

Executive Summary

Businesses will locate in communities that suit their needs. The communities must be investment-ready, from both a public and private perspective, to meet those business needs. If those needs are not met, businesses will probably locate elsewhere and the potential jobs will also go elsewhere. Further, there will be an increased demand for office space in the town centres from firms which provide professional business to business services to other sectors, assuming the needs of those sectors are met so that they can locate in the communities.

As the communities of Maple Ridge, Mission and Pitt Meadows grow, it is important to continue to create jobs in the communities in order to build a sustainable economy. Through interviews with industry leaders, developers and financial services providers, alongside a study of existing research, this report outlines the key needs of businesses in some of the sectors targeted by the communities for growth. The sectors outlined in this report include:

- Information and communication technologies (ICT), including new media and wireless;
- Life sciences;
- Advanced energy;
- Light and advanced manufacturing;
- Professional services and other small businesses; and
- Agriculture.

It is through understanding the needs of businesses in these sectors that the communities can develop the strategies necessary to foster growth and attract firms. Appropriate land use and development strategies provide one of the tools necessary to attract firms. However, their applicability will vary by sector, being very important for firms for which land is a larger proportion of their cost structure but being of little importance to firms which are more human resource intensive.

The highest opportunities for attraction in the short term (within the next 10 years) were found to be in the following sectors:

- Advanced energy;
- Light and advanced manufacturing; and
- Professional services and other small businesses.

In general, the report has found that the lack of investment-ready land for industrial purposes¹ (whether for light industry or to be designated as a business park) in the communities of Maple Ridge, Mission and Pitt Meadows will be the biggest deterrent to the growth of employment locally over the coming

¹ Throughout the report, business park refers to a zone similar to M3 Business Park designation and industrial park refers to the M2 General Industrial designation.

years and has already resulted in deterring prospective or expanding firms. A comparison of sectors based on highest opportunity and preferences for locations within a community is illustrated in Figure 1.

Overall, there are two key factors that will influence the ability of the three municipalities to attract and retain businesses: the key economic drivers for a particular sector and land use designation policies. For the first factor, sectors that are human resource intensive and innovative (the creative class) will be more driven by the ability to access labour and the location of similar firms and key customers/suppliers than by the cost of real estate. Firms in the information and communication technologies (ICT), new media, wireless and life sciences sectors prefer locations closer to the urban centre of the region, at least in the short term. As these firms will not naturally be drawn to municipalities further out of the urban core, direct market intervention by a municipality to attract these firms is required through economic incentives to improve the benefits or reduce the costs of that location. Traditional forms of land use incentives such as reduced development cost charges may be ineffective as they rarely reach the end user in these sectors, unless a formula could be developed to ensure these reach the end user. Alternative methods may be needed such as subsidised space and/or provision of free services.

At the other end of the spectrum, there are firms which require a larger space footprint for whom land costs are more significant for the sector. These sectors will be naturally drawn to areas in a region that have lower cost land and are less affected by a reduced labour supply. This includes firms in the manufacturing sectors. Other sectors are more in the middle of this spectrum, such as the advanced energy sector for which economic incentives may or may not be necessary. After this determination, there then must be sufficient supply of appropriately designated land to enable firms to locate there and expand. It is a shortage of appropriately designated land which is currently inhibiting business growth in the three municipalities: general industrial and business park. A comparison of sectors based on building requirements and propensity to buy or lease is illustrated in Figure 2.

Sector		Attraction feasibility	Location	Building type	Ownership
Light/advanced manufacturing		High	Business park / general industrial	Light industrial with office	Lease / buy
Advanced energy	Devices / plants	High	Business park / general industrial	Light industrial / highly specialized	Lease / buy
	Software systems	Low to medium	Town centre / business park	General office	Lease
Professional services		Medium to high	Town centre	General office	Lease
Agriculture		Medium to high	Agricultural	Highly specialized	Lease / buy
Information and communication tech.		Low to medium	Town centre / business park	General office	Lease
New media		Low	Town centre	General / alternative office	Lease
Wireless	Devices	Low	Business park	Light industrial with office	Lease
	Applications		Town centre	General office	
Life sciences		Low	Business park	Office with specialized facilities	Lease

Figure 1: Sector feasibility (short-term < 10 years) and land use requirements

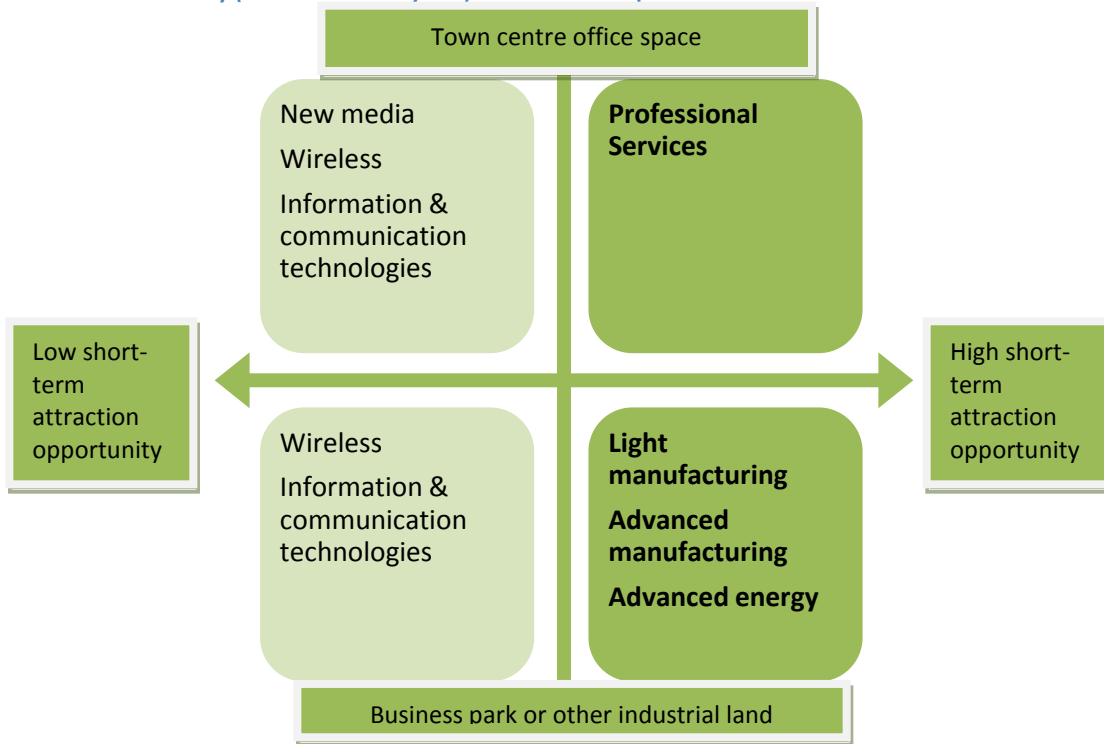
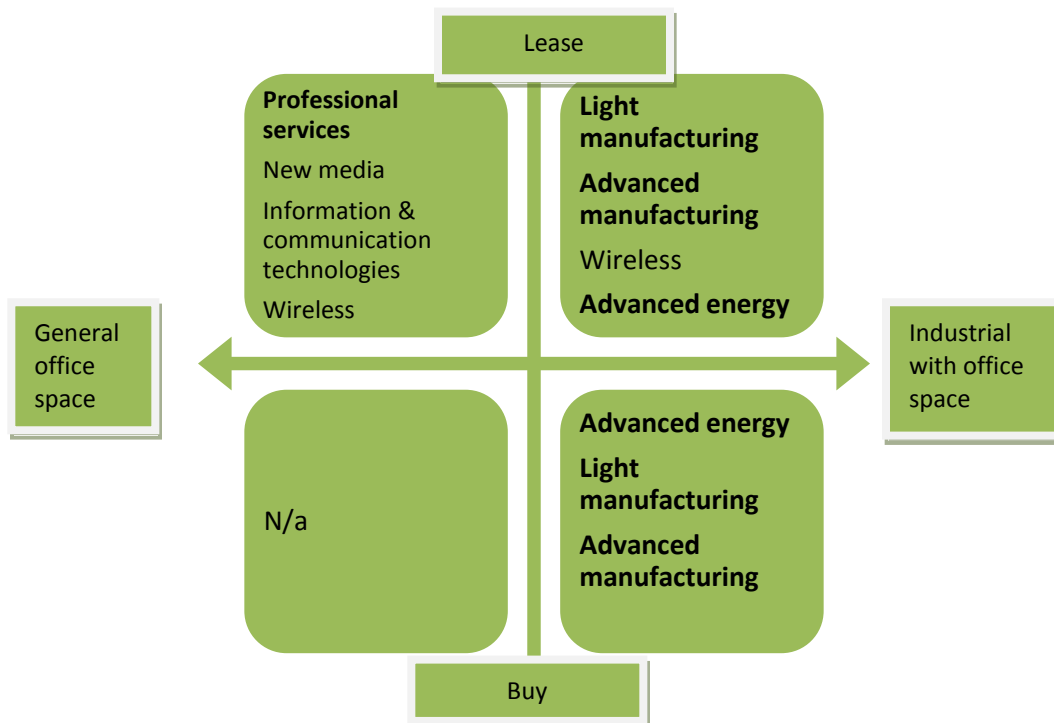


Figure 2: Sector building requirements and lease vs. buy propensity*



*high short-term feasibility in bold