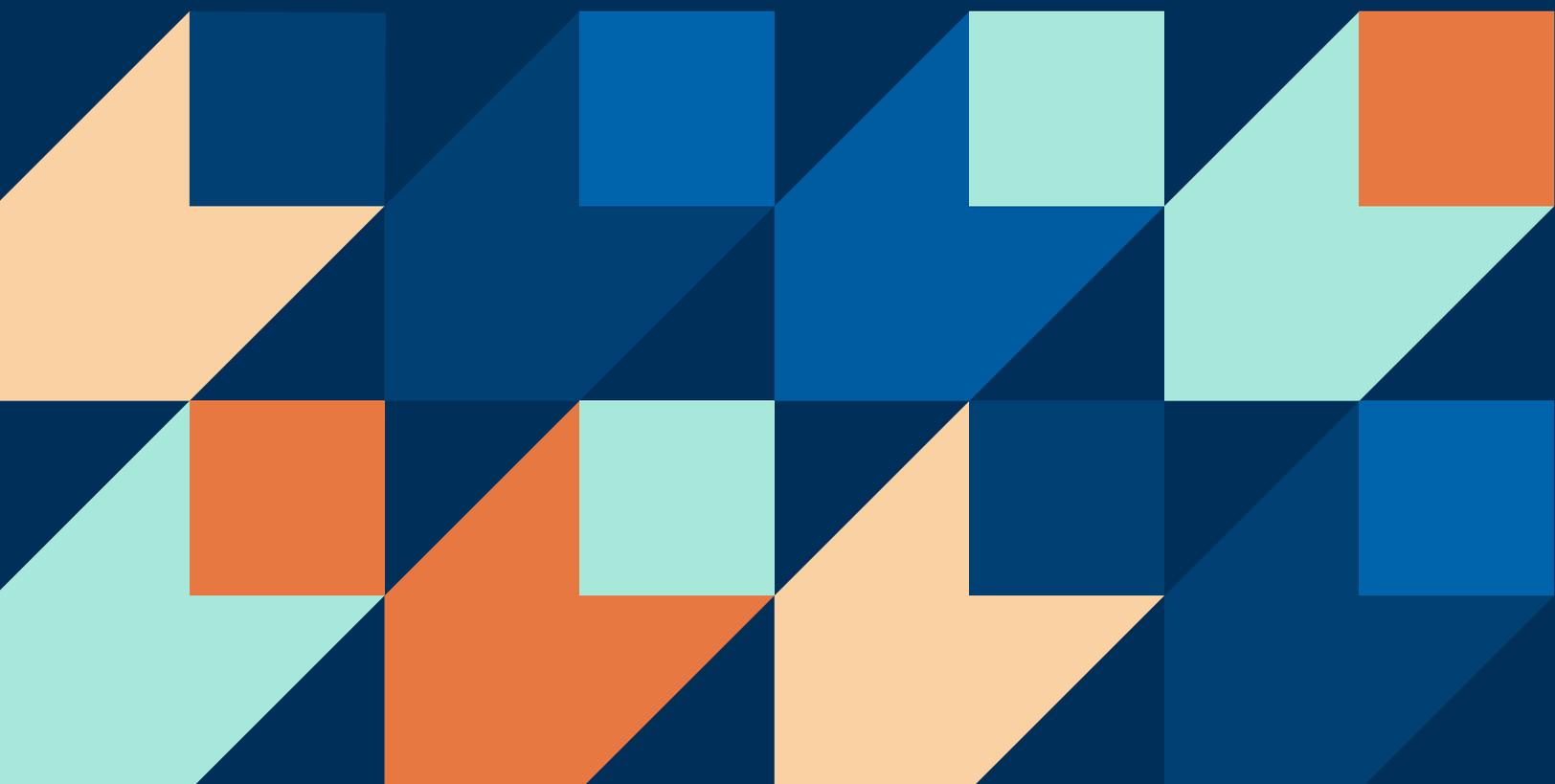


# Greater Victoria's Next Chapter

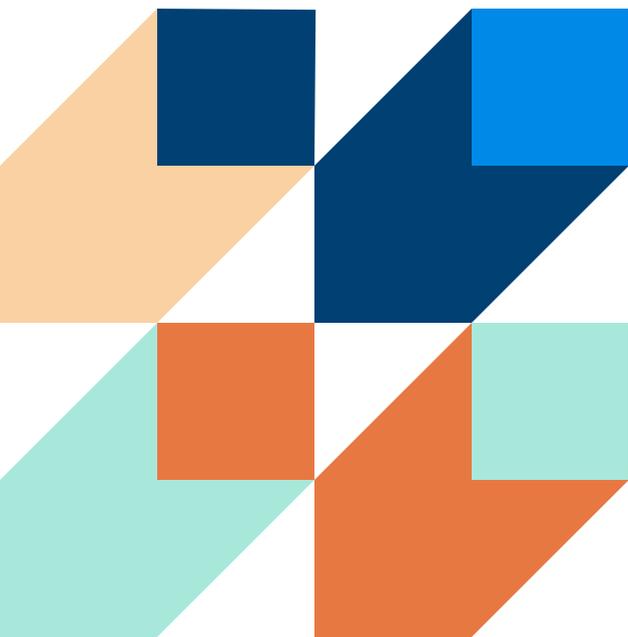
A Series of Special Reports on Shaping  
the Future of Our Regional Economy



# Acknowledgements

These reports were produced by The Business of Cities and commissioned through funding support from South Island Prosperity Partnership, the City of Victoria, BCI and Aryze Developments. The content was generated through extensive research — both locally and internationally — and included several focus groups involving a cross-section of business and community leaders from across Southern Vancouver Island. Project partners would like to acknowledge the valuable contributions of these focus group participants.

While these reports are designed to spell out why our region must respond now to create the future we want, it's also essential to recognize the history that brought us to this point. This includes acknowledging the impacts of our colonial past on these traditional territories of the Coast Salish Peoples and the legacies of this history that necessitate meaningful reconciliation with First Nations and Indigenous peoples. We respect and, in partnership, desire to work with First Nations in building this collective future together.



## How to Navigate these Reports

### Executive Summary

An introduction to the work of The Business of Cities in benchmarking Greater Victoria's global fluency and the region's pathways to opportunity.

#### REPORT 1

### Global Benchmarking →

This report provides an initial international benchmarking comparison of Greater Victoria's economic performance and prospects.

#### REPORT 2

### Case Studies in Transformation and Change →

This report looks at more than 20 small- and mid-sized city-regions around the globe, with examples relevant to Greater Victoria's journey to global fluency.

#### REPORT 3

### Greater Victoria's Global Fluency →

This report lays out a path to becoming a globally fluent region — and the phases of evolution.

## Introduction

# A Time for Action

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The idea for this research was conceived in early 2020, in response to growing recognition that Greater Victoria's economy is entering a new chapter.

Even before COVID-19, Greater Victoria leaders had begun a process — initiated by South Island Prosperity Partnership, the City of Victoria, BCI and Aryze Developments — to reflect on how the region can capitalise on the rise of a more distributed innovation economy and the shift from big metropolises to smaller regions that have distinctive appeal, amenities and resilience.

These stakeholders were motivated by concerns that if the region does not pivot to innovation-intensive industries and become more magnetic, it will lose out on the next cycle of good jobs that drive prosperity, underpin quality of life, and renew the buy-in and confidence of future generations of South Islanders.

COVID-19 has brought this context into even sharper relief. A reset in what people want from cities is coming into view alongside newly exposed risks for cities that are unequal, under-prepared, and complacent. A window of opportunity

has emerged for Greater Victoria — if the region wants it — to emerge on the international stage and find its path to a sustainable future.

Throughout 2020, The Business of Cities undertook **a three-part detailed and original analysis on behalf of the region, to assess the region's attributes and aspirations through a global lens.**

We drew on our experience working with regions around the world such as Oslo, Sydney, Barcelona, Philadelphia, and Malmö to explore Greater Victoria's path and potential in the years ahead. Our work was further enriched by dialogue with many South Island leaders. The three reports launched here reflect the outcome of this work.



# Benchmarking the Region's Progress

Understanding the region's future prospects firstly depends on knowing where it really stands in an international context. Our assessment began with a first-of-its-kind benchmarking comparison of Greater Victoria against its real peers in the areas that are known to matter over the long-term ([Report 1](#)). The work identified an immediate 'peer group' of 10 city-regions — including Aarhus, Denmark and Hobart, Australia — as well as a second group of cities further along in their journeys, such as Helsinki, Finland and Christchurch, New Zealand.

This benchmarking indicates Greater Victoria possesses advantages that set it apart not just nationally but globally: an exceptional environment, low pollution, special access to nature, lower crime, superior healthcare, and quality education, all delivered within a region that is, for now, more compact and easier to get around than many.

Yet the benchmarking also reveals that other cities and metropolitan regions do better at consistently attracting and retaining younger workers, and have more of the urban fabric, infrastructure, and concentration necessary to support it. Less affordable housing and fewer large anchor firms than other peer regions are clear constraints. The evidence suggests that despite promising industry specializations, innovation outcomes do not yet match the region's entrepreneurial spirit and innovation infrastructure.

## The Urgent Risks of Inaction

These gaps have become more urgent in a context where homes are getting more difficult to afford, people are getting older, and the jobs market has become more divided between winners and losers. The risk is that Greater Victoria goes the way of other cities that treated growth as an opponent of inclusion, failed to reinvest in the things that made the city great, and so eventually lost jobs, families and opportunities to other cities.

The indicators point to a clear risk — the potential for economic contraction resulting in new high-value jobs not being created to replenish the previous generation of good jobs.



***Without more decisive moves, Greater Victoria may slowly and steadily become locked in to a development path that is medium-productivity, low-affordability, low-amenity, and vulnerable to future shocks.***



# International Inspiration

**Knowing where and how to shift onto a new path toward the right kind of growth and a more productive future requires the inspiration that good examples from around the world can provide.**

And so, in the second phase of work, we explored more than 20 examples from around the world where smaller city-regions have shifted purposefully into a new gear after a period of crisis or transition ([see Report 2](#)).

From Christchurch's earthquake recovery to Miami's diversification from tourism, and from Auckland's innovation district to Amsterdam's reorganized economic leadership, a number of common themes emerge:

- **a reimagined Downtown**
- **enhanced coordination between public and private sectors**
- **confidence and conviction to host the world**
- **making the most of knowledge-rich institutions**
- **vigilance about the reforms needed in future**
- **the need to address diversity, inclusion and climate change.**

These themes are all fostered by a shared language for success and groups of agile leaders willing to move quickly.



# Towards Global Fluency

**How can Greater Victoria build and sustain its own fresh versions of these approaches to its economy, its development, its talent, its people, and its environment, both now in the aftermath of COVID-19 and into the future?**

Much depends on the 'fluency' of the region — to read, listen, and engage in global markets, build relationships and develop the instincts to adapt in new scenarios. It means turning accidental success into intentional planning, positioning and investment.

In [Report 3](#), we explore the essential traits of this global fluency (an idea first

developed with the Brookings Institution). We observe which traits Greater Victoria already has and should use — and which it now urgently needs in order to pivot to what the future demands of it.

# 10 Traits

## of Globally Fluent Metropolitan Areas

|   |  |
|---|--|
| <b>1. Leadership with a Worldview</b>                           | Local leadership networks with a global outlook have great potential for impact on the global fluency of a metro area  |
| <b>2. Legacy of Global Orientation</b>                          | Due to their location, size, and history, certain cities were naturally oriented toward global interaction at an early stage, giving them a first-mover advantage                      |
| <b>3. Specialisations with Global Reach</b>                     | Cities often establish their initial global position through a distinct economic specialisation, leveraging it as a platform for diversification                                       |
| <b>4. Adaptability to Global Dynamics</b>                       | Cities that sustain their market positions are able to adjust to each new cycle of global change   |
| <b>5. Culture of Knowledge and Innovation</b>                   | In an increasingly knowledge-driven world, positive development in the global economy requires high levels of human capital to generate new ideas, methods, products, and technologies |
| <b>6. Opportunity and Appeal to the World</b>                   | Metro areas that are appealing, open, and opportunity-rich serve as magnets for attracting people and firms from around the world  |
| <b>7. International Connectivity</b>                            | Global relevance requires global reach that efficiently connects people and goods to international markets through well-designed, modern infrastructure                                |
| <b>8. Ability to Secure Investment for Strategic Priorities</b> | Attracting investment from a wide variety of domestic and international sources is decisive in enabling metro areas to effectively pursue new growth strategies                        |
| <b>9. Government as a Global Enabler</b>                        | All levels of government have unique and complementary roles to play in enabling firms and metro areas to “go global”  |
| <b>10. A Compelling Global Identity</b>                         | Cities must establish an appealing global identity and relevance in international markets not only to sell the city, but also to shape and build the region around a common purpose    |

Source: The Brookings Institution (2013). The Ten Traits of Globally Fluent Metro Areas.

While the region does undoubtedly benefit from liveability appeal, pockets of forward-looking leadership, advantageous proximity to the Pacific and to the rest of Cascadia (including major metros like Vancouver and Seattle), and credibility as a centre for knowledge and tourism, these are insufficient by themselves for the region to achieve its goals. In other words, the region cannot expect to rely in perpetuity on its serene quality of life, entrepreneurial endowment, and ‘safe haven’ attributes. This third report observes the fluency gaps, relative to what others with similar starting assets have achieved: lower international profile, propensity to engage globally, institutional cooperation, and scale in advanced technological industries.

International experience suggests that the alternative is a future where the region’s cherished strengths will be progressively eroded and undermined—with large costs and missed opportunities.

“ *Becoming more globally fluent is not some distant dream or impractical ideal. It is essential to deliver prosperity and life chances to the next generations of South Islanders.* ”



# Values and Quality-driven Growth

**Taking global fluency seriously for Greater Victoria will mean addressing immediate priorities while also gaining momentum and confidence around longer-term agendas.**

**These longer-term agendas consider the desirable quality of economic growth (i.e. inclusive, clean and innovative) that corresponds to the region's values.**

These include a larger innovation economy and more magnetic districts underpinned by better placemaking, multi-modal mobility and climate action. Bold re-imagination and a spirit of endeavour are needed to proactively make progress and use the region's assets with more intentionality.

To accomplish this, there is a major advantage that the region has already in place: a regional public-private alliance in the South Island Prosperity Partnership (SIPP). Effective governance and building leadership capacity to act will be a top agenda for SIPP going forward. Setting the agenda for quality development that aligns to societal values for equity, inclusion, and environmental sensibility — and strategy to achieve — it requires the all-hands-on-deck approach that SIPP represents.



***Bold re-imagination and a spirit of endeavour are needed to proactively make progress and use the region's assets with more intentionality.***





# The Story to Be Told

**Most of all, in a decade likely to be scarred by fiscal, political and environmental turbulence, these three reports highlight that Greater Victoria now needs to differentiate itself. The region requires a more memorable international reputation among more audiences, and a stronger business brand to match its excellent resident and visitor brands. This depends on a unifying story about what the region stands for and where it is going.**



*The new order of city-regions is being shaken up. Greater Victoria can become a reference point for what people want from a 21st-century metropolitan city...*

This pursuit does not mean sacrificing local character or ignoring local needs: quite the opposite. Instead, it means future-proofing what makes Greater Victoria special. It is the vehicle to galvanize the region around bigger ideas and quality growth.

Over the coming months, SIPP will be developing and rolling out a project called “Telling our New Story,” which will turn the ideas for a new story into a programme for execution. SIPP initiated this work through six focus groups in January 2021 featuring leaders in the following sectors:

- **digital transformation**
- **clean tech and green economy**
- **ocean and marine**
- **creative (from artists and designers to dance companies and musicians).**

Much more local engagement is to come to shape this. International perspectives will also continue to inform this storytelling and uncover new strategic approaches. International benchmarking centred on the economics of people, planet and prosperity will, for example, feature regularly within SIPP’s annual Prosperity Index.

Everyone has a role to play in telling the story and fulfilling it. Civic and business leaders can step up, use their voices, grow their presence in some of the key agendas, and explore how they can work better together for the benefit of the

region. Science and research can build up and project the story of discovery and invention. Governments can provide the interventions and investment to bring the story to life.

In every region that has learned to tell its story differently, citizens have a fundamental role to play. Greater Victoria is no different. Everyone who lives, works and enjoys the region can participate in distilling what is unique about it, promote it in their networks, and in so doing help to unite the region through a common purpose, and position Greater Victoria for new, unseen opportunities.

Far from eliminating the rich differences of perspective and opinion, this process helps to identify Greater Victoria’s shared, multi-layered identity. The crowdsourcing of stories, the shared access to key materials, the mapping and FAQs about different aspects of the region, and the nomination of ambassadors, are all set to be part of the next phase of collective storytelling.

The new order of city-regions is being shaken up. Greater Victoria can become a reference point for what people want from a 21st-century metropolitan city: connection, competence, civility, compactness, community, careers, cohesion and creativity. These reports provide an initial evidence base and resource to a region now looking with optimism to serve its people by reinvesting in their shared future. reinvesting in their shared future.

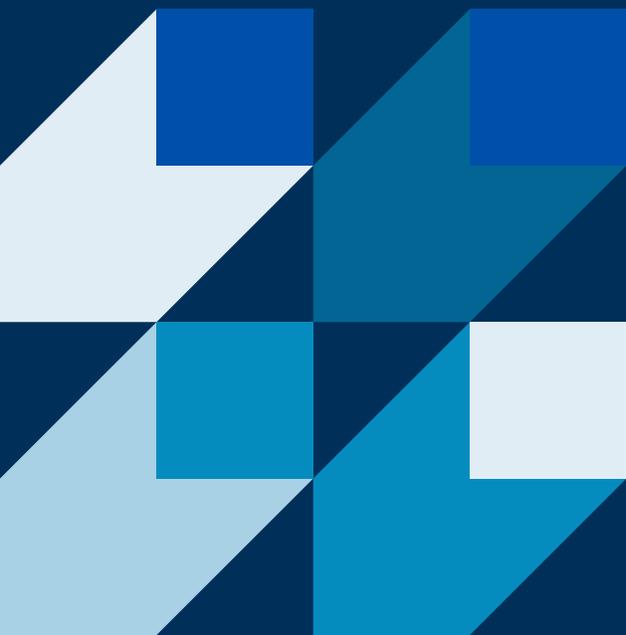
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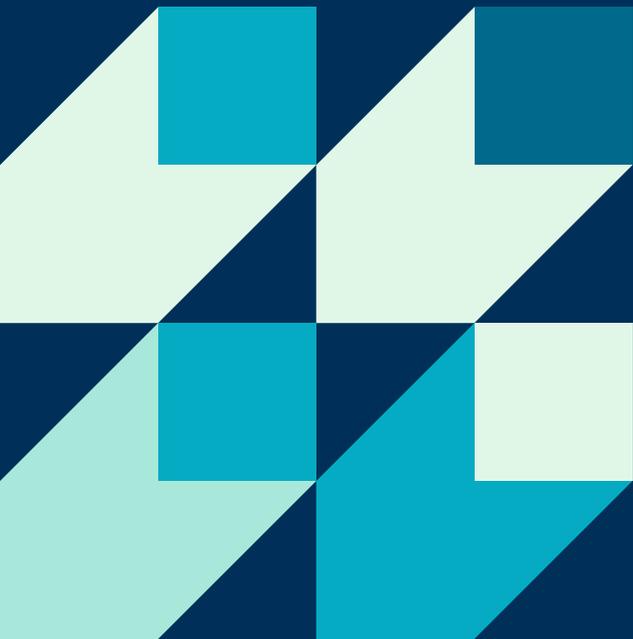
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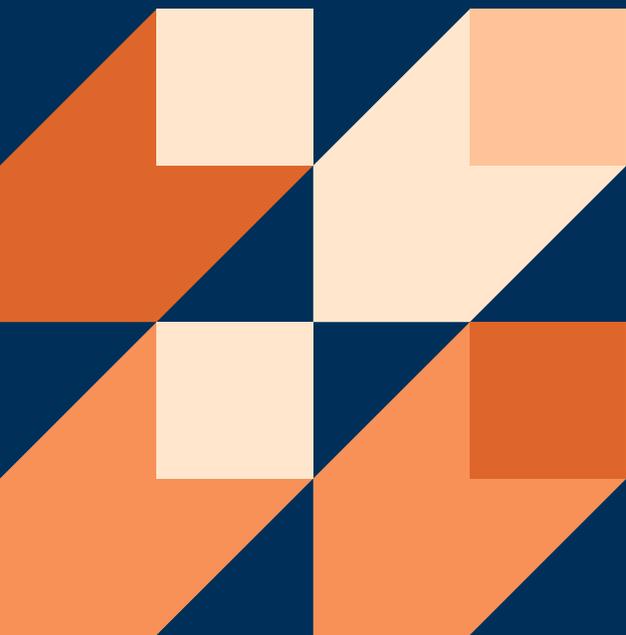
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# The Business Of Cities

**The Business of Cities is an urban intelligence firm that works with cities and companies worldwide. It uses advanced benchmarking and comparative analysis to help leaders to respond purposefully to the twin dynamics of urbanisation and globalisation. Over the last 10 years it has supported public and private leadership in cities and regions such as Amsterdam, Auckland, Glasgow, Helsinki, London, Oslo, Philadelphia, San Diego, Sydney and Tel Aviv, and collaborated closely with international organisations such as the OECD, World Bank and Brookings Institution.**

The authors of this paper are **Dr. Tim Moonen, Jake Nunley, Borane Gille** and **Benjamin Gowers**.

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