Brentwood area of Burnaby and another planned in Colwood are representative of the kind of projects that should be actively planned for by the District to meet the needs of light industrial occupiers in Squamish.

Each development consists of two or more buildings containing multiple units starting from just over 2,500 sq.ft., that provide at-grade loading doors (front & rear options) for each unit, high-ceiling storage space, multi-purpose ground-floor workspaces (including space suitable for showcase/light retail use), and mezzanines that can be utilized as office space (Figure 2). At Brentwood, the units are two-storey spaces, while at Colwood three-storey units are also being offered that provide an additional storey of workspace, as well as larger, street-engaged retail and showcase spaces.⁴⁷ In Squamish, the three-building development completed by Fast Property on Queens Way in the Business Park is an example of a similar project which made efficient use of available land to deliver multiple units in the two-storey format.⁴⁸



(Figure 2 – InterUrban Light Industrial Unit)

- B-1.** Permit the development of light industrial buildings and units that can be easily adapted to meet the full-range of operational needs of the target and complementary sectors, including allowance for mezzanines, front-facing showcase space, ceiling heights up to 30ft, outdoor green/patio space, and a requirement for loading doors with a minimum height of 10ft.
- B-2.** Permit increased density on light industrial lands when development site size can accommodate the requisite parking requirements.
- B-3.** Encourage the development of multi-unit light industrial buildings.

Multi-unit light industrial spaces are highly suitable for strata development, which not only spreads the operating costs of a site across multiple businesses, but creates a strata corporation controlled by unit purchasers to administer the operation of the site, reducing potential usage conflicts. While developer interviewees held differing views as to the impacts of strata on development viability – with some stating that costs are passed on to occupiers in full regardless units being sold or leased, and others noting that the deposits received from unit purchasers reduced borrowing costs and equity requirements (this latter view was reflected in pro forma modelling) – industrial stratification has been shown to have a positive impact on the long-term financial health of purchasers, as these businesses are able to simultaneously build equity in an appreciating asset and lower their occupancy costs over time. They are also able to create a

stable period of certain tenure, giving them the confidence to make investments in improving their spaces to optimize function and efficiency.⁴⁹

B-4. Attract and encourage the development of strata light industrial.

While the highly flexible nature of the recommended building format and unit design meet a stated need of light industrial occupiers, this flexibility also increases the ease with which the inventory of light industrial space required by target and complimentary sectors can be reduced through displacement by lower-order uses – including office and retail – as well conversion to residential or partial-residential as a result of demand spillover. It will therefore be necessary to employ restrictive zoning based on use to ensure these spaces are occupied by light industrial businesses only, and that all other activities are either listed as accessory uses (mezzanine office space for example) or are restricted from inclusion in light industrial projects (residential space). This is also important from a development viability perspective as lack of clarity regarding use can result in higher site acquisition costs, as successive developer pro formas prepared on the assumption of alternative use allowance drive up residual land values.⁵⁰

B-5. Protect light industrial space from lower-order commercial and retail uses, except in designated areas³, including through the use of restrictive zoning.

B-6. Disallow the conversion of light industrial lands to residential use, and discourage the integration of residential uses into light industrial projects.

Medium Industrial

In addition to light industrial, the provision of medium industrial space⁴ will be critical to the functioning of the complimentary sectors, in particular in relation wood processing, and construction. Engagement with developers indicated that it would be difficult to utilize any particular model development or exemplar project to guide medium industrial planning, as projects are often undertaken on spec for occupiers. However, since it was the complimentary sectors that demonstrated the greatest capacity to absorb the costs of medium industrial

³ These designated areas – *resident service areas* – are addressed under *Principle C* below.

⁴ For the purposes of these *Principles*, ‘Medium Industrial’ refers specifically to manufacturing or processing of a moderate or intensive nature, and also to warehousing and distribution facilities. ‘Heavy Industrial’ is deemed to represent the Squamish terminals as classified by the *Demand Model*, and is not considered in this document.

occupancy in the District's *Viability Analysis*, it is recommended that zoning regulations and development application reviews prioritize the needs of these sectors. Critically, such needs also reflect the requirements of those target innovation sector firms – particularly those clean tech and green building – that may require medium industrial space.⁵¹ Therefore, just as with light industrial, it is possible to articulate a single set of principles to guide the development of medium industrial space that meets the needs of both target and complimentary sectors. The relevant requirements identified as part of the *Space Needs Insights* include:

- *Large sites of 2-7 acres to accommodate both indoor and also significant outdoor space (min. 60% of sites on lots not near incompatible uses).*
- *Need for on-site storage.*
- *Truck access points of a min. of 25 ft., and proximity to logistics facilities and transportation.*
- *Allowance for high loading bay doors and ceilings of min. 25-30ft.*
- *Affordability over design aesthetics.*⁵²

The prioritisation of these needs will ensure that finite medium industrial land is not inefficiently allocated to uses that do not support the District's development strategy. As was discussed in the background section, employment space development is highly path dependent, and once developed for an alternate use lands that may have contributed to the achievement of that strategy can be lost. For example, a site that was situated away from incompatible uses and has sufficient open space for a wood processing enterprise or a clean tech firm that needs to test and demonstrate its products, being instead covered over by an alternate use that is largely indoor and is allowed a higher building coverage ratio. While enterprises from non-complimentary sectors may not survive long-term because of their inability to absorb the costs of occupying this challenging building typology, *demand spillover* can still result in spaces being developed based on their needs, if these uses are judged (even if incorrectly) to be more viable than complimentary sectors at present, or if the costs are lower comparatively to the even more expensive metropolitan core. This would ultimately threaten the success of the economic development strategy as it may take several years lost critical land to be vacated and then redeveloped. This threat is particularly acute in the case of Squamish, as some industrial occupiers – in particular enterprises from sectors characterised by low-barrier and low-skilled jobs – are being pushed out of the metropolitan core of Vancouver, where vacancy rates are

currently 0.4%, and interviewed developers stated that they view Squamish as an opportunity to provide a lower cost industrial space alternative.⁵³

- B-7.** Prioritize the space needs of complimentary sectors on medium industrial lands, including preservation of larger sites, low building coverage ratios, wide entrance/exits for truck access, and ceilings up to 30ft.

As with light industrial, medium industrial lands will need to be protected to ensure adequate supply to meet the needs of target and complimentary sectors, even if the demand for medium industrial space may ultimately be slightly lower than expected in the District's *Employment Space Demand Model*, due to the practice of outsourcing of larger-scale manufacturing and related activities by target sectors. This is because many complementary sector medium industrial users require large, open sites away from incompatible use, which are limited in supply. Nevertheless, existing medium lands have been and will continue to be under pressure from residential and other lower-order uses as a result of demand spillover. The conversion of medium industrial lands to these other uses must not be permitted either through direct conversion; by way of reduced certainty of use and/or tenure; or the gradual re-zoning of adjacent sites to uses incompatible with medium industrial use.⁵⁴

- B-8.** Protect medium industrial space from lower-order commercial and retail uses, including through the use of restrictive zoning.
- B-9.** Disallow the conversion of medium industrial lands to any other use.
- B-10.** Disallow the conversion of lands adjacent to medium industrial lands to any use other than light industrial or other uses compatible with intensive land uses.

Office Space

The District's *Employment Space Demand Model* indicates that even at a moderate level of success, the implementation of the economic development strategy will result in increased demand for office space in Squamish; potentially even exceeding the demand for light industrial. It is likely that a substantial portion of this demand will be absorbed by the *innovation space* typology, the office space components of light industrial units, and the use of home offices. Nevertheless, the District will need to actively plan for the development of new office space.

Already, vacancy rates are effectively 0%, and the lack of available units has resulted in a high degree of displacement, as other space types – especially retail – are being used as offices.⁵⁵

Beyond a need for an increase in the supply of availability of units, feedback from local businesses received during the District’s *Space Needs Analysis* exercise revealed the following requirements for new office space:

- Flexible open space that can finished, customized, and shared with other companies.
- Some businesses prefer at-grade space, in some cases protected from foot traffic.
- Affordability is more important than design aesthetics.
- Separate entrances in mixed-use buildings containing residential.
- Located within walking distance of food establishments & retail.⁵⁶

The *Demand Model* estimates that a significant portion of projected office demand will be generated by complimentary sectors, in particular engineering/technology and media-related enterprises (as well as the *target* sector of adventure media).⁵⁷ These sectors rely upon knowledge workers and creative personnel, and each has its own preferences relating to location, amenities and built form. Therefore, while it is important to consider the space requirements listed above – which are generally applicable across all industries – it is equally important for the District to actively plan to locate most new office development in areas that match those preferences, in order to support the attraction and retention of businesses from these key enabling sectors.

Downtown

Engagement with developers and real estate professionals who represent tenants in established technology and related sectors indicate that these firms typically prefer well-appointed spaces in dedicated office or mixed-use buildings. In smaller cities and towns without significant central business districts, these enterprises prefer such buildings to be situated along main streets to provide employees with walkable access to food & beverage, shopping, and recreation opportunities. Interviewees also indicated that clients in these sectors have employees that desire to live in close proximity to work – ideally within the same multi-use area – to negate the need

for car use. In Squamish, this locational preference can be satisfied by directing a portion of projected new office development to the ‘Downtown’ – that is, to the area designated in the *OCF* as *Downtown Commercial Centre*, and specifically to those sites located along Cleveland and Second Avenues between Pemberton Avenue and Main Street which are currently zoned *C-4 Downtown Commercial*.⁵⁸

It will be critical that the District takes a balanced approach to Downtown office development in order to ensure the area *and* the buildings within it maintain the mix of uses – offices, small retail shops, restaurants, beverage services, and residential units – that make it attractive for complementary sector occupancy. This mix is one of the key elements of successful main street planning, and requires that the District ensure no single use comes to dominate the Downtown as a result of overplanning for office or retail space, or because permissive re-zonings or variances expose the already finite supply of employment and mixed-use lands in the Downtown to the forces of residential demand (including spillover demand). It also requires that other uses not compatible with the main street formula be located elsewhere in Squamish, including large format retail, auto service businesses, and light industrial space, as well as ground-level or large-format visitor accommodation.⁵⁹

B-11. Disallow the conversion of existing employment and mixed-use lands in *Downtown* to solely residential use.

B-12. Require that all buildings developed within *Downtown* contain a minimum of two of the following uses: office, residential, and/or retail.

Beyond office space, delivering this main street mix also requires that the District support the inclusion within Downtown of ground-floor units that meet the requirements of retail occupiers in Squamish (including food & beverage). According to the District’s *Space Needs Insights* exercise, these include:

- Proximity to or integration within higher-density areas containing both residential and office space.
- Smaller unit sizes to maximize efficient utilization of space in premium, high-cost locations
- Pedestrian oriented, on main streets with high foot and vehicle traffic.

- Taller ceilings, up to five meters.
- Outdoor patio area for some food & beverage businesses.
- Sufficient parking, including on street and nearby parking lots.⁶⁰

Retail spaces matching these requirements, and those of main street planning, are best provided along an existing retail corridor already characterized by small frontage-units occupied by locally-owned shops and smaller food and beverage enterprises. This is due to the viability challenges inherent in developing mixed-use buildings with small podium units at this level of density. Mid-rise projects (or buildings close to this typology) have routinized the inclusion of a single major ground floor occupant (often a major chain retailer, food service entity, or consumer bank) as changing consumer preferences and online retailing have decreased the perceived viability of space offerings suitable for smaller ground floor tenants; a reality confirmed during engagement with developers.⁶¹ Within Downtown Squamish, Cleveland Avenue fits the definition of a retail corridor, and to maintain it the District will need to ensure that future retail space development along this route remains pedestrian oriented. This means restricting ground level unit frontages to a maximum of eight meters, so that pedestrians are presented with a diverse array of storefronts, entrances, and experiences at a rate of once every five seconds (for a normal walking speed of approx. 75 meters a minute).⁶² It also means maintaining zero setbacks from the sidewalk; avoiding the use of any barriers between storefronts and pedestrians; restricting ground floor units to use by retailers, restaurants, and beverage services only; ensuring the use of upper floor setbacks so as to not overwhelm the streetscape; and clearly demarcating dedicated entrances for retail from those of other uses on the same site.⁶³ Additionally, the *Zoning Bylaw* contains a provision which allows developers to buy out of off-site parking requirements for smaller lots (or those containing 100% employment space) along the relevant portion of Cleveland Avenue.⁶⁴ This policy is well aligned with main street planning best practices, and opens up space for a more efficient use of a site for the provision of employment space.⁶⁵

Given its intended role as a pedestrian-orientated, waterfront-compliment to the Downtown, it is also recommended that the District consider applying similar requirements to the *village centre zone* and *main street zone* of the *Oceanfront Peninsula Sub-Plan Area*, with the exception of an

allowance for the inclusion of ground-level visitor accommodation, as well as marine and civic uses, as envisioned under policies 5.3.2.2 of the *Sub-Area Plan*.⁶⁶

- B-13.** Require small unit frontages (max. eight metres), zero setbacks from sidewalks, separate entrances for each use, and minimum ground-floor ceiling heights of five meters along Cleveland Avenue between Pemberton Avenue and Main Street, except in the case of *designated office buildings*.⁵
- B-14.** Disallow all non-retail uses of ground floor units and permit above-grade residential or visitor accommodation units along Cleveland Avenue between Pemberton Avenue and Main Street.
- B-15.** Encourage minimal off-street parking along Cleveland Avenue and Loggers Lane between Pemberton Avenue and Main Street.
- B-16.** Permit the development of additional principle buildings or principle building extensions that situate unit frontages along Loggers Lane between Pemberton Avenue and Main Street.

In contrast to Cleveland Avenue, 2nd Avenue is not characterized by an existing main street retail corridor. While it does contain some buildings with zero setbacks, very few are pedestrian oriented. Some contain larger podium units or single-unit ground floors, as well as blank or non-transparent walls. This pre-existing situation does not easily lend itself to the viable development of another main street corridor, but it does provide the District with an opportunity to enliven this route, while also enabling the development of ground-level employment spaces which meet the needs of certain enterprises, and which cannot be provided within context of main street zoning provisions.

As part of the District's *Space Needs Insights* exercise, several office occupiers expressed a preference for ground level office space, provided there was separation provided between their units and pedestrian movement.⁶⁷ Such grade level office space is ideal for teams who prefer shared workspaces, and for enterprises with staff who live within the Downtown who wish to have ease of movement between desk space, outdoor space, social spaces, and their homes. This kind of free-movement can increase the ease and velocity of engagement with other enterprises,

⁵ *Designated office buildings are discussed below.*

and result in the emergence of localised mini cross-functional clusters.⁶⁸ Moreover, the provision of such spaces would serve as a interim supply measure to ensure the availability of office space within the Downtown – including within already existing one-storey structures and multi-storey podiums – pending the development of the *dedicated office buildings* described below.

Best practices for retail space design suggest that a setback of no more than 8 meters will provide sufficient space for the inclusion of privacy elements or seating areas in front of a ground floor unit, and this is also the maximum distance from which pedestrians can be engaged by the interior of a space, should such engagement be desired.⁶⁹ These setback provisions also give those restaurants and beverage service enterprises who expressed a desire for outdoor patios during the *Space Needs* exercise an opportunity to acquire units with that capacity.⁷⁰ Therefore, while the District should ensure that like Cleveland Avenue, 2nd Avenue also features a main street mix of office, retail, and residential, as well as a pedestrian orientation – and indeed remain open to permitting the development of a second main street retail corridor – it should encourage the provision of street-engaged office spaces and retail units with patio space along this route.

- B-17.** Encourage small unit frontages and require minimum ground-floor ceiling heights of five meters along 2nd Avenue between Pemberton Avenue and Main Street, except in the case of *designated office buildings*.
- B-18.** Encourage and permit front setbacks of up to eight meters for the inclusion of on-street patios for retail space and privacy elements for office space along 2nd Avenue between Pemberton Avenue and Main Street.
- B-19.** Permit ground-level office and retail space, and upper-floor residential space and visitor accommodation on 2nd Avenue between Pemberton Avenue and Main Street.

Dedicated Office Buildings

Under current zoning – which mandates that employment space account for a minimum of 20% of FAR in projects developed within those parts of the Downtown zoned C-4 – it would be expected that the above-grade components of sites located along Cleveland and 2nd Avenues would provide for a significant portion of new office space development within the Downtown. However, the need to maintain the smaller size of the existing parcels along these pedestrian-

oriented routes, and the higher viability of providing much needed residential units above grade on such sites, indicate that the District should require only residential units above-grade along most of Cleveland and 2nd Avenue. To provide for the delivery of the office space required by complimentary sector firms, the District should enable the development of ***dedicated office buildings*** on select sites within the Downtown, and protect these sites from the viability challenges associated with permitting residential uses, and ensuring sufficient absorption by not permitting above-grade office units elsewhere in the Downtown. It is for these reasons that the *Principles* articulated above in relation to sites along Cleveland and 2nd Avenues do not permit office above-grade. As such, it is also recommended that the District review the applicability and wording of the current density bonusing scheme, which currently permits higher densities throughout those areas of the Downtown zoned C-4 in return for greater proportions of FAR being delivered as employment space.⁷¹

Beyond providing a solution to the viability challenges associated with developing office space Downtown, dedicated office buildings on larger lots also provide suitable spaces for enterprises that require substantial office units that would be impossible to develop within smaller main street lots. Moreover, dedicated office buildings with larger suites are also suitable for co-working spaces which, when located within the downtowns of smaller cities, can be viewed as a form of soft infrastructure; providing for more equal access to employment space, and facilitating interactions that can stimulate innovation and social entrepreneurship.⁷² Finally, engagement with developers indicates that the inclusion within a project of larger above grade commercial units is an opportunity to provide similarly large ground floor retail units. Unlike in a building containing upper storey residential and/or small office spaces, in this case there are no pillars or other obstacles at ground level which can create usability issues for large restaurants or retail occupiers requiring more substantial spaces. The capacity to include spaces for such tenants can also help to bridge viability gaps for Downtown projects that do not include residential components.

Care must be taken, however, in selecting the locations where the development of dedicated office buildings will be permitted, and in establishing the dimensional regulations that govern their design, so that the pedestrian-oriented and interactive character of the Downtown is

preserved. A baseline example has already been developed in Downtown Squamish at 37989 Cleveland Avenue.⁷³ The Cornerstone Professional Building includes three storeys of office space above a retail podium, is located on at the corner of a Downtown intersection, and while it is situated on a relatively larger lot, its lot width along Cleveland Avenue is no greater than three or four smaller unit frontages. Requiring these features will enable the development of projects that deliver larger office spaces and ground floor retail, while at the same time preserving – rather than overwhelming or replacing – the character of the Downtown’s primary thoroughfares.

However, the building departs from main street planning conventions in the design of its ground floor, which is neither transparent or active. Instead of this treatment, the District should mandate that these buildings feature a pedestrian orientation by including a requirement for transparent glass podiums and an allowance for patio space.⁷⁴ This will not only avoid interrupting the streetfront character of the Downtown, but will encourage entry into the Downtown’s core and energize each intersection into a hub of interaction.

It is also recommended that the District consider the inclusion of *dedicated office buildings* within the *Oceanfront Peninsula Sub-Plan Area*, and in particular at corner sites within the *primary employment zone*. Concentrating office development within the *sub-area* in such a manner will support the District’s achievement of its employment targets for the *Oceanfront*, while at the same time ensuring that the character and natural assets of the peninsula are not impeded by unplanned commercial massing, as well as supporting the viability of developments along the main street zone by not requiring the provision of upper floor commercial space.⁷⁵

- B-20.** Designate corner sites on all intersections along Cleveland Avenue and 2nd Avenue between Pemberton Avenue and Main Street as suitable for *designated office buildings*.
- B-21.** Require large ground-floor unit frontages and minimum ground-floor ceiling heights of five meters in *designated office buildings*.
- B-22.** Require transparent street-facing walls on the ground floor of *designated office buildings*.

- B-23.** Restrict the site area of *designated office buildings* to a maximum of 850 sqm, and the maximum lot width to 32 meters along Cleveland Avenue and 2nd Avenue.
- B-24.** Permit front setbacks of up to eight meters for the inclusion of on-street patios in *designated office buildings*.
- B-25.** Disallow all non-office uses of upper-floor units in *designated office buildings*.
- B-26.** Disallow all non-retail uses of ground floor units in *designated office buildings*.

Resident Service Sectors

C) Ensure that sufficient employment space is available to service the needs of local residents and workforce.

Beyond the needs of target and complimentary sectors, the District must plan for the development of space that is well-positioned to serve the needs of local residents, including those employed through the successful implementation of the District's economic development strategy. *Principle C* includes guidance on those aspects of retail space location not yet addressed; the provision employment space within neighbourhood nodes; and the use of light industrial space by resident service-oriented businesses.

Retail Provision

The *Space Demand Model* suggests that the District will need to plan for an increase in retail space⁶ demand over the next two decades. While the extent of this increased demand might not be entirely realised due to shifts in consumer preferences, and a portion of it will likely be absorbed by the gradual correction of prevailing use displacement as a result of new office development, the District must nevertheless ensure that existing retail lands – deemed in the *Demand Model* to be sufficient to absorb future growth over the next two decades – are not reduced through conversion to alternative uses, especially residential.⁷⁶ Conversely, the District must also work to restrict the development of retail space on lands designated for other employment uses. As articulated in *Insight 3*, it is critical to optimize the utility of employment lands needed for target and complementary sectors, and to protect them from demand spillover

⁶ Details of retail space requirements are provided under *Principle B* above.

by not permitting lower-order uses. Within the context of the District's strategic situation and economic development strategy, an overprovision of retail space – a lower-order use – will be indicative of, or a precursor to, a transition into a bedroom community economy. Therefore, new retail space should only be permitted within *established retail areas* such as Garibaldi Village and Downtown Gateway, as well as within the small-format retail components of mixed-use developments in the Downtown Commercial Centre, the Media District, along the Mamquam Blind Channel, and within *Neighbourhood Nodes*.

Further, as discussed under *Principle B*, it is to these *established retail areas* that large format (and chain) retail development - as well as retail and service operations with large open spaces and/or which might be classified as medium industrial, such as vehicle dealerships – should be restricted, in order to protect retail capacity within the Downtown, Media District, and Neighbourhood Nodes for use by small-format, pedestrian-oriented retail. Likewise the development of ground-level or large-format visitor accommodation should be directed to the *established retail areas*.

- C-1.** Protect retail space from other employment uses and from residential use, including through the use of restrictive zoning.
- C-2.** Disallow the conversion of retail lands to any other use.
- C-3.** Permit the development of retail space only within *established retail areas*, within the retail components of mixed-use developments, and in *neighbourhood nodes*.
- C-4.** Permit the development of large format retail and retail with significant open space only within *established retail areas*.
- C-5.** Permit ground-level or large-format visitor accommodation only within *established retail areas* designated as *Mixed-Use Commercial* and *Downtown Gateway* in the *OCP*.

Neighbourhood Nodes

The *OCP* intends for designated Neighbourhood Nodes to form the core of the District's neighbourhood planning areas, ensuring that these are complete communities that can provide

residents with shopping and services within walking distance of their residences (13.3.).⁷⁷ As such, the Nodes should be target locations for the development of smaller retail spaces that serve the needs of neighbourhood residents, and also of office space to accommodate non-complimentary sectors such as medical offices and consumer-level financial/professional services – which the *Demand Model* indicates will be responsible for driving a portion of the demand for new office development.⁷⁸ The *OCP* also directs that the District should encourage the development of residential units within the Neighbourhood Nodes (13.4.c).⁷⁹ However, if residential is an included element within a Node project, it must be restricted to rental units - as has been proposed for the redevelopment of the General Store site within the Brackendale Node – in order to ensure that the higher land values associated with permitted non-rental residential do not render commercial development within the Nodes inviable.⁸⁰

- C-6.** Ensure that the residential components of mixed-use developments undertaken within Neighbourhood Nodes are delivered as rental units only.
- C-7.** Permit multi-use buildings on employment lands and mixed-use sites within *Neighbourhood Nodes* that provide space suitable for multi-unit retail and/or office use, with ceiling heights up to five meters and small unit frontages on ground floor, and office or residential units upper-floor.

Residential development should be situated only on the top-most floors of multi-storey buildings, and limited to a maximum of 50% of GFA - as has been established for mixed-use development within the Loggers East Node – in order to protect the against the pressures of highest-and-best use reducing employment space within the sites, as well as to ensure that there is sufficient GFA to allow for the delivery of employment units at grades most optimal for resident access.⁸¹

- C-8.** Limit residential development within Neighbourhood Nodes to 50% of the GFA proposed under any development application, and disallow ground floor residential space in mixed use buildings, as well as the development of ground-related units.

It is also recommended that the District consider applying the *neighbourhood node* Principles to the *neighbourhood commercial zones* of the *Oceanfront Peninsula Sub-Area*, which are intended to serve the community in a similar role.⁸²

Resident Service Industrial

In the engagement undertaken by the District, a number of businesses presently occupying industrial space stated that they required the ability to utilize a greater proportion of their units as retail space in order to serve their customers. Those expressing this preference also desired to be in areas of high consumer traffic. While the general practice should be to protect industrial space from other uses, increased retail accessory use provisions could be implemented within a limited number of *resident service areas* with existing or anticipated high consumer traffic, in order to provide for those occupants – such as recreation-oriented businesses – with operations that cannot be accommodated within retail units, or for those with operations that can be classified as light industrial in nature, but who also need slightly larger retail space to reach consumers.⁸³

C-9. Designate one or more *resident service areas* with established or planned high consumer traffic, and permit a greater proportion of industrial units within these areas to be utilized as retail space, by expanding the FAR permitted for this accessory use to a maximum of 50%.

APPENDIX I: RECOMMENDED POLICIES & ACTIVITIES

This section includes the *Recommended Policies & Activities* that the District of Squamish must adopt/undertake to enable that DoS planners to fully implement the *Guiding Principles*.

Recommended Policies involve additions or amendments to the *OCP* or *Zoning By-Law*, while the *Recommended Activities* are *processes* or *actions* to be undertaken by DoS planners and staff.

It may be necessary for the District to adopt additional policies or *Zoning By-Law* amendments in order to implement the *Principles*, and it is recommended that Planning staff review the *Principles* to identify applicable policies.

Each *Recommendation* is keyed to the *Principle(s)* and/or *Insight(s)* requiring it.

#	PRINCIPLE(S)	OCP/ZBL/PROCESS/TASK	POLICY/PROCESS DESCRIPTION	COMMENTS
1	I-7	PROCESS	Actively inform the development community of employment space absorption opportunities and target/complimentary sector requirements.	This can be accomplished as part of the application review process by DoS planners, but also as part of investment attraction and related activities undertaken by the economic development team.

2	A-1, A-2, A-3	ZBL	Create zoning designation for <i>Innovation Space</i> and <i>Innovation Areas</i> that applies requirements of A-1, A-2, A-3	Could utilize existing zoning designation as basis by amending wording - ex. I-8 - which seems to have been intended for innovation-related space, amend to include A-1/A-2/A-3 requirements, and removing non-applicable uses
3	A-3	TASK	Identification and designation of Innovation Area(s)	Have capacity to accommodate both Innovation Space and light-industrial buildings, situated in close proximity to some of: enabling sector light & medium industrial, logistics facilities, post-secondary, and convenience services.
4	A-5	TASK	Designate a media district with a central ‘main’ street, and one or more ‘peripheral’ streets.	Within the boundaries of Downtown South (DPA 7) or Oceanfront
5	A-5	PROCESS	Promotion of the <i>Media District</i> to developers and occupier firms by the economic development team,	Developers/target & complimentary sector firms need to be informed of objectives, assured of District support, and also of funnelling zoning restrictions

6	A-5, A-6, A-7	ZBL	Disallow film production and related uses in all new light industrial developments outside of the <i>Media District</i> .	Restrictive zoning that limits film production and related uses to the district in order to 'funnel' all related light industrial development activity to this area.
7	B-6	OCP	Disallow conversion of light industrial lands to residential use	n/a
8	B-9	OCP	Disallow conversion of medium industrial lands to residential use	n/a
9	B-10	OCP	Disallow conversion of lands adjacent to medium industrial lands to any use other than light industrial or uses incompatible with intensive land uses	Could consider narrowing this so that it applies only to medium industrial sites with existing building coverage of less than 60%
10	B-11	OCP	Disallow conversion of existing employment and mixed-use lands in Downtown to solely residential use	Applies to the entirety of area designated in OCP as <i>Downtown Commercial Area</i>
11	B-12	OCP	Require that all buildings developed within Downtown contain a minimum of two of the following uses: office, residential, and/or retail.	Optional - applied in guidelines - but articulating it as an OCP policy would protect multi-use character of Downtown

12	B-14, B-19, B-20	ZBL	Review applicability/wording of current density bonusing scheme to align with Principles relating to the provision of office space primarily within dedicated office buildings, and the requirement to only provide employment space in ground-level units elsewhere in the Downtown	Potentially as-of-right, or utilize density bonusing program to secure alternative space, ex. Rental housing - critical to the mixed-use and walkable characteristics required for target and complimentary sector attraction
13	C-2	OCP	Disallow conversion of retail space to any other use.	Only B-19 provides for dual use of retail space
14	C-5	ZBL	Ground-level and single-use visitor accommodation only within <i>established retail areas</i> designated as Mixed-Use Commercial and Downtown Gateway in the OCP.	B-14, B-19 permit above-ground in Downtown
15	C-6, C-8	OCP	Residential units in neighbourhood nodes to be delivered as rental only. Limited to upper-floors and restricted to a max. of 50% GFA.	n/a
16	C-9	TASK	Identification of <i>resident service areas</i>	Those industrial lands with established or planned high consumer traffic, and/or within close proximity to <i>neighbourhood nodes</i>

APPENDIX II: TOOLKIT GUIDELINES

This appendix contains a set of *Guidelines* which apply the *Guiding Principles* to development application review by informing DoS planners and staff of employment space requirements in a clear and concise manner.

As highly practical expressions of the *Principles*, the *Guidelines* are not intended to be an exhaustive list all requirements that must be met by development, strata, zoning-amendment, or official plan-amendment applications. Instead, the *Guidelines* highlight only those requirements which must be met in order for the District to implement the *Principles*.

The *Guidelines* will be provided to District planners as part of a dashboard-based ***Employment Space Toolkit*** (See Appendix III for Toolkit UI Wireframe). The *Toolkit* will allow users to view those *Guidelines* which are most relevant to the development application they are working on by sorting employment space requirements on the basis of **typology** (ex. office or light industrial), as well as according to any applicable **area designation** (ex. Downtown or Neighbourhood Node).

The *Guidelines* are listed below under their relevant typology or area headings. Each *Guideline* is keyed to the *Principle(s)* from which it is drawn so that users can consult the relevant section(s) of the full *Employment Space Principles* report for further information.

SPACE TYPOLOGIES

Innovation Space

- Permit building(s) of between 3-4 storeys (A-1).
- Upper-floor units restricted to office space and spaces suitable for research & development activities (A-1).
- Require that a minimum of 20% of site area consists of open outdoor space (A-1).
- Ground floor space to be restricted to common area use, which must include: showcase/event space (similar to podium retail space in *dedicated office building* typology), shared storage/logistics space, and min. one loading door (A-1).
- Uses restricted to research & development and related activities (A-2).

Light Industrial

- Require that light industrial units have at-grade loading doors with a min. height of 10ft with access to direct access for delivery vehicles (B-1).

- Permit showcase/accessory retail space at front of light industrial buildings to a total FAR of 20%, uncovered outdoor or patio spaces, and ground floor ceiling heights up to 30ft (B-1).
- Permit second-storey mezzanines and full-second storeys suitable for use as accessory office space or other accessory uses (B-1).
- If a site can absorb the requisite parking requirements, permit light industrial buildings of up to three storeys (B-2).
- Encourage developers to provide multi-unit light industrial buildings (B-3).
- Encourage the development of strata light industrial and permit strata conversion of existing light industrial units (B-4).
- Disallow retail, residential, and film/media production (outside of media district) as primary uses in light industrial buildings (A-7, B-5, B-6,).
- Disallow the conversion of light industrial lands to residential (B-6).

Medium Industrial

- Require ceilings heights to be min. 25 ft. and permit full-height loading bay doors (B-7).
- Require sites not in proximity to incompatible uses and with existing open space to maintain a min. 60% as open space (B-7).
- Require a min. of one road access point to be a min. of 20ft. in width (B-7).
- Permit accessory structures for storage (B-7).
- Disallow the division of existing medium industrial lots into parcels smaller than 2 acres (B-7).
- Disallow residential, retail, and non-accessory commercial uses other than industrial on medium industrial lands (B-8).
- Disallow the conversion of medium industrial lands to any other use (B-9).
- Disallow the conversion of lands adjacent to existing medium industrial lands to any use other than light industrial or uses compatible with intensive land uses (B-10).

Dedicated Office

(Corner sites along Cleveland Ave & 2nd Ave between Pemberton Ave and Main St.)

- Require large or full-floor unit frontages, transparent street-facing walls, and min. ceiling heights of 5 meters on ground-floor (B-21 & B-22).
- Require front setbacks of eight meters and permit on-street patio space in front of ground-floor units (B-24).
- Restrict site area of designated office building projects to a max. of 850 sqm., and a max. lot width of 32 meters for frontages along Cleveland Ave and 2nd Ave (B-23).
- Permit only office use (incl. co-working space) in upper-floor units in designated office buildings (B-25).
- Permit only retail use in ground floor units in designated office buildings (B-26).

Retail

- Permit the development of retail space only within *established retail areas*, *neighbourhood nodes*, and mixed-use buildings within the *Downtown* and *Media District* areas (C-3).
- Disallow the use of existing retail space for residential or any other commercial use (C-1).
- Disallow the conversion of existing retail lands to any other use (C-2).

AREA DESIGNATIONS

Innovation Area

- Permit only innovation space and light industrial within area (A-3).
- Light industrial buildings within area must be ‘restricted-use’; that is, uses must be restricted to research & development and related uses. Additionally, at least 50% of GFA must be dedicated to space suitable for research & development activities (A-3).
- Strata development/strata conversions are not to be permitted within area (A-4).

Media District

- Permit the development of ground-level and upper-floor light-industrial and office space along the main and peripheral streets of the Media District, with light industrial primary use restricted to film & media production and related activities (A-7).
- Permit ground-level retail at ground level along main street of Media District (A-8).

- Encourage small unit frontages and require minimum building heights of five meters along main street of Media District (A-9).
- Permit development of core (multi-use) buildings on sites located near the centre of the main and peripheral streets of the Media District, which include ground floor retail units restricted to use by restaurants and food/beverage services, and upper-floor residential or office use (A-11).
- Disallow residential development within Media District, except with core-buildings (A-10).

Downtown

- Disallow conversion of existing employment and mixed-use sites within the Downtown to solely residential use (B-11).
- Disallow development applications proposing less than two of the following uses on any one site within the Downtown: office, residential and/or retail (B-12).
- Require max. unit frontages of eight meters, min. ceiling heights of five meters, and separate entrances for each use along Cleveland and 2nd Aves between Pemberton Ave and Main St (B-13 & B-17).
- Encourage the provision of dedicated delivery/pick-up entrances for ground-floor retail units within the Downtown (B-13).
- Require zero setbacks from sidewalks for sites located along Cleveland Ave. between Pemberton Ave and Main St. (B-13).
- Permit only retail uses of ground-level units, and residential and visitor accommodation use of upper-floor units for sites located along Cleveland Ave. between Pemberton Ave and Main St. (B-14).
- Permit front setbacks from sidewalks of up to eight meters, and permit the use of on-street patio space and inclusion of ground-level privacy elements for sites along 2nd Ave between Pemberton Ave and Main St. (B-18).
- Permit both retail and office uses for ground-level units, and residential and visitor accommodation use of upper-floor units for sites along 2nd Ave between Pemberton Ave and Main St. (B-19).
- Encourage minimal on-site parking for sites located along Cleveland Ave. between Pemberton Ave and Main St. (B-15).
- Permit the development of additional principle buildings or principle building extensions that situate from along Loggers Lane between Pemberton and Main Street (B-16).

Established Retail

(Garibaldi Village, Downtown Gateway, & Highway and Tourist Commercial)

- Disallow the conversion of existing retail sites in established retail areas to any other use (C-2).
- Permit the development of large format retail projects and single use-retail buildings within established retail areas (C-4).
- Permit the development of ground-related, ground-level, and single-use visitor accommodation only within established retail areas (C-5).

Neighbourhood Node

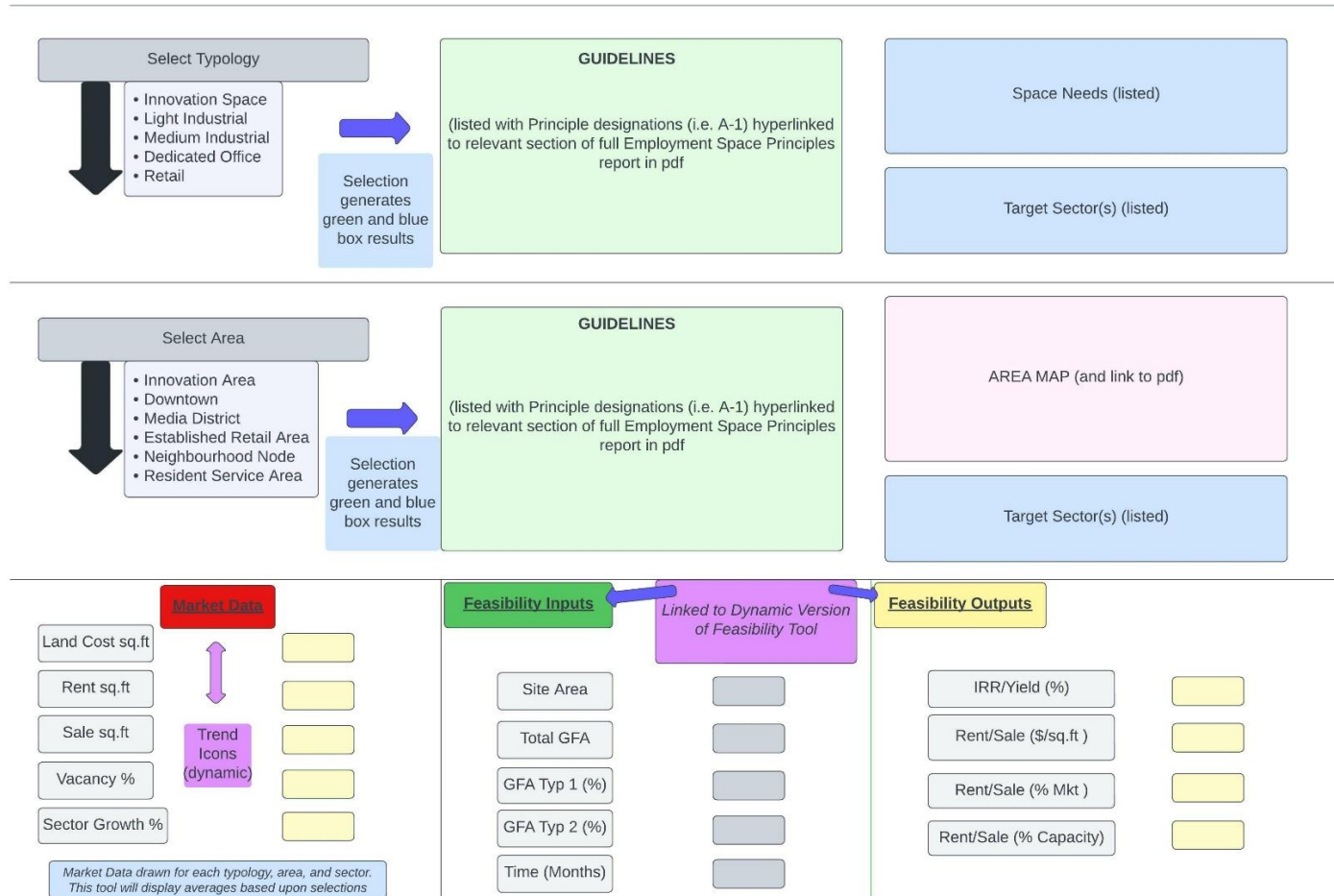
- Require buildings developed within neighbourhood nodes to restrict use of ground-floor units to retail and/or office use, and permit office use of upper-floor units (C-6).
- Permit only rental residential units within neighbourhood nodes, only permit residential on upper-floor floors of mixed-use buildings, and limit this residential component to a max. of 50% of GFA (C-7 & C-8).

Resident Service Area

- Permit accessory retail use in light industrial buildings of up to 50% of FAR within designated resident service areas (C-9).

APPENDIX III: TOOLKIT UI WIREFRAME

ESP Toolkit UI Wireframe



References

- ¹ District of Squamish (2021a). *District of Squamish Official Community Plan Schedule A: Consolidated Edition July 2021*.
- ² Mayer, H. et al. (2021). Small and Medium-Sized Towns as Secondary Cities. In M. Pendras and C. Williams (Eds.), *Secondary Cities: Exploring Uneven Development in Dynamic Urban Regions of the Global North* (pp. 55-78). Bristol University Press.
- ³ Meijers, E and R. Cardoso (2021). Shedding Light or Casting Shadows? Relations between Primary and Secondary Cities. In M. Pendras and C. Williams (Eds.), *Secondary Cities: Exploring Uneven Development in Dynamic Urban Regions of the Global North* (pp. 25-54). Bristol University Press.
- ⁴ Mayer, H. et al. (2021); Meijers, E and R. Cardoso (2021).
- ⁵ Meijers, E and R. Cardoso (2021); Burger, M.J. et al. (2015). Borrowed size, agglomeration shadows and cultural amenities in north-west Europe. *European Planning Studies*, 23(6), 1090–1109; Meijers E. and M.J. Burger (2017). Stretching the Concept of Borrowed Size. *Urban Studies*, 54(1), 269-291.
- ⁶ Mayer, H. et al. (2021)
- ⁷ District of Squamish (2021a).
- ⁸ District of Squamish (2020a). *Emerging Sector Roadmap and Action Plan*; ROI (nd.a) *District of Squamish Green Economy Profile*; ROI (nd.b) *District of Squamish Outdoor Recreation Profile*.
- ⁹ District of Squamish (2020a).
- ¹⁰ Burger, M.J. et al. (2015); Meijers E. and M.J. Burger (2017); Meijers, E and R. Cardoso (2021).
- ¹¹ Mayer, H. et al. (2021).
- ¹² District of Squamish (2021b). *Squamish Employment Space Viability Analysis*.
- ¹³ Ibid.
- ¹⁴ District of Squamish (2021c). *Space Needs Insights for Business*.
- ¹⁵ District of Squamish (2018). *Community Amenity Contribution Policy*; Ibid (2021a).; Ibid (2021d). *Report to Council: Development Cost Charge Bylaw Update*.
- ¹⁶ Ibid (2021a).
- ¹⁷ Dybvig, L. (2010). *The Appraisal of Real Estate: Third Canadian Edition*. University of British Columbia; Found. A. (2019); Grant, S. (2019). *Making Space for the Middle: Enabling Mid-Range Rental Development* [Unpublished Master's Thesis]. University of Toronto; Miles, M., et al. (2015). *Real Estate Development: Principles and Process*. Urban Land Institute.
- ¹⁸ Ibid (2021b).
- ¹⁹ Ibid (2020a).
- ²⁰ Ibid (2021a); District of Squamish (nd.a). *2019-2022 Council Strategic Plan*.
- ²¹ Ibid (2021a).
- ²² Ibid (2020b). *Employment Space Demand Model*.
- ²³ Ibid (2020a).
- ²⁴ Aderneck, E. (2018). *Stratification of Industrial Land in Metro Vancouver*; Dybvig (2010); Miles (2015).
- ²⁵ District of Squamish (2020b).
- ²⁶ Ibid
- ²⁷ OCM (2016). *Optimizing the Cleantech Manufacturing Mix*.
- ²⁸ District of Squamish (2020a).
- ²⁹ Aderneck, (2018); Vancouver Economic Commission (2017). *The Flats Economic Development Strategy*.
- ³⁰ CarboNet (nd.). <https://carbonet.com/about-us/>
- ³¹ Vancouver Economic Commission (2017).
- ³² City of Vancouver (2021). *Zoning and Development By-law*
- ³³ District of Squamish (2020a).
- ³⁴ Ganguli, I. et al. 2020. The Paper Trail of Knowledge Spillovers: Evidence from Patent Interferences. *American Economic Journal: Applied Economics*, 12(2), 278—302; Gerlach, H. et al. 2009. Labor Pooling in R&D Intensive Industries. *Journal of Urban Economics*. 65(1): 99–111; Kerr W. and F. Robert. 2020. Tech Clusters. *Journal of Economic Perspectives*, 34(3): 50-76.
- ³⁵ Gerlach, H. et al. 2009; Vancouver Economic Commission (2017).
- ³⁶ District of Squamish (2010). *Squamish Oceanfront Peninsula Sub Area Plan*.

-
- ³⁷ Aderneck, 2018.
- ³⁸ See for instance: Florida, R. (2002). *The Rise of the Creative Class*. Basic Books; Ley, D. (2003). Artists, aestheticization and the field of gentrification. *Urban Studies*, 40(12): 2527-2544.
- ³⁹ Grodach, C. (2014). The location patterns of artistic clusters: A metro and neighbourhood-level analysis. *Urban Studies*, 51(13), 2822-2843.
- ⁴⁰ Scott A. (2000). *The Cultural Economy of Cities*. Sage Publications.
- ⁴¹ Grodach (2014).
- ⁴² District of Squamish (2021a).
- ⁴³ Ibid (2010).
- ⁴⁴ Ibid (2020a).
- ⁴⁵ Ibid (2021c).
- ⁴⁶ Aderneck, 2018; District of Squamish (2020b); Ibid (2021a); Ibid (2021b)
- ⁴⁷ City of Burnaby (2017) *Bylaw No. 13804*; City of Colwood (2020). *Rezoning Application RZ-20-005*; IntraUrban (nd.a) <https://intraurban.ca/colwood>; Ibid (nd.b) <https://intraurban.ca/brentwood>
- ⁴⁸ District of Squamish (nd.b). *Development Permit No. 382*.
- ⁴⁹ Aderneck, 2018
- ⁵⁰ Ibid.
- ⁵¹ District of Squamish (2021b).
- ⁵² Ibid (2021c).
- ⁵³ Colliers (2022). *National Market Snapshot Q1 2022*; Vancouver Economic Commission (2017).
- ⁵⁴ District of Squamish (2020b); Ibid (2021a); Ibid (2021c).
- ⁵⁵ Ibid (2020b); Ibid (2021c).
- ⁵⁶ Ibid (2021c).
- ⁵⁷ Ibid (2020b).
- ⁵⁸ Ibid (2021a); District of Squamish (nd.c), *Zoning By-Law – Updated*.
- ⁵⁹ Talen E. and H. Jeong. (2019). Street rules: does zoning support main street? *Urban Design International* 24(1): 206-222.
- ⁶⁰ District of Squamish (2021c).
- ⁶¹ Talen and Jeong (2019).
- ⁶² City of Toronto (2019) *Retail Design Manual*.
- ⁶³ Talen and Jeong (2019).
- ⁶⁴ Ibid.
- ⁶⁵ Talen and Jeong (2019).
- ⁶⁶ District of Squamish (2010).
- ⁶⁷ Ibid.
- ⁶⁸ Bacevice, et al. (2020). Workspaces design: reimagining the urban office. *Harvard Business Review*
- ⁶⁹ City of Toronto (2019).
- ⁷⁰ District of Squamish (2021c).
- ⁷¹ District of Squamish (nd.c).
- ⁷² Jamal, A. (2018). Coworking spaces in mid-sized cities: a partner in downtown economic development. *Environment and Planning A: Economy and Space*, 50(4): 773-788.
- ⁷³ District of Squamish (2018). *Development Permit No. 397*.
- ⁷⁴ Talen and Jeong (2019).
- ⁷⁵ District of Squamish (2010).
- ⁷⁶ Ibid (2020b).
- ⁷⁷ Ibid (2021a).
- ⁷⁸ Ibid (2020b).
- ⁷⁹ Ibid (2021a).
- ⁸⁰ District of Squamish (2020c) *Development Permit No. 539*; Vancouver Economic Commission (2017).
- ⁸¹ District of Squamish (2021d). *Loggers East Neighbourhood Plan*.
- ⁸² Ibid (2010).
- ⁸³ Ibid (2021c).