

August 29, 2016

## Burnaby Business Sentiment Report *Lake City – Production Way District*

### Executive Summary:

On July 27<sup>th</sup>, the Burnaby Board of Trade, the city’s leading business association, undertook a *Business Walk* to gauge the sentiment of businesses in one of Burnaby’s business districts.

Representatives from the Burnaby Board of Trade and the City of Burnaby visited dozens of businesses in person on July 27<sup>th</sup>, learning about their operations and conducting a business sentiment interview. In total, 82 businesses and organizations provided their input.

Overall, business is steady or growing for almost all businesses in the Lake City-Production Way district. 63% reported that business is growing and 35% stated that business is holding steady---declines were noted by only 1% of businesses. And when asked, 90% of businesses said they would try to stay in Burnaby if forced to find new premises.

Burnaby’s geographic location at the centre of the region is its greatest strength; 95% of respondents named location as a good thing about doing business in Burnaby. 73% of businesses noted that transportation and access, via the road system, bus network and SkyTrain, is a major strength.

Challenges which businesses identified include business costs (17% of respondents), regulations (16%), and taxes (15%), but the single greatest issue is hiring and retaining employees (43%).

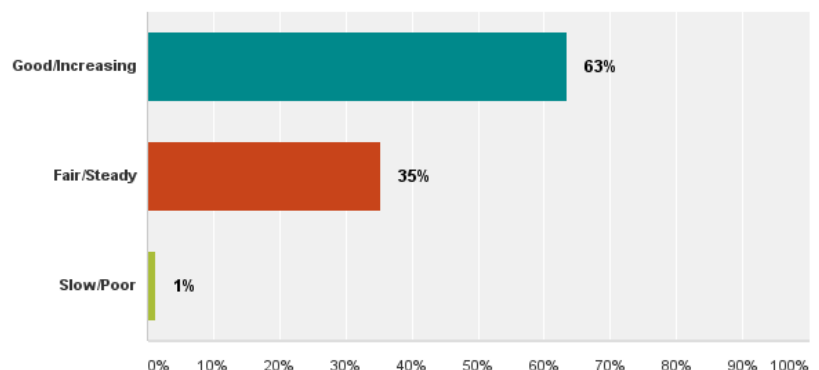
In regards to major issues that are having the biggest impact on businesses, Transportation/Traffic, Hiring and Retaining Staff and Housing & Real Estate Costs were identified as the most significant, with several businesses linking the high cost of housing to both their difficulties attracting labour and their increasing business costs.

### Results:

#### How is Business?

When asked how their business was doing in a general sense, 63% of respondents reported that business was good and/or increasing.

35% commented that business was fair/steady, and 1% of respondents suggested that business was slow or poor.

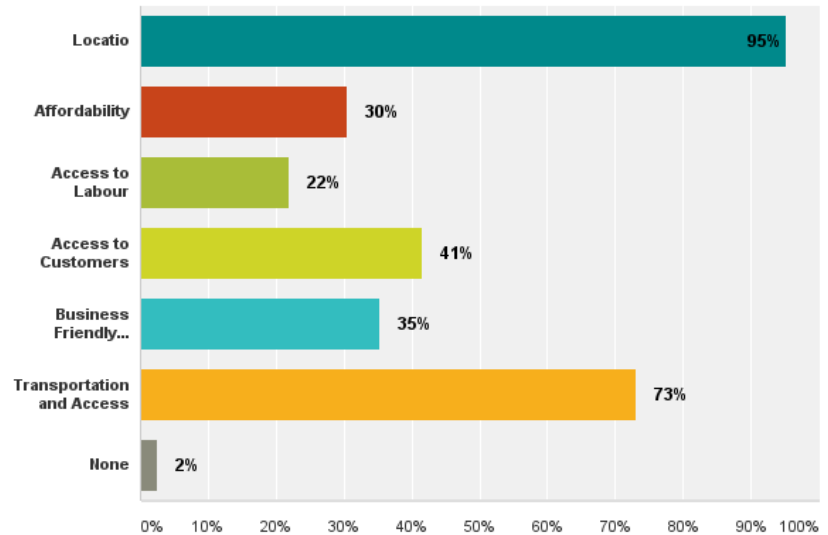


## What's good about doing business/locating in Burnaby?

The number one reason respondents like doing business in Burnaby is location, with fully 95% recognizing the advantage of being geographically centered in the Lower Mainland.

73% of businesses noted that transportation and access, via the road system, bus network and SkyTrain, is a major strength of Burnaby. This business district is bordered by SkyTrain stations on the east and west and Lougheed Highway on the south.

Other positive aspects of doing business in Burnaby noted were access to a customer base (41%) and a business friendly environment (35%).



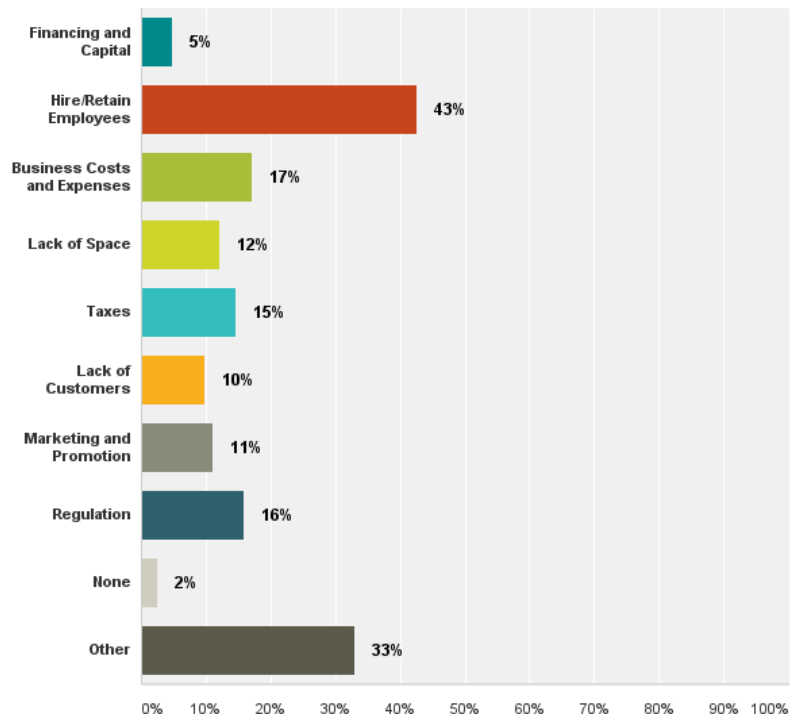
30% cited affordability of workspace (to rent or own) as a strength, but several noted that the cost of real estate was causing this advantage to diminish.

## What are the biggest challenges facing your business?

The greatest challenge facing business is the ability to hire and retain good employees, which was mentioned by 43% of respondents.

This issue was mentioned by businesses in a variety of sectors and impacted both skilled/technical labour and less skilled or administrative workers. It was also reported as an issue in regards to both high and low wage positions.

Several businesses volunteered that the high cost of housing and real estate in the area was one contributing factor in them being unable to attract and retain employees.



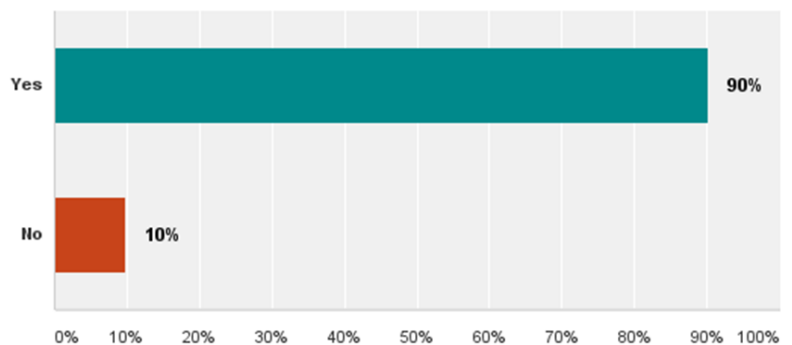
Business costs (17% of respondents), regulations (16%), and taxes (15%) were the next most common challenges faced by businesses. Again, several businesses linked the high cost of real estate to the increasing cost of doing business, in particular office lease rates.

Of the “Other” responses, a lack of available parking in the area, for both customers and employees, was mentioned by the equivalent of 12% of total respondents. While this was a common complaint throughout the district, it was most acute near the SkyTrain transit stations.

### If you found yourself having to move or relocate, would you expect to look to stay in Burnaby?

When asked to imagine a scenario where they were required to find a new premises, 90% of businesses expected they would try and stay in Burnaby.

Again, location and access were mentioned as the main reasons for preferring Burnaby, but several mentioned the business-friendly environment as a place in which they would like to remain.



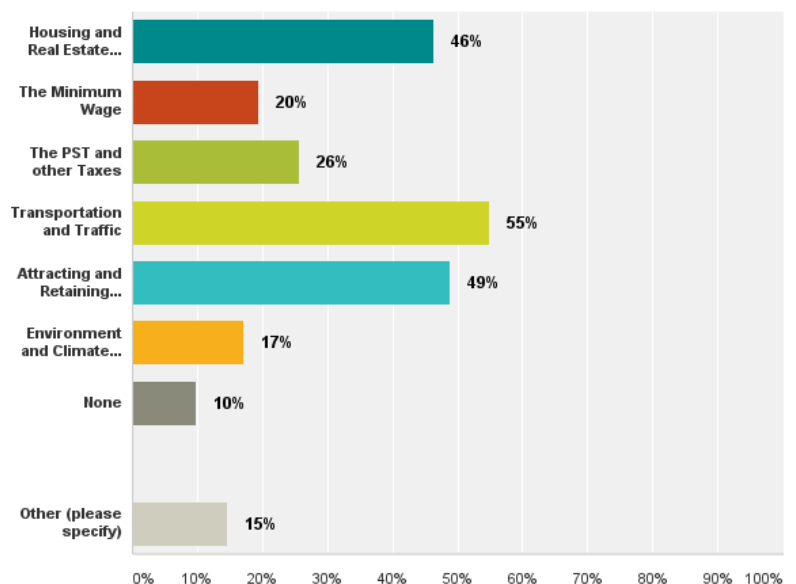
### Which of the following issues is important to your business or is having an impact on your business?

When questioned about a series of larger issues and their effects on business, three topics were identified as having the most impact:

- Transportation/Traffic (55%)
- Attracting and Retaining Staff (49%)
- Housing & Real Estate Costs (46%)

A common concern of respondents was the potential impact of continued growth and densification on traffic congestion and their ability to move throughout the city in a timely manner.

Also, many businesses directly linked the two



issues of labour attraction and real estate, blaming the high cost of housing as contributing to their difficulties in attracting and retaining employees.

Some of the “Other” issues mentioned by respondents included negative impacts of homelessness, bylaws regulating the placement of signs, and the cost of garbage and recycling collection.

### Background & Methodology:

A *Business Walk* is an economic development activity which involves visiting businesses of all sizes and sectors in person, door-to-door, to get input on how their business is performing, get their impression of the business climate in the city, and identify both areas of strength and potential issues or obstacles.

The Lake City-Production Way *Business Walk* was conducted on July 27<sup>th</sup>, 2016. The Lake City-Production Way district was defined as the area north of Lougheed Highway and south of Broadway, between Lake City Way and Production Way.

Over 150 businesses were contacted as part of the exercise and 82 were visited and completed a business sentiment interview. Businesses were first visited by the Board of Trade two weeks prior to the *Business Walk* and informed of the exercise. 24 volunteers, in teams of 2 and 3, then visited the district on July 27<sup>th</sup> and met with businesses individually. Those which were not visited on the day were given a chance to complete the survey electronically or subsequent visits were scheduled.

Businesses from a variety of sectors were involved including trades/constructions, technology, film/tv/media, communications/IT, health sciences, business services, manufacturing, and many others. The size of companies ranged from a sole owner/operator to an office of 300 employees.

### About the Burnaby Board of Trade

The Burnaby Board of Trade (BBOT) is Burnaby’s pre-eminent member-based business association, representing over 1,100 businesses, entrepreneurs, institutions and non-profit organizations.

The BBOT brings businesses together to develop strong networks, represents the interests of the business community to local government, and fosters economic development. It also provides a range of services and benefits to its members such as specialized or exclusive events and workshops, and discounted rates on common business expenses.

Recognized as the economic development arm of the City of Burnaby, the BBOT works closely with the municipality and is a key part in the City’s economic development strategy.

The BBOT supports the triple bottom line of economic, social and environmental sustainability.

For more information on the Burnaby Board of Trade, visit [www.bbot.ca](http://www.bbot.ca)