ABBOTSFORD

KEY FINDINGS

2025 Sector Roundtables

Manufacturing, Retail, Commercial Real Estate and Hospitality.

KEY FINDINGS - 2025 Sector Roundtables

Overview

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.

In 2025, the City of Abbotsford launched a Sector Roundtable initiative as a research and business retention and expansion project managed by the City's Economic Development department. The overall goal of the Sector Roundtable initiative was to gain a better understanding of the challenges and opportunities in key sectors of the Abbotsford economy by engaging directly with businesses. The objectives for each roundtable were to:

- Gain insights from businesses within Abbotsford's key sectors in the current economy
- Discuss sector challenges and opportunities in Abbotsford
- Identify specific actions needed for tangible outcomes to occur in Abbotsford
- Recommend ways in which the City's Economic Development Department can best support and attract new businesses to strengthen Abbotsford's diverse economy

This research initiative aligns with Council's 2022-2026 Strategic Plan by supporting the plan's *Principle 3: Vibrant and Growing Economy (Invest in Building Relationships that Facilitate Alignment)* as well as the City's Business Retention and Expansion Strategy's *Goal 3: Strengthen Relationships and Communication with the Business Community.*

Business community members were invited to join one of four sector roundtables as follows:

- Manufacturing Sector | March 2025
- Retail Sector | May 2025
- Real Estate Sector | September 2025
- Hospitality Sector | November 2025

While the overall format of all roundtables remained consistent, each roundtable was designed to have sector-specific discussion Each roundtable had capacity to host up to 15 business community members which were secured through sector outreach and invitation. Representatives from sector associations and the University of the Fraser Valley were also invited to join sessions as observers as a means to equally gain insights into local strengths, issues, and opportunities.

This Sector Roundtable series was designed and moderated by a third-party consultant. A Roundtable Discussion Guide was developed for each of the four roundtables to encourage participant engagement and dialogue, with session activities included dot voting exercises and question-based facilitated dialogue. Participants were informed that all insights, feedback, and information shared by the business community in the series would be anonymized.

Over the course of the series of four sector roundtables in 2025, a total of 32 business community members participated and contributed the following to this research and business retention and expansion initiative.

With the Sector Roundtable Series for 2025 now complete, the City's Economic Development Department will now review findings and insights shared for potential action recommendations to be tabled to the City of Abbotsford's Mayor and Council.

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Key Insights Shared – All Sectors

Global Tariffs

A dot voting exercise was conducted with participants to identify both pain points and opportunities that the 2025 global tariff situation initiated by the United States has had on Abbotsford businesses.

- 44% of participants identified that tariffs on imports have required them to immediately pivot to identifying and securing new suppliers
- 43% identified that their business has elected to absorb additional costs resulting from tariffs
  42% stated that their business elected to pass tariff-imposed costs onto consumers
- One in four participants stated that their business has had to reduce operations by laying-off employees or scaling back production in some way

Across the four sector roundtables, common discussion themes that emerged included:

- Businesses are facing constant supply and cost volatility and unpredictability
- Increased need to remain globally competitive in trade conditions where tariffs are country-dependent and where global competitors may be positioned with lower pricing advantages
- Tariff uncertainty, coupled with uncertain outcomes of upcoming CUSMA renegotiations, is causing business to review their operational viability
- Tariff uncertainty has stalled businesses from considering expansion decisions; consumers are also pausing or reconsidering purchase decisions
- Businesses that both import and export are experiencing stacked tariffs
- Businesses with established long-term, multi-year contracts have limited ability to renegotiate terms in response to tariffs
- Real-time, ongoing need to source new suppliers, calculate viable profit margins, explore transport options, attract increased/new customer base, etc. has resulted in both challenges and opportunities
- Inter-Provincial regulations also continue to impose trade barriers

Most Significant Issues Negatively Impacting Businesses

A dot voting exercise was conducted with participants to identify key issues faced in the business community.

- 53% identified that employee attraction and retention was their top issue, followed by 40% stating that housing affordability in Abbotsford was a key issue. Regardless of the sector, all groups identified that they felt there was a direct correlation between housing affordability and employee attraction and retention.
- 43% stated that the increasing cost of materials was increasingly a factor that businesses had to manage, and 34% stated that supply chain issues imposed challenges on business.
- Nearly one in three participants identified that a lack of sufficient transit routes and frequencies posed employee commuting issues and/or business accessibility issues for consumers.
- Real estate sector representatives identified that in the current economic climate, there is a surplus of available commercial, industrial, office inventory in Abbotsford; there has been a complete pause in the investment market. Individuals currently purchasing industrial land and/or space are primarily owner/occupiers. Inventory surplus is also being influenced by factors such as property taxes, lease conditions with a trend requiring up to six months advance lease payments.

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Across the four sector roundtables, common discussion themes that emerged include:

- Consumers have become more selective on how much and where they spend disposable income
- Limited interest in available hospitality and retail industry employment opportunities as these sectors primarily offer shift work, part-time jobs with limited wages and benefits
- Employee retention volatility with working cohort aged 18-30 who are increasingly willing to leave their current jobs for 'better' opportunities in other sectors
- Difficult to consider growing business when dealing with unfilled vacancies and staff burnout
- Businesses are incurring cost increases across a spectrum of business aspects (i.e.: wages, materials, packaging, transportation, etc.)

Strengths in Retaining Businesses and Attracting New Business

Across the four sector roundtables, common discussion themes that emerged about the strengths and opportunities that Abbotsford should capitalize on include:

- Central location
- Abbotsford's ethos, character, and diverse population
- Significant customer base within 1.5 hours driving radius in both Canada and USA
- Quality of life advantages: a community of 'eat, live, play' experiences with social gathering spaces including prime casual dining and trademark bars and pubs, community accessibility, consumer loyalty trends, University of the Fraser Valley, sports and entertainment venues, regional healthcare assets, tourism and recreation opportunities
- Accessibility to markets: international airport, highways system, intermodal transportation, ports, US/Canada border advantage, airports
- Strong supply chain within Abbotsford
- Development potential, land availability, and price competitiveness
- Abbotsford is an agricultural community; invest and brand Abbotsford as a major 'food hub'
- Abbotsford is a healthcare hub; work with the BC Government and Division of Family Practice to invest and brand Abbotsford as a key "healthcare district" in Fraser Valley

Obstacles in Retaining Businesses and Attracting New Business

Across the 4 sector roundtables, common discussion themes that emerged about obstacles that need to be addressed include:

- Abbotsford's growth vision is not well understood; prospective investors/businesses see Abbotsford as a small town, a farm town – not a suburban centre
- Repetitive cycle of vandalism/homeless issues, coupled with lack of action, make areas undesirable to establish a business
- Lack of [municipal funding] incentives to encourage new opportunities for business
- Insufficient road network and its expansion plans, along with insufficient transit network and frequencies
- Need for investment in new community infrastructure to attract new businesses
- Abbotsford City Hall is regarded as being unfriendly to business; competitor communities go above and beyond to work with investors/businesses to anchor them in their economy
- Arduous municipal bylaws and policies, and onerous permits processes and timelines are costly to business that result in missed opportunities for Abbotsford

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Recommended Actions for Municipal Supports for Abbotsford's Business Community

Through a question-based facilitated dialogue, participants recommended actions that the City of Abbotsford could take to realistically, tangibly better support businesses in the economy. Across the four sector roundtables, common discussion themes that emerged include:

- Invest in resources that matter to Abbotsford's economy
- Launch a municipal Business Concierge service within City Hall to position businesses for success in the economy
- Ensure City Hall staff hold uniform interpretation of business-related bylaws, policies, and processes; it's common to get different answers from different staff
- 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
- Adopt artificial intelligence and establish a "Permitting Fast Tracking System" with cost-recovery fee structure; business owners and landowners are willing to pay extra to reduce the cost of financial and time delays to business. Permit waits of 8-10 months in Abbotsford are common and unacceptable
- Provide business-related services at City Hall Monday through Saturday
- Adopt the economic development structure, governance, and model that Chilliwack's CEPCO has established
- Increase mixed-use opportunities across Abbotsford. Explore additional approved use options for land and buildings
- Be more transparent about City's workplan to work with and engage businesses
- Develop relationships with sector organizations that can advocate for businesses in Abbotsford's economy
- Work with schools and universities to facilitate and increase ties to sector businesses
- Increase public awareness about employment opportunities and wages that jobs in Abbotsford offer

Key Observations

Across each of the four roundtables, participants spoke openly, confidentially, and similarly about issues and opportunities regardless of the specific industry the business was in within a given sector. Based on the insights shared, business community members are looking to the City of Abbotsford to:

- Proactively advocate for the sectors that are anchored in and contribute significantly to Abbotsford's economy
- Implement measures to reduce municipal barriers on business
- Acknowledge and articulate the value that businesses contribute into the community and the economic impact that Abbotsford businesses generate for the economy
- Better understand the composition of Abbotsford's business community by developing relationships with businesses
- Host an annual community event dedicated to increasing public awareness about Abbotsford's business community and its impact on the economy and as a partner in the community
- Regularly communicate with the business community