

ECONOMIC IMPACT ANALYSIS PROPOSED ANMORE SOUTH DEVELOPMENT



Economic Impact of Proposed Anmore South Development

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For:

Icona Properties

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EXECUTIVE SUMMARY

This report presents the results of an analysis of the economic impact of the proposed Anmore South development, located on a portion of the former loco lands in Anmore, BC.

The total developed area is expected to be 4 million square feet (SF) of primarily apartment and townhouse development, plus about 100,000 SF of ground floor commercial space and a recreation centre.

Employment Impacts

The Anmore South development will have an estimated local employment impact of about 580 jobs. This includes jobs based on the Anmore South site in the commercial units and recreation centre, plus home-based employment in the new housing units, as well as growth in local government and schools in the rest of Anmore to accommodate additional population and development.

There are several ways these new employment opportunities will complement Anmore's existing population and labour force:

- First, the creation of retail and services businesses will provide additional opportunities for entry-level and part-time work that would appeal to youth, students, parents of young children, or those in semi-retirement who are interested in flexible employment. This is also the demographic group that is least mobile and having those opportunities closer to home is a benefit.
- Anmore has a significantly higher rate of working from home than the regional average. The availability of office space at Anmore South may provide a useful alternative location for Anmore residents who would like to have external office space, but not to commute far from home.
- Overall, Anmore's labour force is much better-paid and higher-skilled than the regional average, so only a modest number of jobs in the new retail and services businesses, as well as the recreation centre, would fit with their existing employment needs. However, the office space may be a good fit for those residents who have their own business, including the cluster of health professionals that reside in the community.

Amenities Impact

Anmore South will include space for a range of commercial and public amenities that are not currently available in Anmore. These amenities will increase convenience for existing Anmore residents, who typically need to drive to Port Moody or beyond to access these services. Examples include:

- Food stores and other everyday retail outlets. Market analysis shows there are 50 food stores of various types and sizes in the Tri-Cities and each community has one store for every 4,000 to 7,000 residents, except Anmore.

- A recreation/community centre, which may include features like a gymnasium, playground, or indoor sports complex. Market analysis for the Tri-Cities shows there are currently 36 publicly accessible recreation or community facilities in the Tri-Cities with regular programming, but none in Anmore.
- Other amenities such as a restaurant/coffee shop, various small retailers, child care or health services facilities, and more could also be accommodated at Anmore South.

Demographic and Housing Impacts

Anmore currently has a population around 2,400 and like most communities, its population is aging. Current projections suggest the largest population increase will be in the age 65+ range.

The current housing stock is almost entirely comprised of large, high-cost, single-family housing that is a poor fit with typical housing demand over a lifetime. Both younger adults entering the housing market, as well as seniors who no longer wish to maintain a detached home, are much more likely to prefer apartment living. They do not currently have this option in Anmore.

Apartments at Anmore South will provide the opportunity for residents to stay in the community and find their preferred housing options over the course of their entire life. Population projections including Anmore South would lead to a very balanced population between senior citizens, younger and prime working-age adults, and children.

1 INTRODUCTION

This report presents the results of an analysis of the economic impact of the proposed Anmore South development, located on a portion of the former loco lands in Anmore, BC.

The report has three main components:

- 1. Employment impact.** Anmore South will support new employment opportunities in the commercial and public spaces on site, as well as through home-based employment, and includes significant construction-related employment during project development.
- 2. Amenities impact.** The development will host a variety of public and commercial amenities in Anmore that are currently accessible only by traveling to other communities.
- 3. Demographic and housing choice impact.** Anmore South will expand the range of housing options available in Anmore and support the ability of current residents to stay in the community over their entire lifetime.

Project Overview

Specific assumptions and data sources required for each type of analysis are specified in each section of the report. An overview of the planned development is shown in Table 1.

The total developed area is expected to be 4 million square feet (SF). Most development is residential, except for 100,000 SF of ground floor commercial uses (which may include retail shops, restaurant, brewery, farmers markets, or various support services) and a recreation centre that is still in the planning stage.

The composition of the development as outlined below is preliminary.

TABLE 1. ANMORE SOUTH DEVELOPMENT OVERVIEW

	COMMERCIAL	RESIDENTIAL	RECREATION CENTRE
Gross Developed Floor Area (square feet)		----- 4 million SF -----	
.... less Common Area Factor (hallways, entryways, mechanical rooms, other common areas)		----- 15% -----	
Net Floor Area	100,000 SF	3.3 million SF	To be determined
...Apartment Units Ranging from 1 to 3 bedrooms (average size of 950 SF)		~ 3,100 units (3.0 million SF)	
...Townhouse Units (average size of 2,000 SF)		~ 160 units (300,000 SF)	
...Ground Floor Non-Residential	100,000 SF		25,000 SF (assumed for analysis)

2 EMPLOYMENT IMPACTS

Rather than simply counting the number of new jobs associated with the Anmore South development, it is more useful to understand how new employment opportunities fit into the context of Anmore’s current employment situation.

2.1 Current Situation

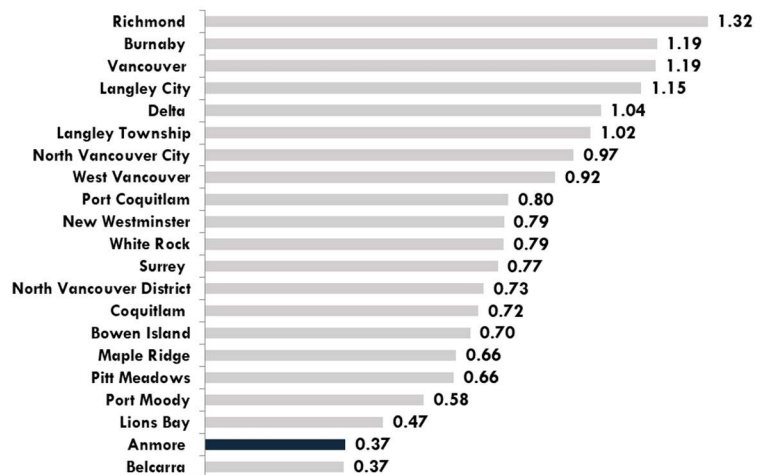
Total employment in Anmore was 465 as of the 2016 Census. This includes:

- 315 jobs with a “fixed place of work” in Anmore, of which 180 are Anmore residents who work at home. The other 135 jobs are spread across a small number of employment sites, such as the school, Village office, retail store, utility facilities, and regional park. It is likely, given the lack of commercial and industrial space in the community, that some home-based jobs also have additional staff working who are not resident to the home (such as staff of a home-based consulting company, maintenance or household staff within larger homes, etc.)
- 150 jobs held by employed Anmore residents with “no fixed place of work.” These are jobs that regularly move to different sites, such as construction, transportation, and various mobile service providers. These jobs are assigned to the home municipality of Anmore although in reality most of these people are likely spending most of their working days outside of the community.

The total of 465 jobs is contrasted to Anmore’s total of 1,255 employed residents. Anmore’s ratio of jobs to employed residents is 0.37, meaning the community is a net exporter of 63% of its workers to other locations.

Anmore was never intended to function as a major employment centre in the region and there is no reason to expect a balance between local jobs and resident workers, but the current situation indicates that Anmore residents who might wish to work closer to home (such as students or seniors seeking part-time work) have limited opportunities.

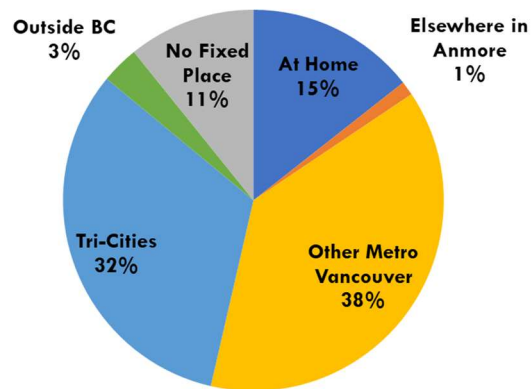
Jobs to Employed Residents Ratio



Another way to look at the current situation is that out of 1,255 employed Anmore residents, less than 200 had a regular place of work in Anmore.

Nearly three out of four (70%) of Anmore’s working residents commute to another municipality in Metro Vancouver, including 32% to the Tri-Cities (Port Coquitlam, Port Moody and Coquitlam) and 38% to other municipalities (led by Vancouver and Burnaby).

Where Anmore Residents Work

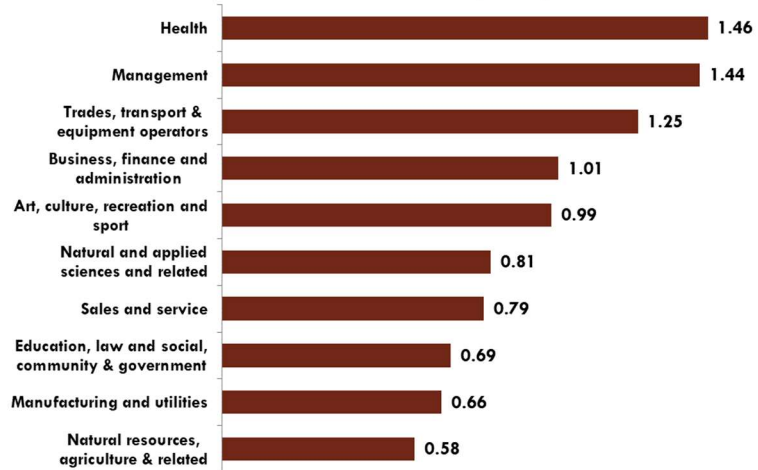


Most Anmore residents are commuters partly because they are highly paid (median employment income for an Anmore resident working full-time is 35% higher than the regional average) and are more likely to have senior positions (44% higher concentration of managers compared to the region), both of which suggest that some residents need to commute to where the high-paying jobs and large companies and institutions are located.

Anmore residents are also much more likely to work at home (14.3% compared to 8.2% in the region), which is consistent with having more well-educated professionals living in the community.

Based on broad occupational groups, the highest concentrations among Anmore residents are in health and management. Health occupations are 46% more concentrated among working Anmore residents compared to the regional average and management occupations are 44% more concentrated. Construction is also a prominent sector in Anmore as trades-related occupations are 25% more prevalent than the regional average.

Anmore Resident Occupations Relative to Metro Vancouver (1.00)



2.2 Anmore South Employment

The number and type of jobs that will be created in Anmore from the Anmore South development fit into several categories, as outlined in Table 2.

The first three categories - ground floor commercial, recreation centre, and home-based employment – are based on additional activity that will occur on the Anmore South site. The last two categories – local government and primary education – are based on estimated growth in local services that will be required to accommodate the additional population and development.

TABLE 2. ANMORE SOUTH EMPLOYMENT ESTIMATES

EMPLOYMENT SOURCE	GROWTH DRIVER	EMPLOYMENT RATIO	ESTIMATED EMPLOYMENT GROWTH	NOTE
Ground Floor Commercial	100,000 sf	1 job per 500 sf	200	Employment ranges based on various employment land studies in Metro Vancouver.
Recreation Centre	25,000 sf (Preliminary - For purposes of analysis)	1 job per 800 sf	31	
Home-based Employment	New housing units projected at 3,293	9 jobs per 100 units	296	Based on home working ratio in Port Moody, which is comparable given its existing multi-family housing development, and increased by 25% for COVID impacts.
Local Government	Municipal revenue projected to more than double	Assume proportional growth from baseline of 10 (2016 Census)	10	
Local Primary Education	Age 5 to 12 population projected to increase by 167%	Baseline is 50 jobs (2016 Census). Assume half are fixed, half are proportional to student count.	42	Anmore's age 5 to 12 population is an estimated 240 as of 2016
TOTAL			579	

In total, the estimated employment increase is around 580 jobs, which would more than double Anmore's current estimate of 460 jobs.

Projected employment in the ground-floor commercial space will be realized only if there are viable businesses or other employers willing to operate from this location. Proving the market viability of the site is not part of this study. However, the substantial on-site population of more than 5,700 people provides a high level of confidence that local-serving retailers and other businesses will be successful while also enhancing retail and service amenities available to the entire Anmore community.

With respect to Anmore's existing population and labour force, there are several areas of possible complementarity:

- First, the creation of retail and services businesses will provide additional opportunities for entry-level and part-time work that would appeal to youth, students, parents of young children, or those in semi-retirement who are interested in flexible employment. This is also the demographic group that is least mobile and having those opportunities closer to home is a benefit.
- Anmore has a significantly higher rate of working from home than the regional average. The availability of public spaces for meetings or temporary working (restaurants, coffee shops) will provide a useful service for work-from-home Anmore residents.
- Overall, Anmore's labour force is much better-paid and higher-skilled than the regional average, so only a modest number of jobs in the new retail and services businesses and the recreation centre would fit with existing employment needs. However, some of the commercial space could be a good fit for small offices that cater to the public, such as insurance, real estate, or health services (capitalizing on the cluster of health professionals that reside in the community).

2.3 Temporary Impacts from Construction

In addition to the ongoing impacts from a fully built-out Anmore South, there will also be significant employment generated by project construction. Cost estimates are preliminary at this stage but including everything from infrastructure development to building construction yields a total construction cost estimate (in current dollars) of about \$1.3 billion.

Using input-output multipliers from Statistics Canada, and assuming that at least 90% of the expenditure is carried out by Metro Vancouver firms, the **direct construction employment associated with the project is an estimated 2,800 person-years.**

Construction is one of the relative industrial strengths of the Tri-Cities region and a project of this size would provide significant employment and business opportunities for residents and business owners in Anmore and surrounding communities.

3 AMENITIES IMPACT

Anmore South will include space for a range of commercial and public amenities that are not currently available in Anmore. These amenities will increase convenience for existing Anmore residents, who typically need to drive to Port Moody or beyond to access these services.

There are three types of amenities highlighted in this section of the report, comparing the situation in Anmore to the three Tri-Cities (Port Moody, Port Coquitlam and Coquitlam) and showing on a map how these services are readily accessible to most residents living throughout the Tri-Cities.

Please note these are only examples of the types of amenities that could be found at Anmore South and other types of retail stores, service providers and community services may also locate onsite.

3.1 Food Stores

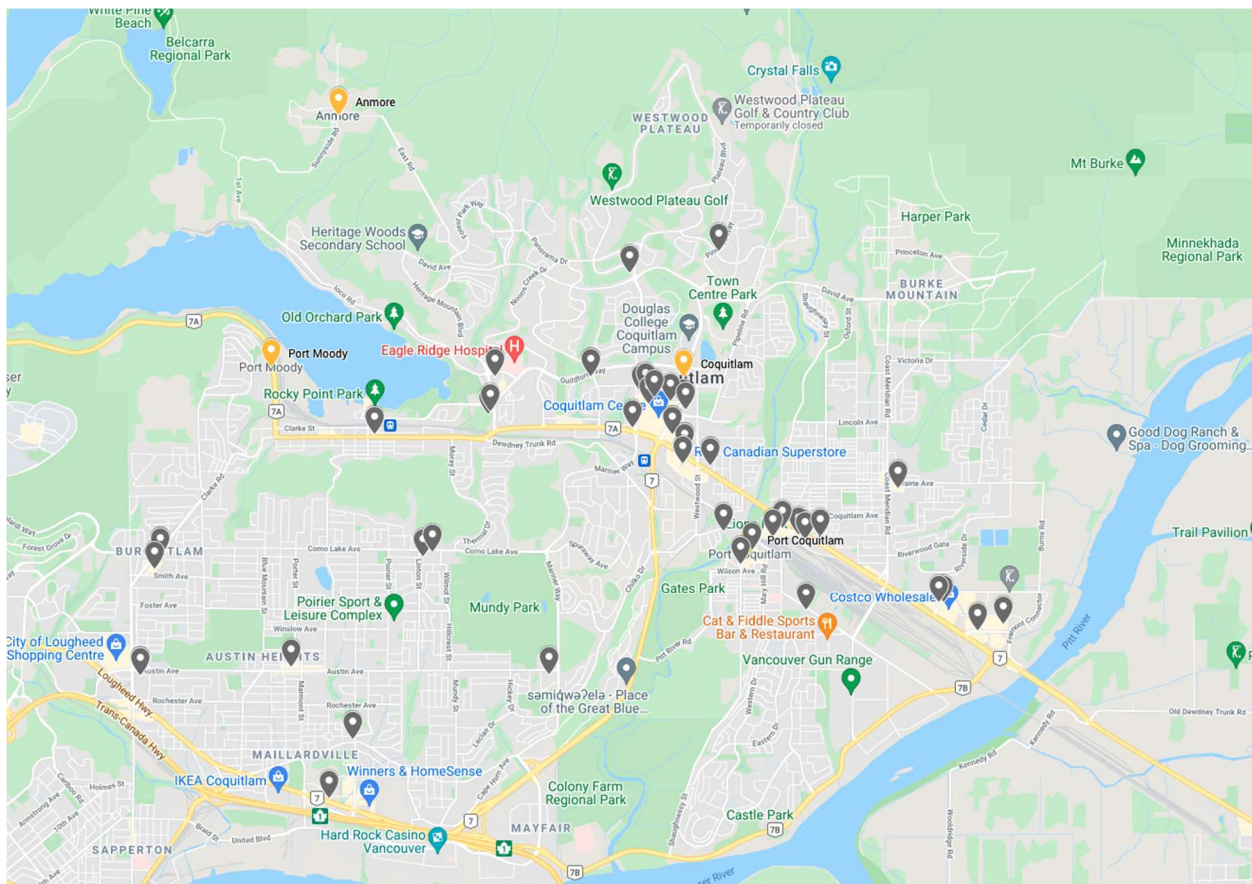
The first amenity is food stores, which includes full-service grocery stores and specialty food outlets, but excludes convenience stores. Anmore residents currently have no access to a full-service food store in their community, whereas nearly all Tri-Cities residents live within relatively close proximity.

There are 50 food stores of various types and sizes in the Tri-Cities and each community has one store for every 4,000 to 7,000 residents, except Anmore.

TABLE 3. FOOD STORE COMPARISON, ANMORE AND TRI-CITIES

	NUMBER OF ESTABLISHMENTS (FROM CANADA411.COM)	POPULATION (2020 BC STATS ESTIMATE)	POPULATION PER ESTABLISHMENT
Anmore	0	2,412	---
Port Moody	5	35,151	7,030
Port Coquitlam	16	63,508	3,969
Coquitlam	29	152,734	5,267

FIGURE 1. FOOD STORES IN THE TRI-CITIES



Source: Canada411.com data, Google Maps

3.2 Recreation/Community Centres

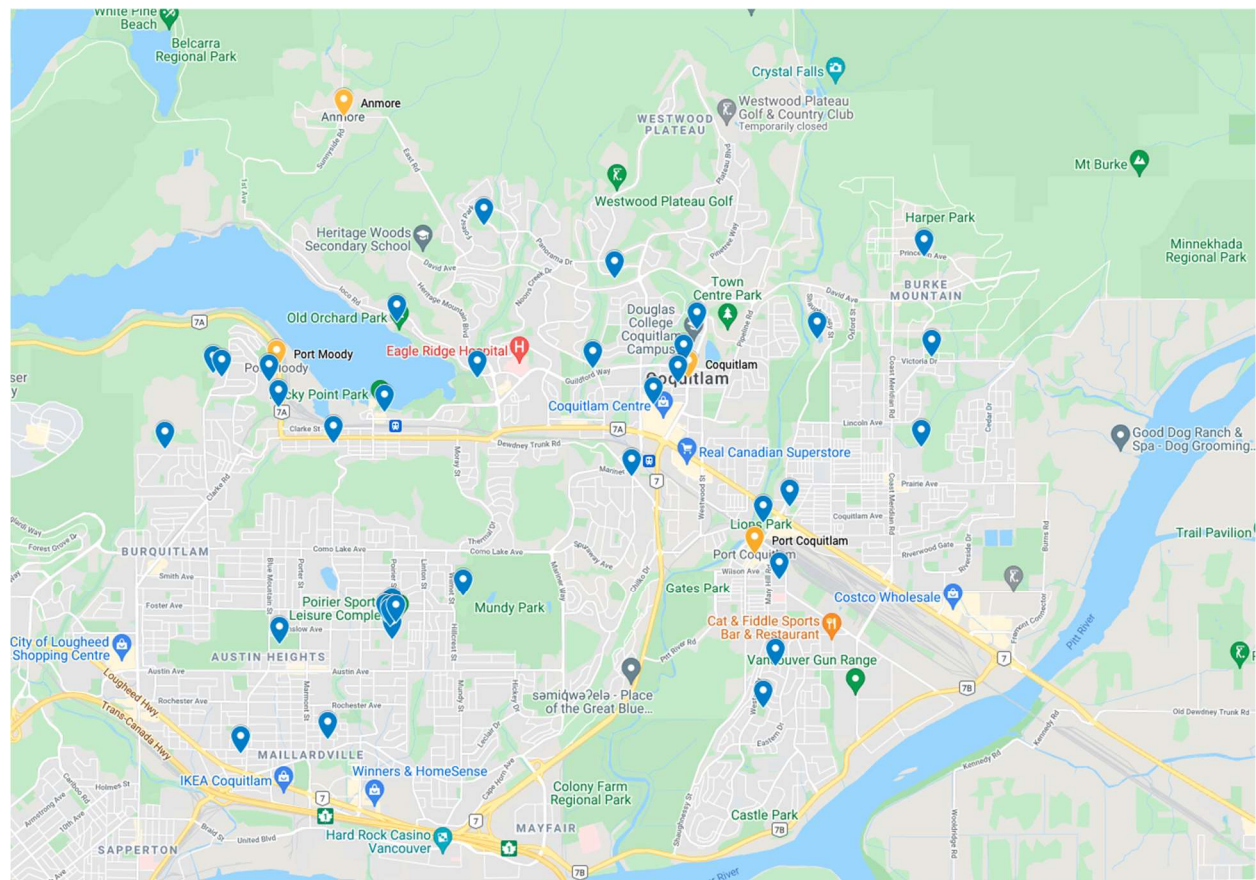
The next category to compare is recreation and community centres, which includes any publicly accessible recreation or community facility that has regular programming. There are 36 such facilities in the Tri-Cities, but none in Anmore.

Building a public recreation centre to fill this gap is part of the development plan for Anmore South. For example, it may include a gym, playground, or indoor sports complex.

TABLE 4. RECREATION/COMMUNITY CENTRE COMPARISON, ANMORE AND TRI-CITIES

	NUMBER OF ESTABLISHMENTS (FROM CANADA411.COM)	POPULATION (2020 BC STATS ESTIMATE)	POPULATION PER ESTABLISHMENT
Anmore	0	2,412	---
Port Moody	9	35,151	3,906
Port Coquitlam	7	63,508	9,073
Coquitlam	20	152,734	7,637

FIGURE 2. RECREATION/COMMUNITY CENTRES IN THE TRI-CITIES



Source: Canada411.com data, Google Maps

3.3 Childcare Facilities

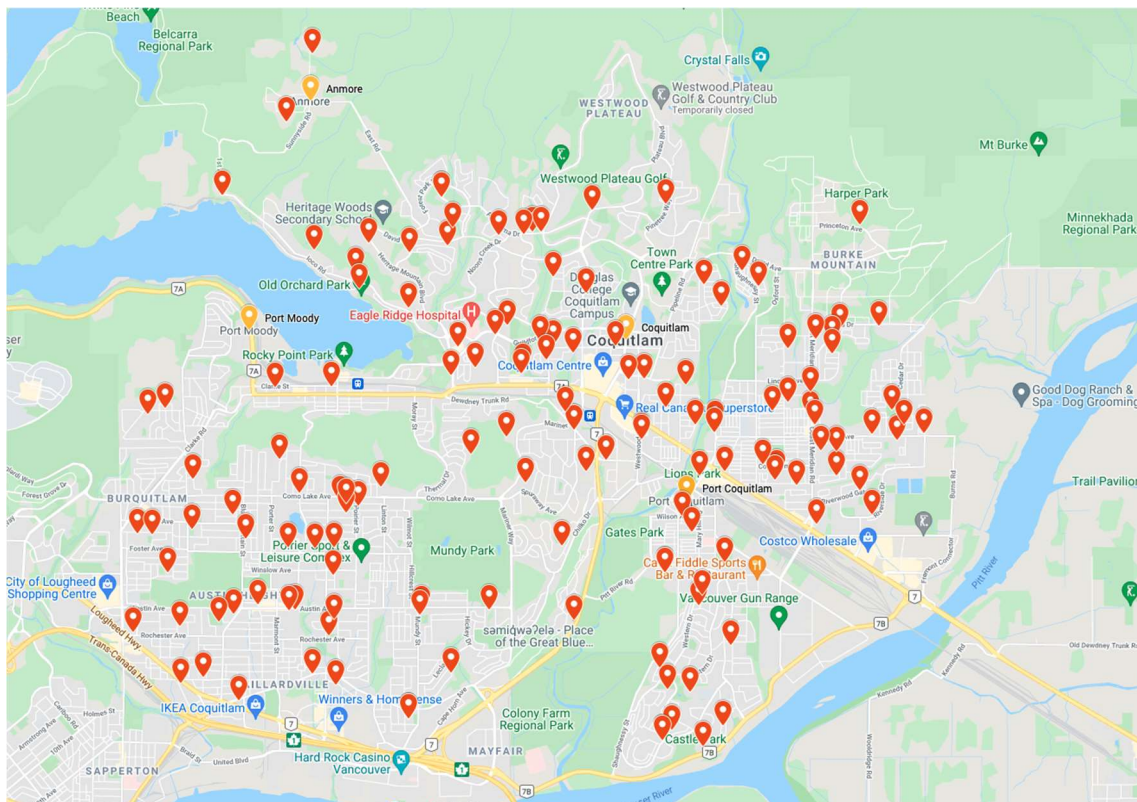
The final comparison is childcare facilities, for which data is available for both current establishments as well as 2016 employment. This is the only one of the analyzed amenities that already exists in Anmore, but much more childcare space would be required to accommodate the new population of Anmore South.

The comparisons shown in Table 5 are based on the population under age 10 (as of the 2016 Census). Anmore currently has a comparable level of child-care employment relative to its population of young children (all communities range from 15 to 21 young children per child care worker).

TABLE 5. CHILDCARE FACILITIES COMPARISON, ANMORE AND TRI-CITIES

	AGE 0-9 POPULATION (2016)	2016 CENSUS EMPLOYMENT	AGE 0-9 POPULATION PER JOB	NUMBER OF ESTABLISHMENTS (FROM CANADA411.COM)	AGE 0-9 POPULATION PER ESTABLISHMENT
Anmore	195	10	20	2	98
Port Moody	3,975	190	21	19	209
Port Coquitlam	6,350	410	15	50	127
Coquitlam	14,660	680	22	71	206

FIGURE 3. CHILD-CARE FACILITIES IN THE TRI-CITIES AND ANMORE



Source: Canada411.com data, Google Maps

4 DEMOGRAPHIC AND HOUSING IMPACTS

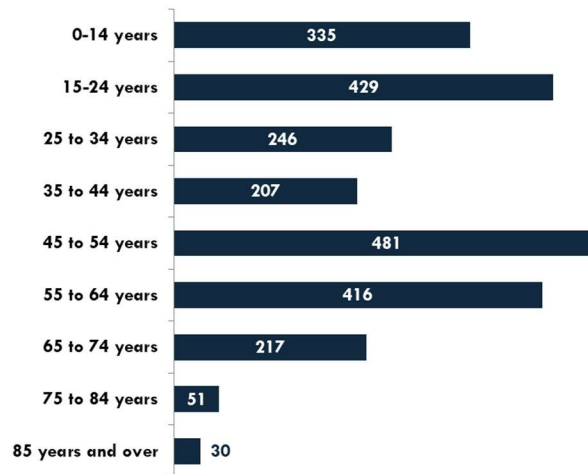
4.1 Current Situation

According to BC Stats estimates, Anmore had a population of 2,412 in 2020.

A breakdown by age is not available but can be estimated based on the 2016 Census and adjusting for the net Census undercount by age (this is the people who are missed by the Census, which disproportionately undercounts young adults, especially men).

Anmore's current population has a high concentration in the 45 to 64 age range, as well as people under age 25 (most of which are likely the children of the 45 to 64-year-olds).

Estimated Anmore Population by Age, 2020



4.2 Population Projections

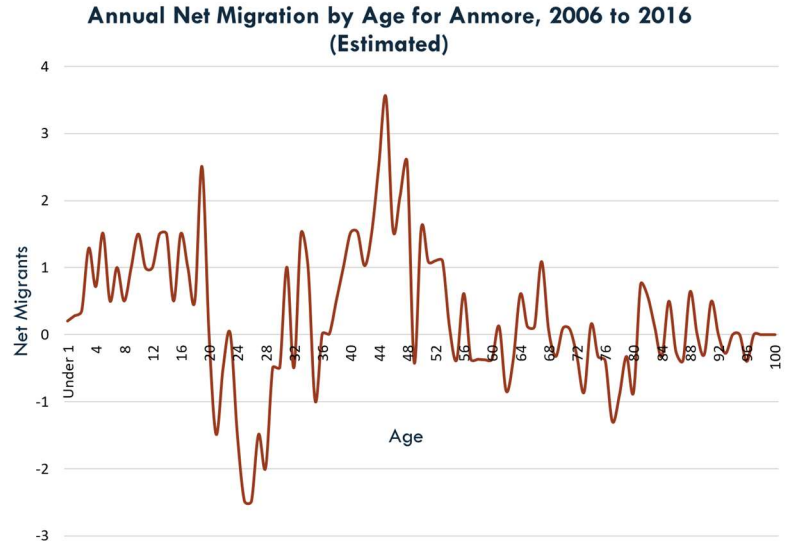
The Metro Vancouver regional government released baseline population projections for each municipality in late 2018. It shows Anmore's population increasing to 3,650 by 2036, which is a 2.6% annual growth rate from 2020 to 2036. Even though COVID has had a significant impact on short-term population dynamics, over the long term the region remains highly desirable as a place to live and pre-COVID projections should remain reliable.

Metro Vancouver does not release population projections by age, but they have been estimated for this study.¹ The projections rely on published fertility rates for the Coquitlam Local Health Area (adjusted for the age of the female population), published mortality rates for BC (adjusted for age and sex), and the recent pattern of migration in and out of Anmore.

As a small community, the net movement of people in and out of Anmore each year is modest, but over time is the most important factor in determining population growth.

¹ Vann Struth Consulting Group prepared the Anmore population projections and estimates by age in this study, using a cohort-component population model.

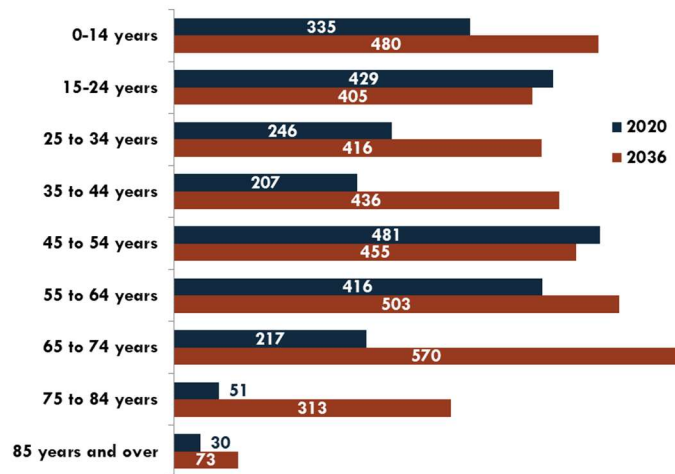
Average annual migration in Anmore from 2006 to 2016 is shown in the chart to the right. The biggest net inflow is people in their 40s, many of whom appear to be moving with children as there is a consistent net inflow of children each year as well. The most significant outflow is people in their 20s, as well as a smaller net outflow in the late 60s and early 70s.



Anmore’s population demographics for 2036 are determined by assuming future migration retains the same shape as the 2006 to 2016 period, although migration at every age is adjusted higher to match the Metro Vancouver projection of 3,650 total residents by 2036.

The results show the biggest population increase is for the 65+ population as the current bulge in Anmore’s 45 to 64 age range continues to age.

Anmore Population by Age, 2020 & 2036 (assuming Metro Vancouver total of 3,650)



There is still strong growth in the 25-44 age range, partly due to the strong in-migration at this age range.

Overall Anmore’s median age is projected to increase from the current 44 to 46 by 2036. This is the age at which half the population is younger and half is older.

4.3 Lifecycle Evolution of Housing Demand

Given the aging of Anmore’s population over the next 20 years, it is worth considering how the preferred type of housing changes over the course of a lifetime.

Statistics Canada defines a “household maintainer” as the person who is primarily responsible for paying the household bills. The percentage of the population who are household maintainers increases with age (young adults are much more likely to live with parents, roommates, etc.), but young adults who do maintain a household are most likely to live in an apartment.

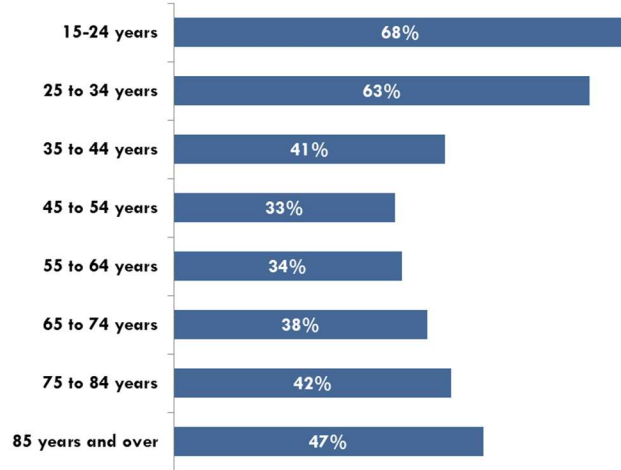
As they age into their 30s and 40s and are more likely to have children, the share of apartments declines. It starts rising again after age 55 and nearly half of household maintainers who are 85 or older are living in apartments.

There are currently no apartment buildings in Anmore. This means that as the existing population ages and some residents wish to move to an apartment to stay in the community, that option is not currently available.

Similarly, young adults who are looking to get into the housing market with an apartment are not able to do so in Anmore.

Apartments at Anmore South will provide the opportunity for residents to stay in the community and find their preferred housing options over the course of their entire life.

Share of Household Maintainers Living in Apartments, Metro Vancouver, 2016



4.4 Anmore Population Projections from Anmore South

Rather than using the Metro Vancouver population projection of 3,650 for Anmore in 2036, a revised population projection that incorporates the Anmore South development would yield a total population of about 8,200 people upon full build-out.

The timeline has been extended to 2040 to allow 20 years for development (which is an approximation only).

Under this scenario, Anmore’s population demographics look like the chart to the right. There would be a more balanced population between senior citizens, younger and prime working-age adults, and children. The community’s median age would be virtually unchanged at 44.

The addition of more multi-family housing capacity attracts more younger and middle-aged adults to move to the community, and helps retain young people who grew up in Anmore by giving them an option for their own home.

Anmore Population Estimates and Projections by Age, 2018 & 2036 (with Burrard Commons)

