ABBOTSFORD

Sector Roundtable

COMMERCIAL REAL ESTATE

Summary

September 4, 2025

Produced for the City of Abbotsford

Sector Roundtable **COMMERCIAL REAL ESTATE**

Background

The Sectoral Roundtable initiative is a research and business retention and expansion project managed by the City's Economic Development department. The goal of the Sectoral Roundtable initiative is to gain a better understanding of the challenges and opportunities in key sectors of the Abbotsford economy.

This research initiative supports both *Principle 3: Vibrant and Growing Economy (Invest in Building Relationships that Facilitate Alignment)* of Council's 2022-26 Strategic Plan and the Business Retention and Expansion Strategy's *Goal 3: Strengthen Relationships and Communication with the Business Community.*

As part of its mandate, the City's Economic Development Department is responsible for supporting business retention and expansion as a key contributor to the vibrancy and resiliency of the community, providing employment opportunities, and generating revenues that allow the community to continue to grow and prosper.

The City's Economic Development Department is seeking insights into the commercial and industrial real estate industry in the current economy and looking for feedback on how the City can best support and attract new businesses to strengthen Abbotsford's commercial and industrial real estate sector.

Senior-level business representatives from seven businesses working in Abbotsford's commercial and industrial real estate community participated in the facilitated roundtable at Abbotsford City Hall on September 4, 2025. The roundtable was moderated by a third-party consultant and included dot voting exercises and question-based facilitated discussion.

Roundtable Composition and Framework

Each sectoral roundtable is sector-specific in discussion orientation. The format of each of the four roundtables will remain consistent. Each roundtable will have the capacity to host up to 15 participants, which will be secured through sector outreach and invitation. Senior-level business representatives from seven businesses within Abbotsford's real estate sector participated in the roundtable. This included representatives from the following industries: commercial, industrial, and office, as well as a representative from the Fraser Valley Real Estate Board.

The objectives of the session were to:

- Share insights from businesses within Abbotsford's real estate commercial and industrial industry
- Discuss industry challenges and opportunities in Abbotsford
- Identify specific actions needed for tangible outcomes to occur in Abbotsford
- Suggest ways in which the City's Economic Development Department can best support Abbotsford's commercial and industrial real estate industry

A discussion guide was developed which formed the basis for the development of roundtable activities that promoted participant engagement and dialogue. The roundtable was moderated by a third-party consultant and included dot voting exercises and question-based facilitated discussion.

ABBOTSFORD

Sector Roundtable COMMERCIAL REAL ESTATE

Key Insights Shared

From both the dot voting exercise and question-based roundtable discussion, the following items emerged as key insights shared that resonated across participants:

Abbotsford's Business Retention, Expansion and Attraction Strengths

- Home to an international airport with the opportunity to expand passenger and cargo carriers.
- Abbotsford Centre is an asset that could grow entertainment offerings by surrounding it with on-site social gathering spaces (e.g. prime casual restaurants, trademark bars and pubs, gaming spaces)
- University of the Fraser Valley and its graduates provide a strong talent pipeline.
- Opportunity to market the cost, amenities, and accessibility competitiveness that Abbotsford offers.
- Quality of life assets such as regional healthcare, tourism and recreation opportunities, etc. are key to retaining businesses.

Challenges in Business Retention, Expansion, and Attraction for Abbotsford

- Lack of awareness about grant and funding opportunities for businesses and how to apply.
- Limited transit and transit routes make it difficult to attract workers.
- Need for greater connection and relationship between industry and UFV.

Opportunities that Abbotsford Could Target

- Capitalize on real estate market trends which position Abbotsford cost favorable.
- The market is seeing an increase in return-to-work office needs.
- Brand Abbotsford as an Innovation Hub in BC's Lower Mainland.
- Brand Abbotsford as a Healthcare Hub. Work with Division of Family Practice to attract physicians. Replicate "Healthcare District" model that the Lark Group has established in Surrey.
- Expand Abbotsford's culinary network through the development of a food experience program.
- Gain understanding of types of businesses opening in neighboring communities and target those industries through marketing campaign.
- Invest in new community assets that are attractors for businesses and their employees, and long-term infrastructure for use by residents.
- Designate areas as hubs to demonstrate focused development in Abbotsford.

Issues that Abbotsford Could Address

- Abbotsford's growth vision is not well understood.
- Known as a community "to drive to and from".
- Downtown area continues to experience parking issues.
- Need more 'live work' spaces to encourage small business to establish in Abbotsford.
- Enhance business attraction services as competitor communities, such as Chilliwack, go above and beyond to work with businesses and anchor them in their economy.
- Address lack of new building assets to complement inventory; lessees want new.
- Need for premium casual restaurants to attract patrons and encourage spending, and particularly on-site at Abbotsford Centre. When patrons have to leave the site for options, they just go home.
- Insufficient road network and its expansion plans, along with insufficient transit network.
- Need for additional community infrastructure (e.g.: recreation centres, pools, etc.).

ABBOTSFORD

Sector Roundtable COMMERCIAL REAL ESTATE

Participant-Identified Recommendations for City and Business Organizations in the Community
Key Observations

Throughout the roundtable, participants spoke openly and similarly about issues and opportunities regardless of the industry the business was in within real estate. In the current economic climate, Abbotsford is experiencing a surplus of vacant commercial, industrial, and office space inventory due to economic uncertainty. Clientele of the real estate industry are experiencing 'a time of survival'. This is being fueled by a number of factors including BC's economy and deficit, global speculation about Canada's stability, international conditions, evolving and unpredictable tariffs coupled with duration uncertainty, Bank of Canada rate reduction uncertainty that are equally being compounded by lack of bank interest rate reductions. Owners of developable business-zoned land and/or assets in Abbotsford who are not developing or selling are likely facing circumstances precluding them from advancing. For example, they may have paid significantly for property more than they can sell it for in today's economic climate and cannot absorb financial loss.

Based on the insights shared, participants recommend that the City:

- Reduce bureaucracy and embrace common sense decisions to support business in the community.
- Adopt bylaws, policies, and processes that enable new businesses to open after completing a small set of pre-determined requirements with a timeline to complete the remainder.
- Ensure key business organizations in Abbotsford are consulted during planning phase relative to new / changes to bylaws and policies affecting business.
- Ensure City Hall staff are conversant about business-related bylaws, policies, and processes. It's a common occurrence to get different answers from different staff.
- Adopt Chilliwack's CEPCO structure, governance, and model.
- Adopt "Fast Tracking Permitting System" with cost-recovery fee structure; business owners and landowners are willing to pay extra to reduce the cost of financial and time delays. Permit waits of 8-10 months in Abbotsford is common and is unacceptable. This prompts some frustrated individuals to 'proceed now and ask for forgiveness later' and may cause others to locate elsewhere as permits are guaranteed within weeks.
- Use AI to expedite City Hall permitting process.
- Minimize new compliance requirements for existing businesses interested in expanding.
- Provide a "Start Your Business in Abbotsford' service within City Hall that guides prospective new businesses through steps to secure them in economy.
- Provide business-related services at City Hall Monday through Saturday.
- Increase mixed use opportunities across Abbotsford. Explore opportunities to approve additional use options for land and buildings.
- Support the addition of additional truck routes to encourage new industrial and commercial businesses.
- Work closer with real estate industry to bring business to Abbotsford. Develop relationship with the Fraser Valley Real Estate Board. Host quarterly in-person City Hall updates where industry can equally share intel with staff.

In addition, participants are equally looking to business organizations within the City to:

- Develop relationship with the Fraser Valley Real Estate Board.
- Increase community awareness through communications campaigns about business resources and supports / services available at no charge.
- Initiate "Buy Local, Shop Abbotsford" campaigns.
- Host a community event to increase public awareness of Abbotsford's business community and its impact on the economy and as a partner in the community. Consider connecting this event with an employment fair.