

Getting smart

With the much touted Digital Village planned for the former Finning Tractor lands still in its infancy, Vancouver is falling far behind the world's cities in the race to achieve high tech "smarts"

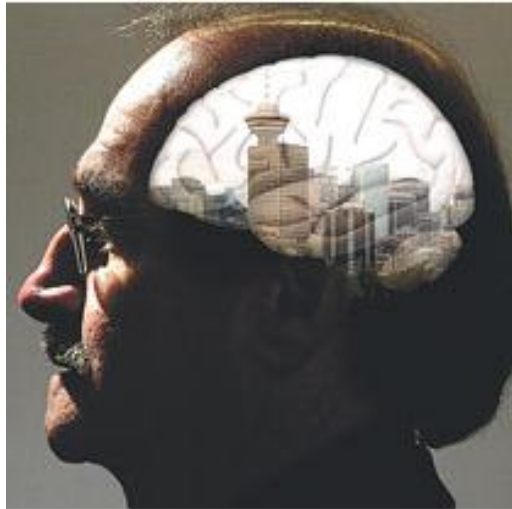
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Dennis Pavlich stands on the corner of Great Northern Way and Carolina Street, an intersection that exists only on blueprints in Pavlich's office. Turning, he points to the wasteland of the desolate False Creek mud flats behind him, where the future campus of Great Northern Way College is quickly emerging, a school where he is the founding president. If Pavlich's plans work to perfection, the bleak industrial wasteland, formerly headquarters of Finning Tractor, will also be the future site of Vancouver's own Digital Village, a high tech neighbourhood that also doesn't exist. Yet.

In the distance, construction cranes are busy digging great holes in the ground for the Olympic Village. A joint creation in 2000 of UBC, SFU, BCIT and the Emily Carr Institute of Art and Design, Great Northern Way Campus (GNWC) isn't much more than a collection of old Finning Tractor buildings set in a sea of mud and broken concrete. Pavlich, who doubles as vice-president of external affairs at UBC, enjoys a small



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administration office and staff working in a temporary building, and next door 22 students are pursuing master's degrees at the funky looking Centre for Digital Media. About 200 BCIT students are already on the campus, the Justice Institute will move in by January, and future plans call for 120 students to chase degrees in environmental leadership.

But the real future of the 23 acres lies in its full development by private enterprise as a Digital Village.

Continued from a college campus, Pavlich's vision includes residential towers, technology businesses, a rapid transit station and green space, all of it totally sustainable and "off the energy grid" through self-generation of solar power.

Here, future workers will be educated, research will be shared, and new commercial opportunities will be created.

"What is amazing about this particular site is its size and close proximity to downtown," says Pavlich. "Where else in the world would you find 23 acres so close to the centre of a metropolitan area, close to rapid transit, standing ready for development?"

What does it mean for the rest of Vancouver? GNWC is envisioned to grow into an important academic anchor and industry hub with a focus on the convergence of science and technology. According to college founders, achieving this vision is critical to rejuvenating the urban environment of Metro Vancouver while enriching the province's knowledge-based economy. There is, however, the small problem of how all this development will be paid for, and Pavlich is well aware that substantial private investment will be required, as well as more government assistance. But where Pavlich stands today, the city of Vancouver faces two different directions. Along with many other community leaders, Pavlich wants to know which future we should embrace. Post Olympics, is Vancouver going to remain just another tourist destination on the global circuit, a pretty face without a brain in its head? Or will Lalaland mature and evolve into something more substantial, a fully functioning Smart City--with the Digital Village as its energetic brain? Can we become a high tech Mecca for highly intelligent--and highly paid--creative thinkers that will attract new global investment?

According to NPA Coun. Peter Ladner, an avid proponent of the Digital

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Dennis Pavlich: "Smart cities require smart people to build them... We will bring together all the smart people we need to make this happen."

Village concept, especially after his trips to other cities like Toronto, San Diego and Taipei, Vancouver needs to wake up and act fast.

"Where are the top quality jobs for the next generation going to be?" muses Ladner. "Anyone who sees the fierceness of competition for talent in other countries understands the need. I think here in Vancouver we are lulled into a sense of complacency. All sorts of cities around the world have plans for a high tech sector, and I think we are being left behind."

"We are definitely lagging behind," agrees Pavlich. "Vancouver is nowhere near as technologically developed as other cities. Being a beautiful tourist town is nice, but in the long run its not economically sustainable. Making \$10 an hour as a barista does not make the rent."

How "smart" are other cities, and how dumb is Vancouver in comparison?

Nearly 10 years ago the City of Vancouver sent planners, along with real estate consultants Rob Laurie and Peter Arbuckle, to study other jurisdictions in North America that were developing high tech centres. In that decade many cities have gone full speed, but Vancouver is still stuck in the "visioning stage." Laurie, for one, thinks it's time we stepped up the action.

"We went all over North America in 1998," says Laurie, "and we saw what they were doing in Houston, Dallas, Boston, Portland and Seattle. Seattle was perhaps the best in terms of tech developments being located close to civic amenities. Microsoft first developed its tech parks in eight-story, H-shaped suburban buildings that allowed for maximum sunshine, because high tech jobs can be highly intensive for short bursts of time and workers need a healthy environment."

"Then Adobe and Cisco started building right downtown, in San Jose," says Laurie, "and urban areas are now considered more desirable than suburbs. Creative populations want close proximity to amenities like culture and entertainment. Transit is also very important. Nobody wants to sit in their car for hours after a hard days work. Plus, we have to be very careful here in Vancouver not to price ourselves out of the talent market with our housing costs."

Ladner's personal weblog (www.peterladner.ca) is full of reports from his trips to other constituencies to observe high tech developments in urban centres.

In Toronto, the \$450 million MaRS (Medical and Related Sciences) project already fills two kilometres of downtown Toronto, occupying the former site of Toronto General Hospital. The 700,000-square foot site is humming with 65 tenants, including researchers, bankers, law firms and venture capital groups. Another 925,000-square feet is already in development.

"It's all about drawing talented people together," said MARS CEO Ilse Treumicht during a recent Vancouver visit. "The key inputs are people,

technology and capital, but these things are all mobile."

Toronto has jumped on the opportunity to capture creative Canadian talent before it disappears elsewhere. Montreal is also building a tech centre and Ottawa is working on a version, but raw resources rich western Canada is another story altogether.

In fact, in a report titled Let the Good Times Roll issued in early September by the Canada West Foundation, economist Brett Gartner forecasts that B.C. will enjoy economic growth of 3.1 percent in 2007 and 3.2 percent in 2008, leading the country in job growth. The report states that a large number of industrial and transportation projects, along with a worldwide demand for base metals and other commodities, will ensure economic growth for the short term.

In the longer term the report concludes that the U.S. housing slowdown, the pine beetle infestation and the strong Canadian dollar will hurt the forest industry. Tourism also faces serious challenges, as does the motion picture industry. The report, however, says nothing whatsoever about high tech developments in the future economy of western Canada.

Would becoming a "smart city" make any difference to the lives of Vancouverites?

According to Ladner, visiting the booming cities of Asia will convince you it would. Asian cities are developing astonishingly comprehensive networked electronic services as part of a deliberate policy to encourage high tech sectors.

Consider what is happening in Taipei, the capital of Taiwan. Its Neihu Tech Park is home to 38 head offices and 2,800 businesses, grossing \$63 billion annually, with plans to expand exponentially. To support and encourage the tech park, 90 per cent of the city is covered by municipal wifi, at a cost of \$10 per month per subscriber. Taipei originally brought in wifi to reduce traffic congestion through better traffic management. Nine million Smart Cards are now in circulation, allowing citizens universal access to all forms of public transport and parking. The Smart Card also doubles as a library card, enabling unstaffed branch libraries to be set up all over the city. With a Smart Card, real-time information on buses and subways is available through mobile phones. Customers will soon be able to reserve parking spaces across town via their PDAs. The Smart Card will soon be embedded in mobile handsets, MP3s and watches, allowing parents to keep track of their children at all times.

Municipal wifi also allows the civic government to save approximately \$100 million a year from paperless documentation, and many times that amount for paperless procurement. No more stamps, envelopes, secretaries, filing, storage, and slug mail delivery. Taipei notifies citizens of traffic fines by email, earning up to \$100,000 annually per intersection. City government also provides free web hosting to more than 5,000 small businesses. Taipei has set up 233 telecentres in churches and community centres and already has thousands of "smart" Internet-linked convenience stores where citizens can pay electricity, gas

and water bills, traffic fines and parking tickets online.

Thanks to wifi, many Asian cities are going from agrarian rural economies to high tech centres virtually overnight. Gangnam, Korea now boasts 30 computer education centres, where the majority of students are over 50. Classes are free for seniors. For poor citizens not connected to the Internet, the city is developing a system for delivering e-services through TV sets. Gangnam offers all government services online from many community kiosks, where taxpayers can download and print secure customized government documents. This e-service saves the city of 450,000 people about \$28 million a year in wasted paper and staff time. Citizens of Gangnam have now voted 89 percent in favour of installing CCTV (closed circuit TV) on city streets to reduce crime. Police claim an immediate 30 percent drop in offenses.

These big leaps into digital urban centres is paying off economically. Tianjin, China, for instance, has developed into a Smart Card manufacturing powerhouse, producing 200 million magnetic cards annually.

Compared to Asia's high tech growth, Vancouver's economy is barely past the hewers of wood stage, says Ladner.

"Anyone looking at Vancouver's sea of cranes, spotting the help wanted posters and watching the growth of our port, airport and mining head offices could easily believe our economy is booming," Ladner writes on his blog. "But a recent report from the Vancouver Economic Development Office quickly identifies the rural resource sector as the reason we have so many jobs. We have seven service-based jobs for every goods producing job. Our growing clusters of 'new economy' sectors are comparatively small. We are a service centre, a city of consumers rather than producers. It shows in our low family incomes, the fact that we are 22nd out of 27 Canadian cities in median family income. The City of Vancouver is continuing to transform itself into a resort that happens to be a city, rather than a city that happens to be a resort. We have a lot of work to do to turn this around."

Real estate consultant Laurie originally convinced Finning Tractor to donate the land on the False Creek Flats in exchange for a tax credit. And Laurie has suggestions for Pavlich about pushing forward the transformation of the mudflats to a shiny Digital Village.

"Dennis has to put an advisory board together that is not comprised of just a bunch of academics," he says. "The four institutions who own the land have been so busy doing other things they haven't concentrated on the GNWC. The Vancouver business community has to get excited about the future of this area too. Right now, I'd say that the Flats are going to get some serious interest from developers. The City of Vancouver really has to concentrate on creating new economic productivity, otherwise we are going to become the tourist and retirement capital of the world."

Pavlich, for his part, seems to understand exactly what developers like Laurie are saying. Getting buy-in from the wider community is a major

part of Pavlich's vision. He fully understands that the only way the Digital Village can be constructed is with private money, and more government involvement. Already one parcel of land has been sold to developers, with several bids offered.

"We are talking about building a real community here, not just a campus," says Pavlich, demonstrating a Solar Capture Experiment that UBC is researching, a project that may produce enough energy to supply one-third of the power for any building on the campus. "We will be talking to as many people as we can, including the residents of the local Fairview Slopes neighbourhood, the business community, city hall and transit planners. The original zoning for this site didn't envision high tech, and we need to have rapid transit extended to the campus so we can connect with downtown. We need the business community to build here, not just to pay for the costs of the campus but to commercialize the knowledge that will be emanating from it."

While Pavlich has a challenge just to coordinate four separate educational institutions, he emphasizes that "the goodwill is huge." His main task may be to convince the province that continued investment in the new economy is essential to the future prosperity of B.C. "The government has indicated it is not interested in giving away any grants to corporations, but they are definitely interested in education. We don't need just to build roads here, we need a highly skilled workforce to build a new economy."

"Smart cities require smart people to build them," says Pavlich, "and in today's urban village we are competing with the rest of the world for talent. We will bring together all the smart people we need to make this happen. We have a very specific blueprint already drawn up, but it was planned before the dot.com explosion and we may need to alter some components of it. We have planned a charette for early 2008 and the 'intergrative planning process' will resume then."

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