NEW WESTMINSTER RETAIL STRATEGY

PHASE 2 REPORT

July 1, 2023



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File: 1274.0045.01

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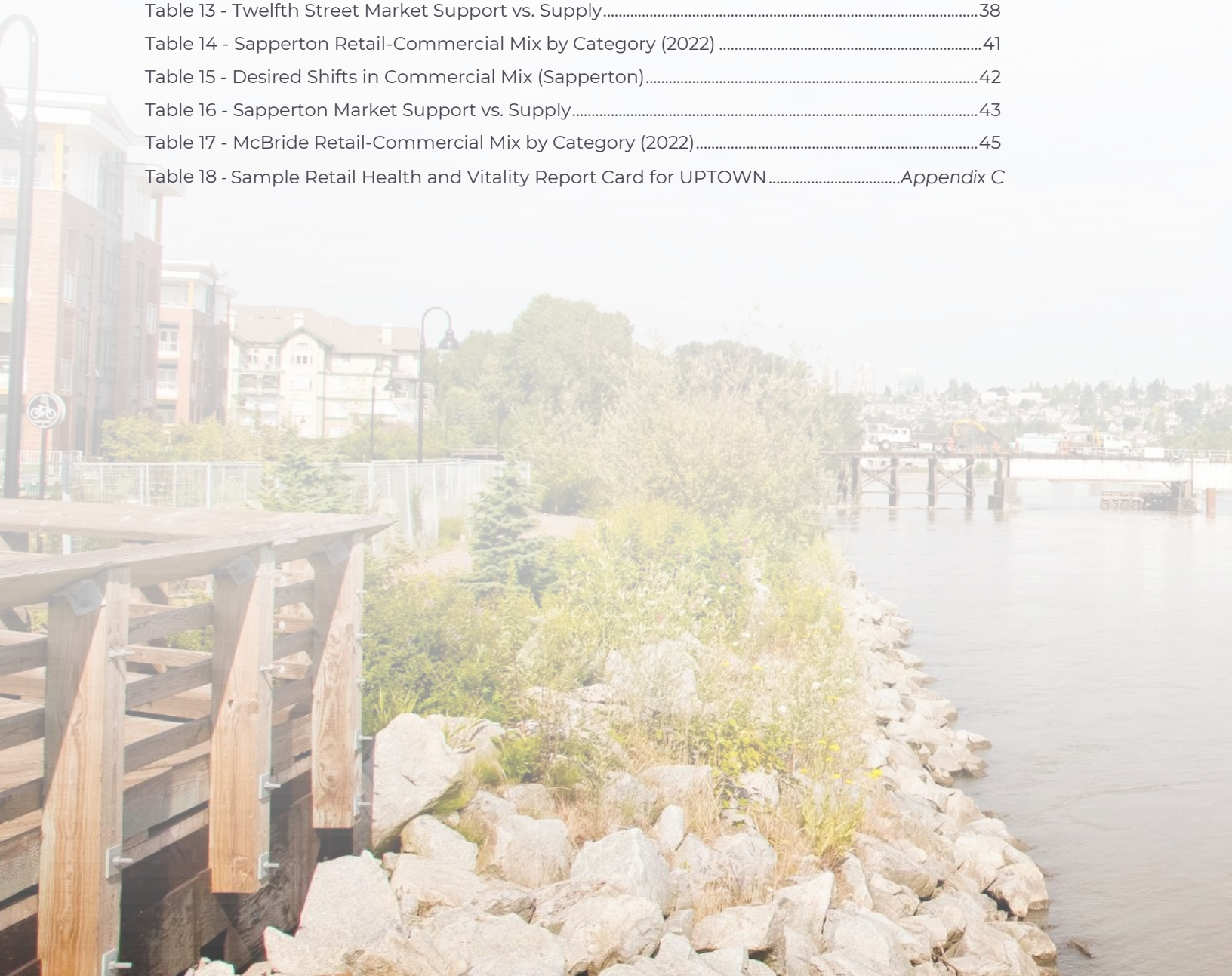
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GLOSSARY

Convenience Retail: these constitute lower order goods and services which are purchased frequently. They are often the predominant business in most neighbourhood-oriented local shopping areas and tend to decrease as a proportion of total as one moves up the retail hierarchy. Typically, convenience goods consist of grocery stores, convenience stores, pharmacies, banks, and general services.

Comparison Retail: these constitute higher order goods which are purchased less frequently than convenience goods, and for which consumers are likely to do comparison shopping. Comparison goods include apparel, appliances, electronics, books, toys, music, hardware and jewelry. The proportion of higher order goods and services in a shopping area will increase at higher levels of the retail hierarchy (i.e., a downtown typically has a higher proportion of comparison retail than a neighbourhood-serving retail street).

Service Commercial: all types of personal, professional, health financial and other consumer services

Arts, Culture, Entertainment: theatres, gyms, fitness, yoga, billiards, bowling, martial arts and other like recreation.

Restaurant, Food & Beverage: full-service restaurants, limited service eating places, drinking places.

Vacancy: Unoccupied storefronts, regardless of lease / permitting status

Active Retail Uses: uses which are optimal generators of street-level activity and vitality, including restaurants, retail and specialty food stores, specialty retail stores, arts culture and entertainment uses, and personal service-oriented businesses that generate frequent traffic. Other uses can be designed to be more 'active' (i.e., to better support street-level vibrancy), such as finance, insurance, and real estate offices. General office uses would not be considered active uses.

Anchor Uses: anchors are retail and non-retail businesses and uses which draw a significant number of customers on a daily basis, which then drives traffic to other nearby businesses. Retail anchors can include grocery stores or grocery retail clusters, clusters of like destination retailers (e.g., apparel stores), community centres, libraries, and schools.

Retail: generally used as a shorthand for a wide range of retail-commercial business categories found across the City, many of which are not strictly engaged in retail sales. These include restaurants and bars, and personal and professional service providers.

Chain vs. Non-Chain Retail: Statistics Canada defines chain and independent retail as follows:

i) Retail Store Chain: an organization operating four or more outlets in the same industry class under the same legal ownership at any time during the survey year.

ii) Franchise: a person, group of persons, partnership or incorporated company granted a contractual privilege permitting the sale of a product, use of a trade name or provision of a service within a specific territory and / or in a specified manner.

iii) Independent Store: a store with less than four locations in the same industry class under the same legal ownership at any time during the survey year.

Note that there are many other working definitions across North America of what constitutes "chain" or "formula" retail, and there are a variety of approaches to regulation and oversight.

KEY FINDINGS & RECOMMENDATIONS

In 2021, the City of New Westminster retained a consultant team led by Urban Systems Ltd. to develop a city-wide retail strategy. The goals were to develop a strong baseline of retail-commercial information, to project commercial need across the City and by sub-area, to identify key opportunities to enhance the retail experience in each area, and to put forward recommendations around how the City may leverage its various tools in support of a strong retail commercial environment.

In early 2022, a "Phase 1" report was completed. That report included a comprehensive city-wide retail inventory, a review of customer movement patterns based on cell phone mobility data, and a series of retail demand analyses to understand growth and positioning opportunities by area. That base of knowledge set the stage for the work presented in this Phase 2 report.

Unlike a site-specific retail strategy, a successful city-wide retail strategy should not be overly prescriptive about specific building forms and tenant mixes. Its aim is to leverage research tools, community engagement and planning policies and strategies to create the conditions and environment needed for the city's commercial areas to evolve naturally into thriving business and social hubs that reflect the needs and wants of an increasingly diverse community, and to serve as activity magnets for tourists and visitors across the region. During the engagement and research phases of this project, several key themes emerged, which have been distilled into a vision that illustrates the importance of healthy commercial areas to the community. The principles, tools and strategies discussed throughout this document link back to this overarching vision:

> ***New Westminster's commercial districts are hives of economic activity, social diversity, and cultural expression. Reflecting the dynamic nature of surrounding neighbourhoods, they are integral to the well-being and prosperity of the community. Small businesses are the heart of the local economy and influence the unique character of each commercial area, while larger retail and non-retail employers play an influential role, acting as important "activity anchors" for bustling retail streets.***



SUMMARY OF GENERAL RECOMMENDATIONS

Data Collection, Analysis and Tracking

ACTIONS	RESPONSIBILITIES	TIMEFRAME
1. Allocate resources to secure and analyze updated mobility data at regular intervals	City planning / economic development	Every 2-3 years
2. Update city-wide retail inventory at regular intervals, including vacancies	City planning / economic development; collaboration with post secondary institutions.	Every 2-3 years
3. Track health and vitality of retail areas through regular updating of economic development indicators so that changes can be monitored.	City planning / economic development	Every 1-2 years
4. Update retail demand and positioning analyses by sub-area	City planning / economic development	Every 3-5 years

Land Use and Related Policies

ACTIONS	RESPONSIBILITIES	TIMEFRAME
1. Undertake a review of the Zoning Bylaw to consider: **2. Ensure flexibility to allow changes of use, accommodate 'combination stores' (e.g., production with retail sales and on-site consumption), and permit emerging retail / service concepts where appropriate; and** **3. Limit at-grade uses in core areas of Great Streets to 'active uses.'**	City planning/ economic development	Immediate and ongoing
4. Strengthen commercial and mixed-use Development Permit Area guidelines by: **a) Integrating more detailed commercial retail unit design guidelines, to ensure functionality for a range of business types, and**	Planning	Immediate

b) encouraging inclusion of storefronts with a mix of widths, sizes, and configurations in new mixed-use and commercial developments, to facilitate the inclusion of small independent businesses and incubation.		
5. Ensure the Retail Strategy findings inform future planning for Lower Twelfth and Sharpe Street and Bent Court	Planning	As needed
6. Manage the pace of change to existing commercial areas by continuing to give careful consideration of rezoning applications.	Planning	Ongoing
7. Ensure alignment with area-specific retail principles when reviewing redevelopment / rezoning applications.	Planning	Ongoing
8. Continue to allow for a range of uses in redevelopment of sites within 400m of SkyTrain stations, including arts, culture, entertainment venues, and residential	Planning	Ongoing
9. Ensure land use policy (e.g., Temporary Use Permits) is not a barrier to pop-up retail and / or temporary use of vacant lots	Planning	Immediate and ongoing
10. Review other land use and related policies to reduce barriers to adaptive re-use of buildings, especially on a temporary basis.	Planning	Short-term and ongoing
11. Continue to further streamline business-related permitting processes	Planning, Building, Business Licensing, Economic Development	Immediate and ongoing
12. Advocate to the Province to provide municipalities with the ability to apply a Commercial Vacant Property Tax and explore applicability within each local commercial area.	Economic development	Short-term

Business Support Programs and Policies

ACTIONS	RESPONSIBILITIES	TIMEFRAME
1. **Establish a dedicated business support staff role within Economic Development, to provide support to existing businesses in navigating City regulations, policies and procedures and develop tools and processes to better meet the needs of small business.**	Economic development	Next 1-2 years
2. **Continue to make investments in quality public realm and related maintenance. This includes:** **a) Safety and cleanliness** **b) Compact walkable areas** **c) Quality interface between public realm and commercial spaces** **d) Re-establish street entertainment program** **e) Cycling infrastructure**	Planning, Economic development, Transportation and Parks & Recreation	Immediate and ongoing
3. **Continue to disseminate information and collaborate with business partners on workshops, webinars, etc. to help businesses understand the regulatory framework and key business requirements**	Economic development and business partners	Immediate and ongoing
4. **Encourage information sharing among individual BIAs, chamber of commerce and other business associations.**		
5. **Consider opportunities for incubation through space provision (e.g., business incubator spaces, cultural, non-profit and community-serving hubs) through rezoning amenity negotiations**	Planning, economic development	Next 1-2 years
6. **Explore and prioritize other business incentives and fiscal tools as outlined in Section 3.3.4**	Economic development and partner organizations.	Immediate and ongoing
7. **Enhance local businesses' ability to pivot to omni-channel business model**	Economic Development and partner organizations	Immediate and ongoing

(e.g., production and retail sites with on site consumption)		
8. Prioritize commercial tenant building permit applications to reduce permitting times for business, and consider conditional business licence approval for low risk uses.	Economic Development, city departments involved with business licensing	Immediate and ongoing
9. Continue to consider building compliance plans during Building Permit review that allows a phased implementation of building upgrades to offer a sensitive and flexible approach to business operators.	Building	Immediate and ongoing
10. Develop Commercial Tenant Assistance policy applicable at the time of rezoning to support businesses during redevelopment and rezoning scenarios	Economic Development, Planning, business stakeholders	Immediate and ongoing
11. Explore provision for micro grants in the City's granting process to encourage public space activation and beautification ideas in commercial areas	Economic Development and Legislative Services	Next 1-3 years
12. Ensure expectations around routine maintenance of buildings and properties are clearly articulated to property owners, and that ground level commercial units are filled in an appropriate and timely manner	Economic Development and Business Licensing and business stakeholders	Immediate and ongoing
13. Amend the Sign/Business License Bylaw to encourage the visual connection between passersby on the street and interior uses to provide an engaging streetscape experience (e.g., limit opaque window treatments.)	Economic Development	Immediate

Strategy Coordination and Integration

The Retail Strategy will be implemented in concert with a number of related City plans and policies, such as the Economic Development Plan, the Downtown Livability Strategy, and active transportation improvements being explored and implemented. The City should explore opportunities to better integrate culture and community development into Economic Development to best serve the

community and recognize the impact these considerations have on commercial areas, Market Demand, Positioning Implications and Key Uses

Below is a summary of the commercial tenant mix for each of the commercial sub-areas and our recommendations around the 'optimal tenant mix' shift that should be sought, based on the Phase 1 findings, consultation and analysis prepared over the course of this project.

Downtown

- Serves a dual role as both a local-serving and specialty destination market
- Demand analysis suggests opportunity for increased array of comparison retail and broader array of destination restaurants as well as arts and culture venues and performance spaces

BROAD CATEGORY	CURRENT PROPORTION (% MIX)[1]	OPTIMAL PROPORTION (% OF MIX)[2]	DESIRED SHIFT
Arts, Culture, Entertainment	12%	15%+	Broader array of live-performance venues, integration of artist collective, additional gallery spaces (above-grade suitable)
Comparison Retail	12%	15%+	Broader range of clothing and shoe stores, modestly scaled general merchandise store, specialty retail
Convenience Retail	13%	10-12%	Smaller scale lifestyle grocer east end of Columbia
Restaurant Food & Beverage	13%	15% to 20%	Additional destination restaurants with river view or street-oriented patios
Service Commercial	42%	35-40%	Modest decrease in overall proportion, to allow for enriched mix of arts, restaurant and specialty retail
Vacancy*	9%	3-5%	Post pandemic and Metro Vancouver-driven construction, should see a drop to a more healthy range

[1] From Phase 1 inventory research
[2] Recommended based on industry best practice and type of commercial area

DOWNTOWN COMMUNITY-SERVING ROLE ENHANCERS	DOWNTOWN DESTINATION ROLE ENHANCERS
• Smaller-scale general merchandise store ideally at east end of Columbia corridor • Small-scale grocer, ideally at east end of Columbia corridor • Additional specialty foods purveyors • Accessibility improvements: • Improved bike lanes • Secured bicycle storage • Additional pocket parks	• Modern boutique hotel with event and meeting space, ideally close to New Westminster SkyTrain Station • Larger-scaled destination restaurants, with large outdoor patios (with Fraser River or Columbia Street views) • Broader array of arts, entertainment, and culture venues – artist collective, smaller scale live music venues • Specialty art and photography equipment and supplies • Independent clothing and shoe stores (complementing formalwear cluster)

Uptown

- Current retail-commercial business mix is healthy and aligned with its role as the city's primary community-serving commercial corridor
- Opportunity for growth in comparison retail and restaurant food & beverage

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	2%	2-3%	Modest room for growth, leveraging connections to Massey Theatre arts programs, local artists
Comparison Retail	24%	24-25%	Good coverage, modest opportunities for expansion (e.g. specialty apparel, shoes)
Convenience Retail	20%	20%	Healthy mix
Restaurant Food & Beverage	12%	13-14%	Opportunities for growth – focus on restaurants with outdoor patio areas
Service Commercial	37%	35-36%	

Vacancy*	5%	2-4%	Minor reduction in vacancy

Queensborough

- Serves a vital role as a comparison goods shopping node both city-wide and beyond the city boundaries
- Also is an area in transition, with clear opportunities to:
    - Become a stronger neighbourhood-oriented retail and service area supporting the local Queensborough population
    - Broaden its mix and become more of a hybrid retail-service centre

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	13%	13-15%	Leverage proximity to Downtown to support local arts and culture uses
Comparison Retail	56%	50-55%	Refine comparison goods retail mix while allowing for growth in other local-serving uses
Convenience Retail	3%	10%	Opportunities for expanded convenience retail uses serving local area population
Restaurant Food & Beverage	9%	10-12%	Opportunities for growth – focus on restaurants with outdoor patio areas
Service Commercial	6%	8-10%	Improve depth and range of service uses for local residents and employees
Vacancy*	12%	4-6%	Opportunities to fill significant vacancies with experiential retailers and non-retail uses

Twelfth Street

Upper Twelfth Street

- Offers a unique mix of independent specialty foods, restaurants and lifestyle retailers, with potentially significant cultural importance
- Changes to commercial composition over time should focus on enhancing its specialty role
- Given competitive pressures facing 12th Street from surrounding commercial areas, the land use designations in the Official Community Plan, which allow for some redevelopment without at-grade commercial, are appropriate from a supply and demand point of view.

Lower Twelfth / Sharpe Street

- Mix of commercial and industrial zoning accommodates a range of business types, from automotive sales and service to business services and restaurant food & beverage

- Zoning and positioning near Downtown offer opportunities to integrate more active commercial uses, including hybrid businesses that combine manufacturing with customer-focused retail functions, and adaptive re-use of automotive commercial buildings for restaurant food & beverage uses.

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	1%	3-5%	Opportunities for more arts and cultural uses, spaces
Comparison Retail	23%	22-24%	Specialty retail focus
Convenience Retail	10%	10-12%	Opportunities for expanded convenience retail uses (specialty lifestyle grocer)
Restaurant Food & Beverage	18%	20%	Opportunities for growth – focus on specialty restaurants with outdoor seating areas
Service Commercial	39%	35-37%	Opportunities in other categories (i.e., specialty foods, restaurants)
Vacancy*	9%	3-5%	Healthy vacancy range to allow for new business entries, relocations

Sapperton

- Serves both the local neighbourhood and the sizeable (and expanding) Royal Columbian Hospital medical health and wellness precinct.
- Quite well balanced in its offerings
- Primary new retail opportunities will be focused on new mixed-use developments, including Sapperton Green near Braid Station.
- Only modest recommended shifts in commercial mix by category

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	2%	3-4%	Opportunities to integrate more arts spaces
Comparison Retail	13%	10-12%	Specialty retail focus
Convenience Retail	19%	23-25%	Opportunities for significantly expanded convenience retail uses (including new grocery)
Restaurant Food & Beverage	13%	15%	Opportunities for growth – focus on specialty restaurants with outdoor seating areas

Service Commercial	50%	45%	Maintain strong proportion, allowing for growth in convenience retail and restaurants
Vacancy*	3%	3-5%	Healthy vacancy range to allow for new business entries, relocations

McBride

- Area is expected to see a contraction in total retail commercial area over time, as new mixed-use redevelopments should see a rationalization of space
- New residential development in the area will be well served by commercial mix within – and near – Royal Square Mall.

KEY PLANNING AND RELATED POLICY OPPORTUNITIES

Below is a summary of key opportunities for each of the City's retail areas:

RETAIL AREA	PRIORITY DIRECTIONS
Downtown	1. Encourage and support emergence of a micro-retail cluster through redevelopment scenarios or other opportunities, ideally towards east end of Columbia. 2. Support emergence of new small to medium scale entertainment venues through redevelopment scenarios or as other opportunities arise. 3. Explore opportunities for shared arts / culture and non-profit spaces above/below grade (e.g., basement units, second floor units) 4. Consider a pilot program to create affordable space through rezoning negotiations. 5. Support and promote opening of new destination restaurants through economic development advocacy efforts. 6. Expand active transportation infrastructure, including creating an e-bike share hub. 7. Actively promote patio program to new businesses during business licensing process, and through outreach to existing businesses who do not currently have a patio. 8. Continue to support integration of higher density mix of uses within 400m of SkyTrain stations in redevelopment scenarios; where possible, integrate new restaurant and entertainment venue space. 9. Focus new hotel development in the Downtown near transit. Where possible, integrate new restaurant and entertainment venue space. 10. Require active uses on Columbia Street at-grade in new buildings and work with property owners of existing buildings to encroach a similar approach.
Uptown	1. Focus on public realm improvements (pocket parks, lighting, seating) – aligned with Uptown Streetscape Vision. 2. Fully leverage the City's investments in new active transportation infrastructure, including creating an e-bike share hub as part of a larger City-wide system. 3. Require active uses for at-grade commercial space between 7th and 5th Avenues, to support 6th Street's role as a Great Street; office and other less-

	active uses to be focused on upper floors or outside of the priority retail stretch. 4. Encourage highly active uses for high-profile corner locations (e.g., restaurant with patio) in redevelopment scenarios? 5. Encourage and support integration of arts and culture-supporting retail and service businesses to better leverage and connect to Massey Theatre, through economic development marketing activities and planning policy.
Queensborough	1. Require active uses for at-grade commercial space along Ewen Avenue between Gifford Street and Spruce Street, to support Ewen Avenue's role as a Great Street. 2. Continue to focus multi-family development along the Ewen Avenue corridor. Within the large-format shopping area of Queensborough, support future conversion of larger-format retail spaces to allow for: dark stores, ghost kitchens, indoor sport and recreation, small-scale local distribution, and other low-impact light industrial uses. 3. Continue to encourage small-scale commercial uses through redevelopment in the Port Royal area to better meet the day-to-day needs of residents. Examples include: o Smaller scale grocery store o Pharmacy, medical and dental uses o Small-scale convenience retail and service uses
Twelfth Street	Upper Twelfth Street (between Tenth Avenue and Sixth Avenue) 1. Retail space supply and demand analysis supports allowing for residential-only redevelopment opportunities at the north end of upper Twelfth Street, consistent with the land use designations in the Official Community Plan. 2. Require active uses at-grade between Eighth and Seventh Avenue. 3. Support retention of prime corner locations for the most active uses (e.g., restaurants with patios). 4. Encourage redevelopment or repurposing of existing automotive service spaces for more active retail, restaurant and service uses over time. 5. Explore placemaking opportunities such as: o Actively promote the patio program to new businesses during business licensing process, and through outreach to existing businesses who do not currently have a patio. o Explore location(s) for future e-bike share hub(s) o Consider opportunities for unique crosswalk treatments o Explore opportunities to support festivals and events on upper Twelfth Street 6. Give particular attention along upper Twelfth Street to the following City-wide directions: o Manage the pace of change to existing commercial areas by continuing to give careful consideration of rezoning applications. o Create a commercial tenant assistance policy applicable at the time of rezoning. o Encourage inclusion of storefronts with a mix of widths, sizes, and configurations in new mixed-use and commercial developments, to facilitate the inclusion of small independent businesses.

	7. Consider exploring the cultural and community importance of the cluster of businesses along upper Twelfth Street through a cultural value assessment of the Great Street to inform a further policy response. Lower Twelfth / Sharpe Street 8. Leverage the unique commercial / industrial zoning mixture to support opportunities for 'combination businesses' which are not easily accommodated elsewhere in the city. These include: o Micro distilleries with on-site tasting rooms (e.g., Odd Society in Vancouver) o Additional urban wineries or micro breweries with tasting rooms and patios o Artisan businesses merging small-scale on-site manufacturing with sales and demonstrations (e.g., woodwork, metalwork, etc.) o Small or micro commercial cluster(s) of artisanal food and beverage (and related) businesses. o Live/work opportunities for operators of businesses listed above. 9. Dark stores are not appropriate uses for the Lower Twelfth / Sharpe Street area. 10. Allow for emerging uses that are in line with the manufacturing-orientation and mixed-use intention of the precinct, such as ghost kitchens, through appropriate policy. 11. Encourage and support conversion of a former automotive commercial buildings and properties for adaptive re-use and repurposing to the types of uses listed above.
Sapperton	1. Future retail integration at Sapperton Green should complement East Columbia Street core commercial district by focusing on retailers and categories that are underrepresented along East Columbia Street north of Major Street, such as: o Full-scale supermarket o Full-format multi-department pharmacy o Commercial fitness o Larger daycare centre 2. Require active uses at-grade from Keary Street to Sapperton Park on the west side of East Columbia Street, and from Sherbrooke Street to Braid Street on both sides of East Columbia Street. 3. Focus temporary pop-up event and festival core activity in a central and accessible Sapperton location. 4. Along the west side of East Columbia Street, between Alberta and Cumberland Streets, should be a primary focus area for improvement of pedestrian and cyclist safety, comfort, and accessibility.
McBride	1. For future redevelopment east of McBride Avenue, support reduction in overall commercial footprint to best support existing retail cluster west of McBride Avenue. 2. Maintain the commercial footprint as part of any future redevelopment at the commercial node on the west side of McBride and Eighth Avenue.



1.0 INTRODUCTION

This document represents Phase 2 of the City of New Westminster Retail Strategy, an initiative that was commenced in 2021 with the goal of helping the City of New Westminster better position itself strategically to both take advantage of emerging retail trends, and to build upon the momentum that was already apparent in the period immediately before the onset of COVID-19 in 2020. The intent of the retail strategy is to set the basis for informed decision making around long-range commercial land use planning, strategic commercial area interventions, and proactive tenant retention and attraction.

The Phase 1 report, which was finalized in early 2022, was heavily focused on building a critical foundation of information. It included several key components, which are also updatable tools:

- A comprehensive City-wide **retail inventory**, to understand the precise tenant mix and vacancy levels in each retail area;
- A review of cell phone **mobility data**, to understand where New Westminster residents shop, and what drawing power the City's retail areas have across the region
- A series of **retail demand analyses**, to understand growth and positioning opportunities in each of the City's retail districts

That knowledge base set the stage for the work that is presented in this Phase 2 report, which culminates in a series of recommendations for City and partner organization actions to support the development of a robust retail commercial environment across the City. The report is laid out as follows:

That knowledge base set the stage for the work that is presented in this Phase 2 report, which culminates in a series of recommendations for the City and partner organizations and stakeholders to support the development of a robust retail commercial environment across the City. The report is laid out as follows:

Section 2 – Provides a recap of some of the notable retail trends that were highlighted in the Phase 1 document.

Section 3 – A discussion of principles, tools and strategies for supporting healthy commercial areas in New Westminster

Section 4 – a detailed review of each of New Westminster's major retail areas through a lens of strategies to help optimize their role and function.

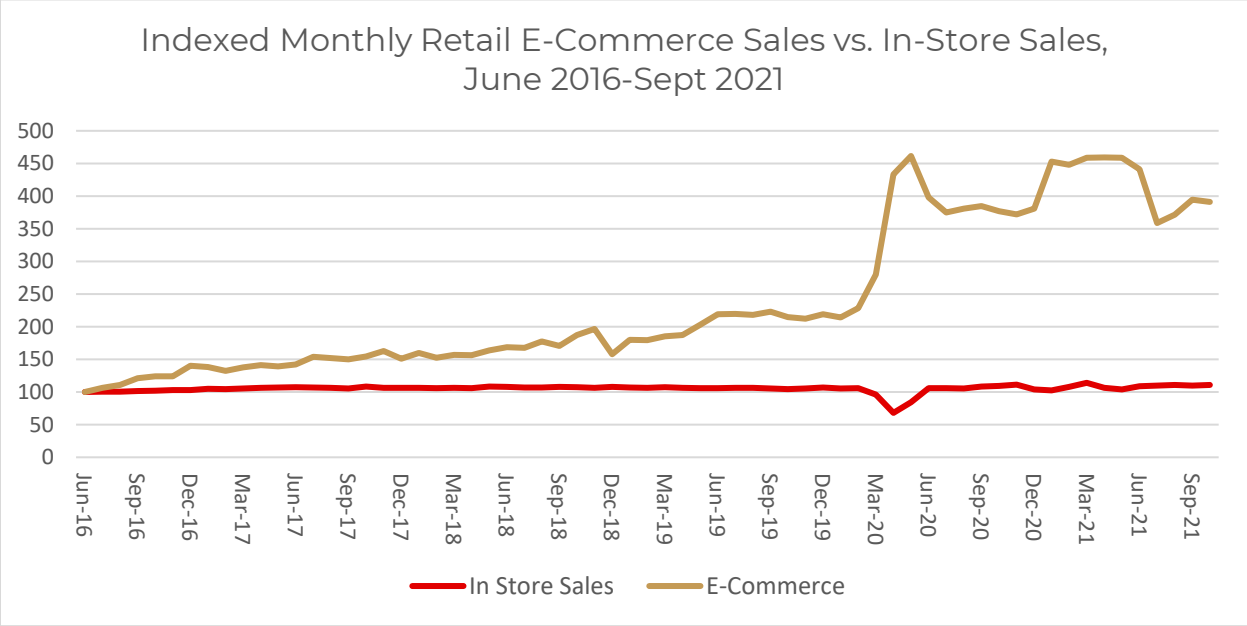
Section 5 – provides a synopsis of key planning priorities by sub-area, and recommendations grouped by category.

2.0 NOTABLE RETAIL TRENDS

The retail environment is rapidly evolving, and there have been many changes in the landscape in recent years. Some trends that were already notable in late 2019 were accelerated by COVID. Section 2.0 of the Phase 1 report outlined some of the notable retail trends to keep in mind. These trends are summarized below.

2.1 E-COMMERCE EXPANSION

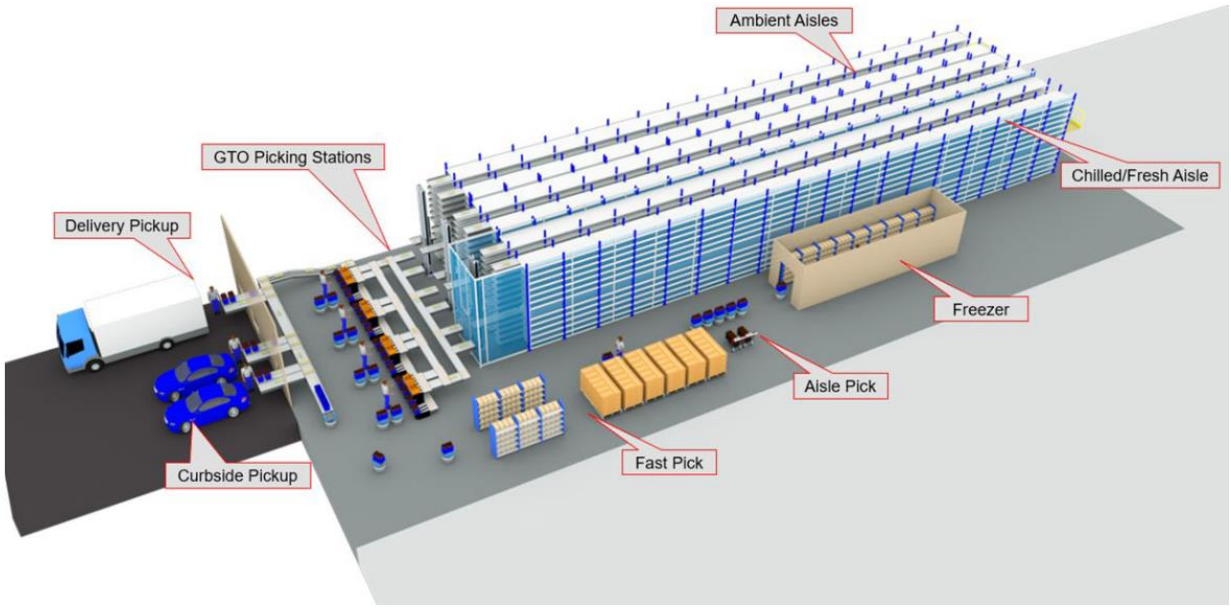
- E-commerce sales strength and growth was strong at year-end 2019, and was effectively 'supercharged' by COVID-related shutdowns.
- The figure below shows the relative position of e-commerce within the broader retail landscape in Canada. In the period immediately after March 2020, in-store sales plummeted and e-commerce surged. And, while in-store sales volumes have largely rebounded (although this is not true of all sectors), e-commerce remains far more prominent now than in the pre-pandemic period.
- There remains much room for growth in e-commerce. Canadian e-commerce sales still lag those in the US, Europe and other markets (e.g., 6.4% of total retail sales in Canada were online in 2020, compared to 21.3% in the USA).
- There will continue to be a need for street retail space, but the role of that space within the broader retail ecosystem will need to evolve. These spaces will need to be much more about experience and goods pick-up, rather than transactional spaces with on-site inventory.



2.1.1 MICRO-WAREHOUSING / DISTRIBUTION / LOGISTICS

The rise of e-commerce is driving the need for more / better distributed warehouses to facilitate 'last mile' delivery. The concept of micro-warehousing refers to distribution points as small as 3,000 square feet, at accessible locations closer to consumers. Accommodating these types of uses within urban environments requires responsive curbside management policies and modification of zoning.

Figure 1: Example of a Micro Warehousing / Distribution / Logistics Facility

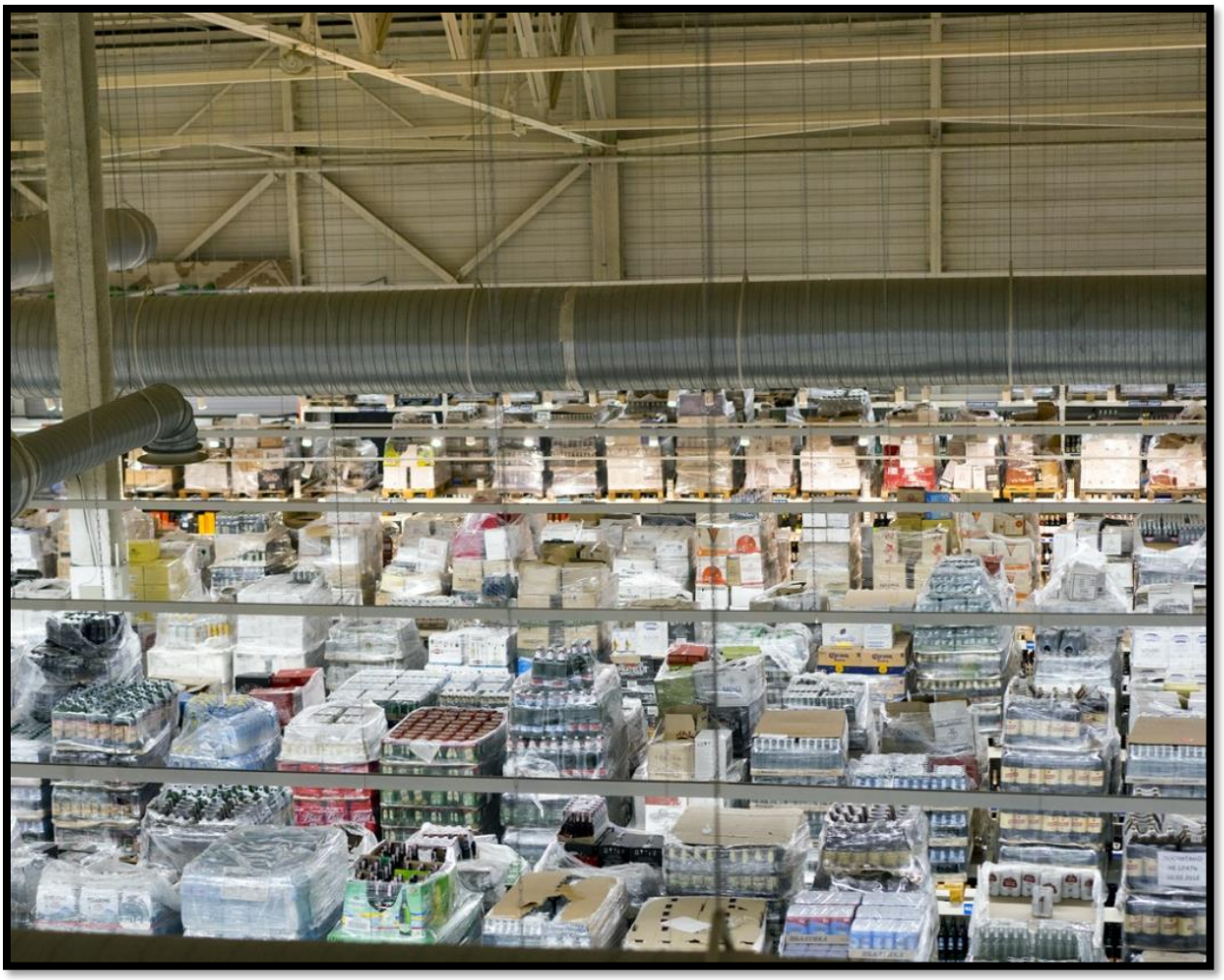


2.1.2 GHOST KITCHENS AND DARK STORES

Ghost kitchens are industrial kitchens designed to make food for pickup and delivery. A number of restaurant concepts have opened using ghost kitchens in recent years, with a goal of capitalizing on the growth in food delivery platforms. This was a trend pre-COVID, and has rapidly accelerated since. There are instances of multiple restaurants sharing a common kitchen facility and storage, as their primary (or only) business lines are delivery and pickup. There is also now an emerging trend of ghost kitchens within grocery stores.

As restaurants and grocery stores pivot into partnerships with delivery operators, these delivery services are expanding their purview through the operation of 'dark store' warehouses from which they offer free delivery of a limited range of items. Dark stores are a term for retail grocery stores whose sole purpose is the fulfilment of pickup and delivery orders. They are typically located in urban areas relatively near customers, can be smaller than traditional grocery stores or as large as a large-format retailer (e.g., WalMart), and may stock a smaller range of products. Sizes can range from under 2,000 square feet (186 square metres) to over 40,000 square feet (3,716 square metres).

Figure 2: Example of a Dark Store



2.1.3 LAND USE & TRANSPORTATION IMPLICATIONS OF E-COMMERCE

As the trend towards more e-commerce continues, the City will need to grapple with the land use and transportation implications. Enabling e-commerce means allowing for distribution uses in the right places – the market may wish for these to be in close proximity to residential density, but these uses have the potential to impact the vibrancy of retail areas if they are broadly permitted. Distribution facilities and delivery also has significant impacts on curbside management, which needs careful consideration.

Uses like dark stores typically arise in existing grocery store or big box store locations, where the business model shifts. These pivots also require consideration regarding the impact to the streetscape and community life. Where these impacts are minimal, however, allowing these uses outside of traditionally industrial areas would help protect scarce industrial lands for manufacturing and heavier industrial uses and allow for better use of underutilized commercial areas.

2.2 EXPERIENTIAL RETAIL

At its core, the evolution of 'experiential retail' in-store, relative to traditional in-store retail environments reflects the industry's response to better connecting with its broader customer base across all of a

retailer's relevant shopping and information platforms. While traditional retail environments prioritized an in-store experience intended to generate regular physical patronage and stimulate in-store sales, an experiential retail approach is more focused on prioritizing customer engagement with a retailer's brand across all key shopping and information channels, blurring the lines between customers' experience in-store, on social media platforms and on company websites.

To better meet customer expectations in a digital world, retailers with vastly different origin stories and platforms are leveraging the following key experiential retail principles to support overall marketing and sales efforts:

- **Prioritize customer engagement over sales** – In a multi-platform (i.e., omni-channel) business world, a retail store's main focus is on curating a brand experience for visiting customers, not necessarily converting in-person sales. Rather than physical check-out counters, retailers are increasingly having staff interact with customers wherever they happen to be in store, providing advice, insights, and support for online-based sales as needed. Apple stores offer an excellent example of this customer engagement vs. sales focus. On-line research can support in-store sales just as readily as in-store research and advice can drive on-line sales.

- **Provide an immersive and shareable experience** – Businesses are designing special in-store photo-ops, in-store social media-connected events and promotions, and interactive product experiences to better connect their customer base to the desired level of product experience. An excellent example of this is Casper Sleep, a US-based e-commerce company that sells mattresses and sleep products both online and in retail locations. In July 2018, Casper launched a showroom in New York City called The Dreamery, which allows prospective customers to book time in private sleep pods, where they can test out products on-site.

- **Nurture community building and foster communal interaction** – Retail stores and businesses can better integrate and support local communities and street-level activity by providing spaces intended for local resident and visitor interaction. This could include adding a juice/smoothie bar, a themed community notice board or even outdoor space designed for interactive displays or demonstrations. Brooklyn-based Solfire, an active-wear apparel company, includes all three, including a 'fitness oasis' space that can be used by local clubs and organizations for group exercise activities and on-site demonstrations.

- **Stimulate customers'/pedestrians' senses and draw them in** – One classic and well-understood example of fusing retail and entertainment involves creation of highly engaging and visually stunning window displays. Some of the most famous examples are the holiday-themed displays that grace the windows of major department stores like Bergdorf Goodman, Macy's and Bloomingdale's in New York City. Smaller stores can take a cue from these time-tested display methods, which can help to draw interest and support active streetscapes in businesses as varied as clothing and shoe boutiques, specialty food stores, artist galleries, photography shops and even commercial service-oriented businesses.

- **Defy customer expectations re: an in-store experience** – Another key trend in experiential retail is for businesses to do away with expected norms with respect to product displays, change rooms and cashiers. New York-based e-commerce retailer The Line has done exactly that in its innovative store concept knows as 'The Apartment by The Line' – literally a shopable apartment that allows visitors to browse products in a curated real-world setting. IKEA's curated store concept has done something similar, with its increasing use of innovative in-store interactive room displays.

- **Ensure the in-store experience addresses specific consumer needs** – While Amazon has done this with its Amazon 4-star retail stores, which provide customers with curated displays highlighting categories of products featured on its ever-expanding website, other retailers are taking customer service to new levels by partnering with other service-based platforms. Furniture stores have increasingly been incorporating home installation, assembly, and repair

services into its offering; IKEA partnered with TaskRabbit, an online platform that connects customers with local service providers to help assemble and install furniture while Wayfair furniture partnered with Hany, an on-demand platform that connects customers with local household professionals/tradespeople.

The City of New Westminster can and should foster a climate that supports the growth of experiential retail, with a focus on high-priority blocks in identified great streets. As experiential retail principles are primarily about driving interactive experiences for existing and prospective customers, the City could explore integration of these concepts and principles within the context of retail design guidelines. These could initially be focused on the City's Downtown Columbia Street commercial area.



3.0 PRINCIPLES, TOOLS, AND STRATEGIES FOR HEALTHY COMMERCIAL AREAS IN NEW WESTMINSTER

Why do some retail areas thrive, while others stagnate and struggle to fill vacancies, despite what may appear on the surface to be similar assets? In this section we explore key principles, tools, and strategies for fostering a dynamic and resilient retail market across the City of New Westminster's retail nodes and corridors. It is the balance between many factors that generates the appeal and attractiveness of an area, for businesses and customers alike. There are some universal principles that apply to many types of areas, which contribute to an area's overall comfort and level of attraction. There are also principles that relate specifically to commercial area vitality and viability, and the health of individual retailers. We have organized the content in this section to be as 'action oriented' and New Westminster specific as possible.

3.1 VISION STATEMENT

During the engagement and research phases of this project, several key themes came up which have been distilled into a vision that illustrates the importance of commercial areas for the community. All of the principles, tools and strategies discussed throughout this document tie back to this overarching vision.

> ***New Westminster's commercial districts are hives of economic activity, social diversity and cultural expression. Reflecting the dynamic nature of surrounding neighbourhoods, they are integral to the well-being and prosperity of the community. Small businesses are the heart of the local economy and influence the unique character of each commercial area, while larger retail and non-retail employers play an influential role, acting as important "activity anchors" for bustling retail streets.***

3.2 CHALLENGES OF MAINTAINING RETAIL DIVERSITY

The mix of retail and service uses in an area, along with its building stock and unique elements making up the public realm, are what differentiate one shopping area from another, and make each part of the City unique. The combination of businesses reflects the character and makeup of the surrounding area's culture and history, in turn making each area attractive as a unique destination. For example, some of the businesses located along upper Twelfth Street are reflective of the larger community's cultural makeup and serve as character destinations for residents and visitors across the city and beyond.

Redevelopment can have disruptive impacts on independent (or small chain) business' access to their local markets. Redevelopment often removes older, lower cost space from the market, replacing it with space that seeks rents (or sale prices) beyond what existing businesses are able to pay. Oftentimes developers / landlords are equally constrained, as they require those higher rents to make their pro forma work. Businesses' ability to pay rent varies by category, and once a rent-to-sales ratio threshold is exceeded, businesses cannot survive.

Local independents or small chains can also find it hard to access space in new developments even if they can afford to pay the new asking rents. This is because many developers tend to lease a high proportion of their space to larger, established businesses for a number of asset-based financial reasons, including the need to secure financing from their lenders. It is also easier for many commercial property managers and brokers to work with proven businesses. There are, however, cases where developers will deliberately lease portions of their space to independent businesses to differentiate their projects and contribute to neighbourhood health and vitality.

Through direct engagement with small businesses in New Westminster, it was found that a primary barrier for more small businesses is the cost of establishing a brick-and-mortar location. Shared retail spaces, such as "nooks", are an option, but the cost and reliance on third-party salespeople can be a deterrent. Location and product type are also critical factors in the success of a physical store. Aspirations of small businesses include diverse, walk-by shops, higher-quality retail selection, busy and energetic locations, and locations in mixed-use environments. Seasonable indoor space for small businesses during fall and winter months could be way to provide businesses with affordable space they need. There may also be opportunities to support retail diversity through other shared resources for both production and sales. More details on findings from business engagement can be found in **Appendix A.**

3.3 KEYS TO SUCCESSFUL RETAIL IN NEW WESTMINSTER

Fostering a successful retail market that aligns with the City-wide vision statement and supports the continued evolution of New Westminster's unique commercial areas will require an ongoing commitment to the following core retail planning principles and actions.

3.3.1 TRACKING CITY-WIDE AND AREA SPECIFIC RETAIL MARKET DYNAMICS

By initiating a City-wide retail strategy, the City of New Westminster has established a new set of critical tools for evaluating the health and vitality of the City's retail market. These tools must be kept current and revisited frequently, which will allow for an understanding of changes to health and vitality, as well as long-term tracking of changes. The latter is critical for identifying new patterns and trends, allowing for adaptation and effective early responses to new challenges and opportunities.

To maintain an active program of tracking retail market dynamics, the City should **update the following every 3-5 years:**

- **Acquire and Evaluate Full-Year Mobility Datasets** to assess flow patterns and destinations of local residents, daytime workers and visitors. As the 2019 cellular mobility dataset was acquired to support development of this retail strategy, a similar dataset should be acquired to support analysis of patterns for the 2022 calendar year.
- **Revisit and refine the City's retail trade area delineation based on an up-to-date understanding of retail drawing patterns** as defined through review and tracking of shifts to mobility data patterns. This would include confirmation or refinement of currently defined City of New Westminster trade areas, but also careful review of the number and extent of trade areas outside the City likely to contribute significant local spending on retail, arts/ culture, food & beverage, and other services
- **Research and update changes to key demographic data across the City's retail trade areas**, to better understand local area resident characteristics, shifts in same, and to support updated retail demand analysis.
- **Update New Westminster's retail commercial inventory**. This will ensure continued understanding of category representation, business mix, business sizes, vacancies and other patterns over time, and allow for evaluation of potential under or over-supply conditions.
- **Update demand analysis.** Leveraging updated trade areas, related population data and the most current retail trade dataset, review demand for retail, by category, across all trade areas. This work, which should be timed to coincide with retail inventory updates, will help to determine a healthy market-supportable retail-commercial floor area mix for each of the City's sub-areas.

- **Evaluate results of updated retail supply and demand to evaluate under/over supply.** This work can help to support:
    - Changes to planning and zoning policies over time
    - Business attraction and retention efforts of local BIAs and business associations

3.3.2 MONITOR LOCAL AREA BUSINESS MIX AND KEY HEALTH INDICATORS

The City should leverage its City-wide retail market analysis (described above) to better coordinate monitoring and tracking of local retail area health and vitality indicators. **Key indicators of local area market health**, which could be regularly tracked in collaboration with local BIAs and business associations, are outlined below. A sample health and vitality tracking 'report card' tool is presented in **Appendix C.** A simplified version of a report card could be applied, based on the 'metrics to track' outlined below.

Commercial Vacancy Rates

- Local commercial area vacancy rates should be regularly tracked on a unit and floor area basis.
    - Vacancy rates of 3% to 7% are considered 'healthy' with sufficient opportunities for potential relocation and / or expansion, and market entry of new businesses .
    - Vacancy rates of 7% to 10% are considered moderately high and may indicate opportunities for additional business attraction, retention, or expansion.
    - Vacancy rates over 10% are considered unhealthy and this is likely indicative of underlying issues with respect to the quality of an area's business mix, the presence or lack of retail and non-retail anchors, potential changes to the trade area due to competition and / or population growth factors, or suitability of commercial space to accommodate new business needs.
- Vacancies and suitable tenant types should be tracked by the City / Economic Development, in collaboration with local BIAs and business associations, to better support interest from possible market entrants or businesses seeking relocation or expansion.

***Metrics to track**: Vacancy rate, on unit and floor area basis. Consider vacancy rate ranges listed above as 'healthy, moderate, unhealthy'*

Active Uses at Grade along High Priority Sections of Great Streets

The City should adopt a clear definition for "active uses" along these important streets, including:

- Uses which are optimal generators of street-level activity / vitality, including restaurants, retail and specialty foods stores, specialty retail stores, arts, culture and entertainment uses, and personal service-oriented businesses that generate frequent customer traffic.
- Uses which are not optimal for generating street-level activity, but which can be designed and or adapted to better support street-level vibrancy. This can include businesses in finance, insurance and real estate sectors, whose commercial environments, window treatments and signage can be designed to support active streetscapes.

The approach to ensuring active uses along the priority sections of great streets should be to permit and encourage fully 'active' uses, allow other uses provided that they meet certain conditions that make their

interface with the street more compelling (e.g., no covered windows), and not allow professional office uses.

The portions of Great Streets that should be designated for 'active uses' are:

- Columbia Street (Downtown) between Eighth Street and Fourth Street
- East Columbia Street (Sapperton): between Braid and Knox Streets
- Sixth Street (Uptown): between 5th and 7th Avenues
- Twelfth Street: between Nanaimo and Edinburgh Streets
- Ewen Avenue (Queensborough): between Gifford and Howes Streets

***Metrics to track**: Proportion of businesses and floor area occupied by active uses along priority areas of Great Streets*

Presence, Number and Health of Non-Retail Anchors

A core principle of the retail strategy is to better leverage the City's varied arts and culture offerings, including linking to initiatives and objectives outlined in the City's Arts Strategy. Ongoing inventory and health tracking should continue to identify the presence and condition of important non-retail activity generators located within / near each of the City's commercial areas.

Important non-retail anchors include schools, community and recreation centres, arts / culture / entertainment centres, artist collectives / galleries, visitor centres and convention centres, among others. These uses serve a vital role in supporting and driving activity and spending throughout the city's commercial areas and should be considered (ideally by the City, in collaboration with BIAs and business associations) for future targeted retail surveys for staff, students and visitors.

***Metrics to track**: Presence and number of non-retail anchors. Consider both presence and location within precinct (i.e., are they well located to be activity generators for other uses)*

Presence, Number of Large Retail Anchors or Category Clusters

Shopping areas require one or more anchor tenants to draw customers. Anchors can be specific businesses (e.g., a large grocery store or general merchandiser), or can be a cluster of similar businesses that create drawing power (e.g., fashion, formal wear, home furnishings). For very small scale retail nodes, an anchor could be a café, a bakery, a small local grocer / café / general store, or a hybrid business. There are also institutional anchors such as community centres, swimming pools, and libraries. A combination of arts / culture / entertainment and food & beverage establishments can be an anchor as well.

Common commercial anchors for local, neighbourhood / community-oriented shopping areas are:

- Grocery stores
- General merchandise stores
- Clusters of relates stores or restaurants
- Destination businesses like a notable café, bakery, bike shop etc.

Optimal conditions would, for example, provide all residents with non-automotive access to a full-service supermarket within 10-15 minutes of their place of residence.

The loss of a retail anchor can have devastating knock-on effects for retail district health and vitality. A recent case study of this phenomenon in the Metro Vancouver region is Point Grey Village. The loss of the retail grocery anchor (Safeway) rapidly accelerated what was already a trend toward higher vacancies

in the area. The retail village now struggles with persistent high vacancy up to 17.5% as of summer 2022.[3] It does not have an anchor tenant (a new grocery store will open, but not for at least 3-5 years), and due to competition elsewhere, it has a shrinking trade area both in size and population.

The design of anchor facilities (retail and non-retail) is critical. They can add to the attractiveness of a street if they integrate well into the block fabric and provide street continuity and interest. They can also significantly detract from area attractiveness if they are defined by blank walls or surface parking lots. Non-retail anchors like a community centre or a gallery may include some retail /service uses (e.g. cafes / restaurants, boutique retail) that generate street activity.

The continued growth of e-commerce across many retail sectors may change the types or scale of businesses that serve as anchors. For instance, many traditional department stores and general merchandisers that once anchored community and regional malls have disappeared (e.g., Zellers, Eaton's Sears), and other large businesses are today reinventing themselves to survive. At the same time, most day-to-day convenience needs like groceries, pharmacy / health / beauty products and convenience services (i.e., the basket of uses that anchor most local shopping areas) are proving very resilient in the face of e-commerce. This is a function of the value of convenience, immediacy, familiarity, and in some cases, the ability for these businesses to be points from which e-commerce goods can be picked up.

It is critical for local BIAs, business associations, and those responsible for planning and economic development to keep tabs on the health and vitality of key anchors (retail and non-retail) in different retail areas. This 'ear to the ground' approach will allow for early interventions and discussions as issues arise. In some cases, a BIA can and should play this role. In other areas where there is no BIA, the City may need to take a more proactive role in tracking health and vitality in a regular, systematic way.

***Metrics to track**: Presence of grocery stores and / or clusters of a business category. Also consider location of anchors vis-à-vis the precinct, and how the anchor interfaces with the public realm.*

Mix of Independent vs. Chain

While there are no hard and fast rules to determine optimal mix by retail centre type, healthy retail markets tend to include a broad mix of local and chain retail, restaurant and service businesses, which effectively provide a balance between unique character and flavour, and broader market appeal. Local independents operating successfully in a single location can help define the character and spirit of a neighbourhood commercial street. Larger regional, national and international chains operating in many locations and markets tend to offer more universal market appeal, as well as the covenants required by major commercial property owners and developers.

While shopping centre spaces are carefully curated by larger commercial property owners and investors, those located in commercial street districts tend to be managed by BIAs, business associations, and local property owners. In more compact urban markets such as New Westminster, more chain-oriented centres can serve as activity generators that can in turn effectively support patronage in neighbouring street commercial districts, which tend to house a much higher proportion of local independent businesses. Local character areas known for their unique market offerings can and should be monitored by local BIAs and business associations to ensure that the area's unique character and feel are not being dampened by the presence of too high a proportion of more ubiquitous chain businesses.

[3] City of Vancouver 2022 Storefronts Report, June 2022.

***Metrics to track**: chain vs. independent, with chain broken out by type of chain (i.e., local, vs. national).*

Retail Sales Trajectory

Within a standard triple-net[4] commercial lease, there are typically two components: the base rent, and the additional rent. Base rent is the per-floor-area rent that is negotiated with the property owner, not including tenant inducements.[5] Additional rent is a combination of taxes, insurance and operating expenses.

Being able to anticipate and plan for overhead costs is a key component of business health and vitality both in the short and long terms. This includes staffing costs, product costs and rents. Typically businesses think about rent in terms of a rent-to-sales ratio. Each business category has different abilities to pay rent, but a rule of thumb is that if a business is paying more than 20% of its gross sales in combined rent, it is unlikely to survive for more than a few years (and sometimes less). A stable and relatively predictable overhead, including rent, is thus critical to business health. Property tax volatility that occurs in some neighbourhoods, especially those experiencing significant development pressure, can be a major issue for small businesses. There remains a need for property tax reform such that small businesses operating in areas where there is significant development potential are not burdened with taxes for those unused development rights.

It can be difficult for municipalities to track tenant sales levels in a street retail environment, as sales are generally not reported to landlords and there are no municipal-level sales taxes from which sales levels could be inferred. Some municipalities, such as the Cities of Toronto and Vancouver, have begun to purchase **point-of-sale transaction data** from companies like Moneris, Visa and Apple Pay, to gauge the overall sales trends of their retail districts.

New Westminster may consider acquiring point-of-sale data as part of broader efforts to track change in retail precinct health and vitality, to gauge the impacts of temporary or permanent interventions (e.g., introduction of new bike infrastructure, or public plazas, or some other public realm improvement), and as part of a proactive tenant retention and recruitment toolkit.

***Metrics to track:** if point-of-sale data can be acquired, track monthly sales trajectory by category.*

Visitation Patterns

Through frequent review / analysis of cellular mobility data, the changes to visitation patterns in each commercial precinct can be tracked. This data can answer questions such as:

- What is the proportion of patronage from nearby residents vs. those from farther away?
- What is the vitiation volume?
- What is the visitation pattern by time of day, and weekdays vs. weekends?

[4] Triple net lease (NNN) is a lease agreement whereby a tenant pays all expenses of the property including real estate taxes, building insurance and maintenance. These items comprise the 'additional rent' and are in addition to the fees for rent, utilities and other payments typically the responsibility of a landlord in the absence of such a lease.

[5] Tenant inducements are a form of consideration given by a landlord to attract a new tenant or to have an existing tenant renew a lease. Depending on the contents, the concept may be known as a "concession" or a "rent abatement" rather than an inducement. Common types of inducements are free rent periods, renovations, and allowances paid to the tenant.

***Metric to track**:annual and monthly visitation patterns*

Adoption and Integration of Experiential Retail / Restaurant, Service Concepts

Phase 1 of the Retail Strategy identified a range of innovative concepts that align with the City's broader retail vision and objectives related to more experiential and interactive retail, restaurant, and business concepts. Attraction, integration, and retention of these concepts (e.g., micro-commercial, adaptive re-use of automotive structures), into the New Westminster retail market can and should be pursued and monitored over time.

3.3.3 INVESTMENTS IN QUALITY PUBLIC REALM AND RELATED MAINTENANCE

Safety and Cleanliness

Retail health depends on the comfort level of customers. The longer a customer 'dwells' in an area, the more money they are likely to spend. Both reality and perception of safety are important as they both impact comfort levels. An area can become stigmatized in a long-lasting way if there is a real or perceived issues with crime and personal safety, and this stigma can stay with an area long after actual issues are reduced or eliminated. Other factors such as traffic speed and collisions (especially between cars and bikes or cars and pedestrians) can be key issues that will keep people from coming to a certain area. Overall retail area cleanliness tends to be an indicator for level of care, and also can be a proxy metric in people's minds for level of safety.

Achieving clean, safe, and friendly retail areas requires coordinated efforts from multiple parties, including the City, local businesses and property owners, and BIAs / business associates (where applicable). Some of the key goals are:

- Clean level sidewalks and alleyways to promote walking and rolling
- Seamless interfaces between streets and buildings
- Safe crossings to connect both sides of the street and encourage cross-shopping
- Street trees to mitigate climate impacts and improve pedestrian comfort, while not interfering with business visibility.
- Generous public realm for merchandise displays, seating and queueing
- Good lighting to extend shopping hours and improve comfort particularly during the winter
- Generous pedestrian weather protection

Compact Walkable Retail Areas

Areas with higher store concentration and generally compact layout can be more appealing places to walk and linger. This 'compactness' principle can apply even to very long retail streets (e.g., Commercial Drive BIA in Vancouver, which encompasses 2 linear kilometres), as they can consist of unique individually anchored 'nodes', each with their own immediate walkable trade areas. Further, if the storefronts along the street are relatively contiguous (i.e., no 'broken teeth' of vacant lots, blank walls, and drive-throughs), this can make the experience of walking the street much more enjoyable, with less perceived distance while walking.

Some rules of thumb for high-quality linear shopping streets:

- Have an anchored 'core' area that allows for a 5-10 minute walk from end-to-end (or multiple 'cores' in the case of long streets)

- Storefront entrances every 8-12 metres on average, to maintain visual interest, with limited non-active uses along the street
- Accommodate larger stores by 'wrapping' blank walls with small, shallower retail stores (ideally 1:1 depth). If an older large building already exists and this is not possible, find ways to animate the blank wall through public art.
- Ensure ease of crossing form one side of the street to the other.

Sidewalk Interface and Building Frontages

- Building interfaces with the public realm should be considered in the context of the entire area
- Ensure that people walking the sidewalks can easily see into the store windows. This requires appropriate regulations around glazing, façade treatments, signage and placement of street trees and signage
- Provide additional open space through setbacks that include amenities such as trees, seating, lighting and displays
- Design façade and setbacks to enable retail tenants to use the areas for planters, benches and merchandise.
- Ensure the transition from sidewalk to retail space does not have visual or physical obstacles
- Where possible, wrap long store frontages with smaller retail storefronts

Many older buildings have lower ceilings, deeper stores, smaller windows and more limited ventilation and other infrastructure. They may also have issues with universal access and meeting code for desired uses. However, for some use categories, these older spaces can be attractive for a variety of reasons including character, location, and cost.

Cycling Infrastructure

The City of New Westminster is making investments in new cycling infrastructure. This type of infrastructure has been shown to have measurable positive impacts on the desirability of an area and on the health and resilience of local businesses across a range of categories. Where once many businesses (and BIAs) were opposed to bike infrastructure on the grounds that losing street parking would negatively impact business access and revenues, now many businesses and business districts are finding that the opposite is in fact true.

- **The Downtown Vancouver BIA (DVBIA)** was initially heavily opposed dedicated downtown bike infrastructure on Hornby, Dunsmuir and other routes, due to the loss of street parking and feared increased congestion. Since that time, the DVBIA has become a strong bike lane supporter and advocate on the grounds that it can be a net positive for retail sales year-round. It is also aligned with the desires of many major employers, who find it to be a benefit in attracting and retaining staff.[6]

[6] "Ten Years of bike lanes in Vancouver: Life goes on, chaos averted." Gordon McIntyre, Vancouver Sun. July 16, 2019.

- A **2012 study in New York City,** following construction of a bike lane on a major avenue, found that local businesses saw an increase in retail sales of up to 49%, compared to a 3% increase in the rest of the City.[7]
- A broader evaluation of bike lanes in **New York City in 2014** indicated that streets with protected bike lanes experienced retail sales spike by up to 24%, compared to streets without protected lanes.[8]
- A **2015 study in Salt Lake City** found that there was a notable sales bump associated with new bike lanes.[9]
- A study in **San Francisco in 2013** found that people who are walking or biking to a major retail street are visiting more often, so while those travelling by car may spend more money in a single trip per week, the easy access for cyclists and pedestrians means they are visiting more frequently.[10]
- In **Toronto, a 2017 study on business activity and protected bike lanes** on the downtown Bloor Street arterial found "a positive or at least neutral" impact, with most merchants reporting more customers after the lanes were installed.
- A more detailed follow-up study for **Bloor Street in Toronto in 2018** looked at data from door-to-door merchant surveys, a pedestrian intercept survey, and actual customer spending data from Moneris point-of-sale payment processors. The latter data set demonstrated that, while per-transaction size marginally decreased in the pilot bike lane study area (vs. a surrounding area and separate control areas), total customer spending increased more than in the area surrounding the pilot and another control area.[11]

3.3.4 TOOLS AND STRATEGIES

Below are additional tools and strategies focused on reducing barriers and creating compelling environments for businesses to thrive. Some of the tools and directions discussed here are already being pursued in New Westminster. Others are presented as ideas based on examples / initiatives elsewhere. Some opportunities connect with other City strategies and goals, including the Arts Strategy goal of becoming a vibrant artistic centre that supports the diversity of creative expression.

Land Use Flexibility and Permitting

Zoning that is permissive of and nimble enough to accommodate an appropriate range of uses, both permanent and temporary, and which does not inadvertently discourage or prevent changes of use or experimentation with new retail /service concepts, will be important for New Westminster to continuously monitor. This will become increasingly important as the nature of retail and service commercial continues to evolve and the need to constantly adapt and experiment with new concepts becomes even more fundamental to business survival. Use regulations need to provide this level of

[7] "Measuring the Street: New Metrics for 21st Century Cities." New York City Department of Transportation, November 2012
[8] "Protected Bicycle Lanes in NYC." New York City Department of Transportation, September 2014.
[9] "Salt Lake City Cuts Car Parking, Adds Bike Lanes, Sees Retail Boost." Oct 6, 2015. Usa.streetsblog.org.
[10] "Polk Street Intercept Survey Results." San Francisco Municipal Transportation Agency.
[11] "Bloor Street West Bike Land Pilot Project Evaluation." City of Toronto Report for Action, October 3rd 2017.

flexibility to support a vibrant community while also discouraging unwanted uses or problematic adjacencies, particularly on the City's Great Streets.

Building codes set minimum requirements for safety, health, accessibility, fire, and resource efficiency. While some code requirements can present barriers for re-use and change of occupancy applications, especially when considering older buildings, there are opportunities to consider alternative compliance paths. For example, installation of sprinkler systems can accommodate a wide range of non-conformities in existing buildings. Sometimes modest proposed physical changes can trigger significant (and expensive) upgrade requirements because of a change in use or increase in hazard level. In order to minimize the impact of such improvements, the City may consider a compliance plan model that allows a phased adoption of upgrades to offer a sensitive and flexible approach to the business operator. Other cities have successfully used an alternative compliance approach in the application of code upgrade requirements, allowing for some flexibility that can go a long way towards making new businesses (including temporary pop-up uses) viable.

Permitting delays can cause significant business financial stress before opening, which may in some cases lead to near-term business failures. Ensuring a simplified, streamlined permitting process, with supports for small business (e.g., a centralized point of contact for information and assistance) can make all the difference for small businesses looking to open or expand. The continued prioritization of commercial building permits (e.g. tenant improvements) will reduce risk for business, with an increased impact on local, small-scale operators. Ensuring a **consistent permit expediting program** across all City departments would extend this benefit to assist more business operators.

Noise regulation, loading zones, and partnerships with fire and police are all levers that the City has to further enable and promote the City's growing arts and culture assets. New Westminster's growing reputation as a destination for art and live music, along with its centrally located position in the region, provide a unique opportunity to opposition the City as a major cultural destination. The City can use the levers at its disposal (noted above) to support these initiatives. The City can

Development Permit Areas and Retail Design Guidelines

Through the establishment of **Development Permit Area** (DPA) guidelines, New Westminster can (and already does) regulate the orientation and design of commercial buildings, and embed typical elements of retail area success into requirements for new buildings. The Downtown DPA for instance has a section on commercial street front regulations, which speaks to many critical elements of retail design including storefront opacity, doorways, lighting, landscaping, signage, outdoor seating, discouraging of blank walls, and other key elements.

There may be a role for more detailed set of design guidelines pertaining to retail units, in the form of a **Retail Design Guide** or manual. These would be intended to provide best-practice guidance (not regulation) related to the design of retail buildings / spaces for both staff and development proponents alike. It would contain guidance related to key variables and factors to consider when planning and approving a commercial space (stand-alone or in mixed-use settings). This would help to ensure that when new retail space is brought to market, its design is conducive to accommodating the types of tenants the area requires or wishes to attract, and that the street-level interface between the retail space and the public realm is designed in an optimal way. There are many instances where retail space is an afterthought, particularly in mixed-use settings where the primary use may be condominium apartments and the retail is provide as a requirement, by a builder that does not have retail expertise.

There are well-considered examples of such retail design manuals in other North American cities to draw from, including New York, Toronto, and Calgary. These manuals touch on considerations such as:

- Frontage and Depth

- Internal Characteristics
- Useable Outdoor Spaces
- Storefront presentation

Street Prioritization and Active Uses

Street prioritization and **active uses along select sections of Great Streets** was already touched upon above as part of the discussion on health and vitality monitoring (Section 3.3.2). We touch on it again here as it is both something the City can (and should) monitor, and actively encourage through planning policy.

Zoning can be used to explicitly identify priority areas (as outlined previously) and put forward specific provisions associated with those areas. In these areas, zoning may have requirements related to at-grade units being occupied only by active uses (or equivalent type of language), with specific lists of uses that meet or do not meet that criteria. Active uses are typically considered to include retail (including grocery stores, comparison and other kinds of retail), and restaurants / cafes. Additional uses such as financial institutions could be desirable neighbourhood-serving uses that are ideally located on Great Streets, even though they may not be 'active.' Provision can also be made for allowing for additional uses that meet City priorities (e.g., child care and non-profit service organizations).

Policy can also require specific elements related to design, types of uses that should be located on second floors or lower levels, and / or how larger stores interface with the street (e.g., provisions to require large-format stores be wrapped by smaller stores). Requiring that non-active uses be fronted by accessory retail can also help these kinds of businesses integrate well into a Great Street (e.g., a doctor's office at the rear of a pharmacy, or a yoga studio behind accessory retail sales).

The logical street prioritization within New Westminster is to locate active uses along select portions of Great Streets. These have been outlined previously.

Temporary Uses and Business Incubation

Policies supportive of temporary uses ('pop ups') in spaces slated for demolition or extensive renovation, and uses of vacant lots, ca be very helpful in animating streets, bringing vitality to retail areas, and helping to incubate new local businesses. Pp-ups can allow for a changing roster of businesses in an area, which not only provides an entrepreneurial ecosystem for new idea to be market tested and scaled, but can help to entice consumers to repeat visitations to see what is changing over time. Pop-ups can also be beneficial to landlords, as they can provide low-cost space to start-ups in exchange for basic property maintenance and upgrades.

While it is often the case that pop-up initiatives are driven from the grass-roots level, with support from BIAs and Business Associations, landlords and local entrepreneurs, City policy can be supportive of these types of initiatives by both ensuring there are no unnecessary regulatory barriers (zoning, building code etc.), and helping to actively promote temporary use as something for entrepreneurs to consider as part of their business start-up. The c

Examples of Successful Pop-Up Retail – City of Toronto

Market 707

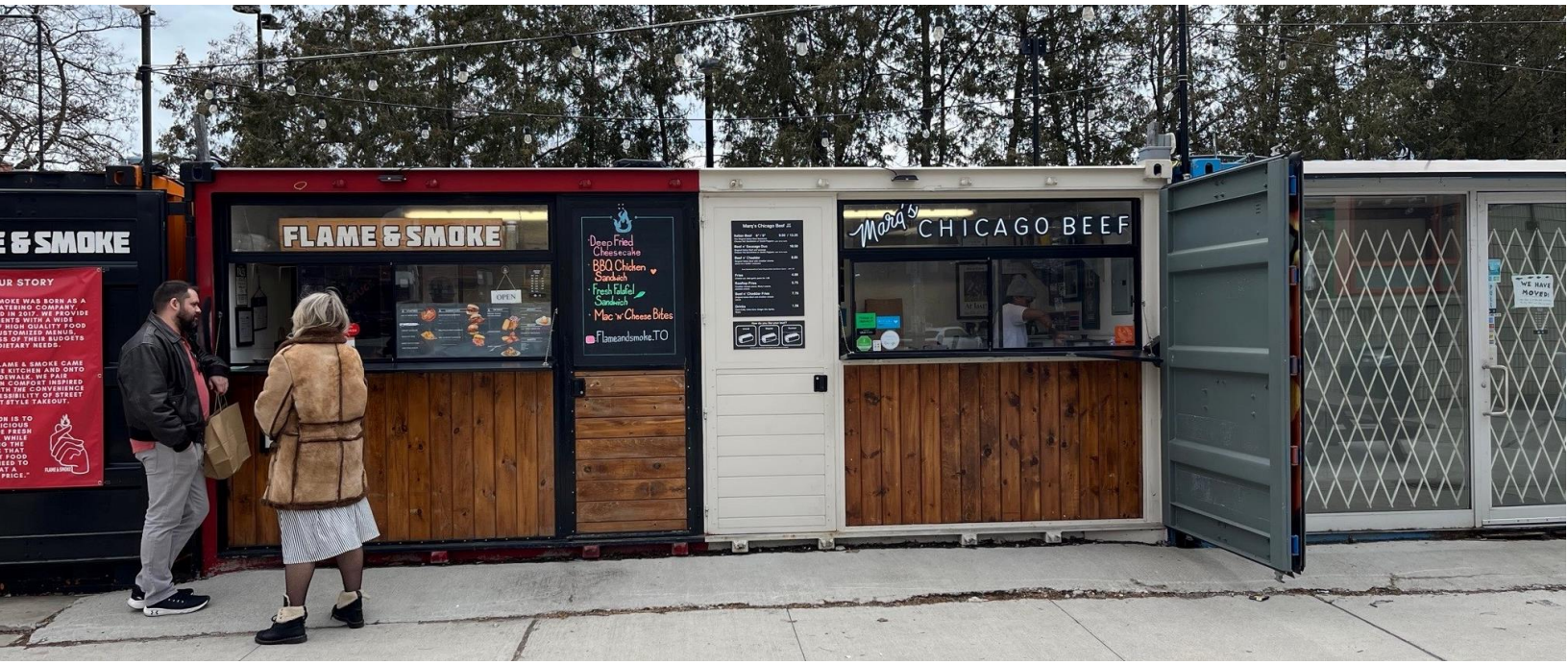
- One of Canada's more prominent examples of pop-up shops success in the last decade
- Comprised of a group of 17 shipping containers, repurposed to small-scale restaurants, retail shops, and service providers on the property of a city-owned community Centre (illustrative photo below)
- It is used to test new micro-businesses at a deeply subsidized rate
- It has made business start-up possible for many who could not otherwise fund the start-up costs

Danforth East Pop-up Project

- An initiative of the neighbourhood Community Association with funding from residents and grants
- Focused on an area with considerable vacancy and older, deteriorating building stock.
- With a dedicated staff of 2, the Association identified empty storefronts, engaged with the landlords, prepared available stores with willing landlords to be move-in ready for pop-ups, invited and screened pop-up prospects, and selected those deemed most suitable.
- The least structure involved a very low base rent, along with a commitment to pay 10% of sales beyond the agreed baseline
- Over 8 years, the project has hosted 32 pop-ups.
- 15 of the 32 pop-ups have gone on to convert from temporary to permanent leases in their spaces
- There was a high degree of landlord uptake in the program, and overall the business district saw vacancy drop by 2/3rds.
- Six new small enterprises were successfully incubated.

Lessons:

- Programs like these are best suited to areas where vacancies are very high (15+%), and where there is some excitement and coordinated interest in making change (e.g, an engaged resident association, landlords and other stakeholders)
- An initiative like this needs to be closely coordinated with existing businesses to ensure that there is a supportive environment.



Another approach to helping incubate new business is the provision of dedicated services or storefront spaces (including shared spaces) geared toward certain priority sectors. This may involve City collaboration through grants, expertise or direct provision of space.

A local example of business incubation supports is the *Surrey Business Incubation Network*. Launched under the name "Startup Surrey", this is a consortium of local technology entrepreneurs, supported by the Board of Trade and the Downtown BIA. It is designed to provide a one-stop access point for resources related to business start-up, growth, financing, relocation, expansion, and operation.

The City may also be able to directly or indirectly **provide commercial spaces** targeted toward incubation of certain priority sectors for non-profit users that would not be able to pay commercial rents (e.g., artisan collective). This could include co-working spaces. Some examples include:

- **Quesnel's "Sprout Kitchen"** – a small-scale food processing hub started by the City of Quesnel with funding from the Province, it offers new and established food businesses and community groups access to shared processing infrastructure including equipment, business advisory services, product development services, analytic services, applied research opportunities, and education and training.
- **Toronto's "Food Incubator Tenancy Program"** – the City was conveyed title to a commercial space outfitted with commercial-grade kitchen equipment, by a local developer, as an "amenity contribution" condition of development approval. The City is subsequently entering into lease agreements with start-up entrepreneurs (selected based on defined criteria) at below market rents.
- **Edmonton's Public Food Hub** – a project enabled by a $600,000 investment by the City in a centrally located warehouse building. This project aims to include a public market, retail and event spaces, a food business incubator, production facility, and 13 shared commercial kitchens.

Other possible City-sponsored or operated initiatives to support small business may include:

- Workshops for small business skills (lease negotiations, business plans, market research etc.)
- Working with business associations on programs to support small business through consulting services
- Grants to local arts and placemaking initiatives that support business
- Working with BIAs on programs such as "shop local" promotions, street closures and festivals.
- Working with BIAs to provide online resource pages for existing and prospective businesses, that includes:
    - Information on permits, licenses and funding opportunities
    - Directory and map of businesses (by category)
    - Up-to-date information on vacancies (location, size, building information, asking rates)
    - Local business features
    - Member resource pages (marketing support, city resources, events)

Tax Revitalization and Grant Programs

The successful application of municipal incentive programs can help achieve beneficial outcomes in a direct and targeted manner. Ideally, these programs are structured in a way that leverages the maximum amount of private sector investment and spin-off benefits with the minimum cost to the municipality. While grants need to be significant enough to be a 'nudge' factor, they simultaneously need to meet the "but for" condition – that without government intervention, the desired activity would not have occurred.

Tax Revitalization Program: The Community Charter (ss. 226 and 227) provides that municipalities may, by bylaw, exempt a target area of specific properties from municipal property taxes for up to 10 years in order to encourage economic, social or environmental revitalization. The implementation of a revitalization tax exemption program would not trigger exemptions from school and other provincial property tax (i.e., the exemption would only apply to the municipal portion). To use this authority, a Council must establish a **revitalization program** with defined reasons / objectives, enter into agreements with property owners, and then exempt those properties from taxation once all specified conditions of the program and agreement have been met. Exemptions may apply to the value of land or improvements, or both. A council can specify the amount and extent to which tax exemptions are available. These programs can be deemed unfair by other property owners who have previously re-developed or maintained their properties consistent with revitalization efforts.

Grant Programs for heritage buildings: Heritage grant programs can provide partial matching funds for building improvements such as façade or seismic upgrading. New Westminster has previously implemented several cost-sharing program for heritage buildings along Columbia Street. These programs were designed to benefit the building owners, tenants and retail merchants of historic buildings. It is important to note that, as outlined in the Community Charter, municipalities cannot provide a grant or assistance directly to a business unless it is surrounding the acquisition, conservation or development of a heritage building.

Proactive Local Retail Area Management

This may be found in the form of a **Business Improvement Area** (BIA), business or merchant association, or in some instances a property management team that is dedicated to supporting property owners, retailers, and tenants. Some form of local retail area management can bring about positive change in a number of areas. In a rapidly evolving retail landscape, New Westminster's shopping areas will need engaged and consistent leaders or champions who are committed, responsible stakeholders that can quickly recognize problems, and have clear vision and mission to overcome obstacles. Without this type of leadership, maintaining street retail vitality may become lost amongst competing needs and priorities.

A BIA and / or local property management group can play strategic roles in proactive leasing and proactive tenant retention:

- **Proactive leasing**: this can be challenging in retail areas defined by multiple land owners with differing sets of interests and abilities. A BIA (or equivalent) can play a role in:
    - Convening these disparate groups and getting buy-in for a cohesive vision around merchandising and market positioning;
    - Tracking evolution of customer needs, and both documenting and disseminating this information as needed
    - Understanding complementary business types that would be most appropriate for the area, and communicating that to owners of vacant properties, or developers building new units

    - Working to equip landowners with data, and helping them engage proactive leasing agents that will target desired tenants / categories
    - Helping to match lease opportunities with/ retail categories
- **Proactive tenant retention:** tenant retention and improvement is critical to success of local shopping areas, particularly the retention of critical anchor tenants. A tenant retention strategy should be a collaborative effort between BIAs (or equivalent), property owners, business owners, and requires consistent and engaged leadership. Critical elements will include:
    - Frequent check-ins with business owners and property owners to identify key local issues and how they may be changing
    - Active tracking of changes to competitive retail landscape, and possible impacts on area businesses
    - Communication to businesses about local area progress and opportunities

Part of both proactive tenant retention and recruitment is the gathering, processing, and dissemination of key data. This includes:

- Nature and location of vacancies
- Local trade area demographics and population growth trends
- Local trade area economic variables (household incomes, retail spending by category)
- Other pertinent information for business location decision making such as lease rates, parking availability, bus routes and bicycle infrastructure, etc.

Local retail leadership is a key independent variable that contributes to overall health of a retail district.

If / where landlords are unwilling or uninterested in implementing vacant storefront animation or temporary use strategies, property standard bylaws can be used. Prior to March 2020 (onset of COVID-19 pandemic), some jurisdictions (e.g., Vancouver, Toronto, San Francisco) were considering storefront vacancy taxes to dissuade property owners from holding ground floor spaces vacant for extended periods of time. The City could potentially advocate to the Province of BC to provide local government authority to impose a vacancy tax on commercial properties. However, we caution that this is a potentially challenging and problematic approach with unforeseen consequences, and would require further analysis to understand implications prior to enactment.

Improved coordination with and support of BIAs from the City would present an opportunity to better leverage and communicate shifting market conditions and opportunities throughout the City. Ideally, this would be in the form of a dedicated, retail planning focused **BIA coordinator,** whose primary function would be to act as a communications and information conduit between the local business community and the City's planning and economic development staff.

Proactive engagement with the development community by City staff early in the development process, and on an ongoing basis throughout, may allow the City to influence a developer's approach to tenant mix and leasing. As part of this proactive approach, the City should be able to provide information to the developer regarding:

- Commercial demand and under-served retail categories (i.e., show demand for desired use(s))
- Results from recent consumer surveys on 'what is missing'
- Existing tenants facing redevelopment pressure which are looking for new locations
- Inquiries from businesses looking for new spaces (i.e., matching demand by category to target locations for these businesses)

- Retail concepts and principles that ensures spaces are designed to accommodate target tenant types,
- Innovative / emerging retail concepts likely to support desired vision / evolution of New Westminster's commercial areas (e.g., micro-retail commercial in Downtown New Westminster, adaptive re-use of automotive commercial buildings for commercial food & beverage uses).

Promoting micro-retail

Promoting different unit sizes and configurations can create opportunities for a broader array of independent businesses to enter the market and test their retail concepts. One example of this is **micro retail spaces / clusters**, which consist of individual units of around 300 square feet (28 square meters) or less. These can be effective spaces for business startup or testing out new business concepts, allowing a lower price point market entry by not forcing tenants to lease floor space they may not require. Micro retail is best suited and integrated to areas characterized by:

- Existing destination retail centres / clusters
- Large non-retail anchors including arts, culture, entertainment and convention uses
- Range of hotel accommodations
- Higher density residential development
- Multi-modal transportation and accessibility
- Areas with enough 'depth' such that these clusters can be situated in locations off the primary corridor (e.g., secondary streets and alleyways)

Within New Westminster, Downtown would be an optimal location for a micro retail cluster, particularly towards the eastern edge of Columbia Street, possibly as part of a broader development and leveraging proximity to SkyTrain.

Support Growth of Live Music and Event Spaces

New Westminster already has a lively arts and live music scene. The City has the opportunity to emerge as a major regional hub for arts, entertainment food and beverage in the coming years, in part through the increased provision of event space and live music venues. New Westminster has an opportunity to play a role similar to that of Hamilton in the Greater Toronto region, that of an affordable, grittier and hipper alternative with a large focus around local art, music and food.

Details on the event sector opportunity, including market gaps, types of space, and venue economics, can be found in **Appendix A.**

4.0 COMMERCIAL AREA ROLE AND FUNCTION

4.1 OVERVIEW

Section 3.0 above detailed a variety of ways that the City of New Westminster can help to foster successful, resilient and diverse retail areas across the City, as they speak to broader elements such as the tracking of key metrics, investments in the public realm, and the variety of tools and strategies that the City may deploy in service of retail area support (e.g., zoning, permitting, street prioritization, temporary uses, taxation, coordination etc.). In this section we look at each of the City's retail areas in turn, taking a closer look at each areas' unique role and function with an eye to optimization and positioning. A key factor in achieving a competitive retail environment, be it in a Downtown, a neighbourhood shopping area, or a destination retail high street, is a strategic approach by the City to the location of retail, with an understanding of how each retail location serves, and is served by, other priority initiatives. Examples of this include the City's Arts Strategy, Active Transportation Network Plan, and any future employment lands / industrial strategy.

Regulations that impact the location and amount of retail can enable the City to control retail function (to a degree, although not explicitly). In theory, allowing too much retail in an area, or the wrong type of retail space in an area, can result in excess vacancy and act as a drag on that area's vibrancy and ability to attract and retain tenants. At the same time, being overly restrictive in terms of space provision or use regulations can artificially increase rents and land prices, may contribute to higher vacancy, and/or may not allow the City to be nimble enough respond to rapid changes in the retail landscape.

Beyond regulations that can shape the amount and type of retail space emerging in any area, the City's other critical role in retail planning is around the form and design of both the built space itself and the public realm around it.

Overall, the goal of retail planning policy should be to lay out a **strategic and simplified regulatory framework** that is nimble and responsive to change. At its core, retail planning policy should provide for:

- Functional retail forms and layouts.
- Appropriate retail space located in specific areas to serve local target markets.
- Support and enhancement of specialty retail, arts, and entertainment areas, which serve local needs but also can act as regional draw.
- Flexibility within sites to accommodate future uses as they arise (some of which may be unknown or unforeseen today) – adaptability and convertibility.
- Clarity around areas and / or conditions under which new concepts may be trialed.
- A mix of retail sizes, recognizing that a fine-grained storefront environment creates both a desirable and competitive environment.
- Desirability for retailers who want to locate there.

The City should also be creating preconditions to maximize the spillover of retail and service businesses into outdoor locations (e.g., sidewalks, patios) through enhancements to the public realm.

4.2 OPTIMIZING ROLE AND FUNCTION BY AREA

Phase 1 of the Retail Strategy provided a baseline of information on New Westminster's role and drawing power as a retail market (both locally and in the region), the floor area and category-by-category mix of retail-commercial uses by commercial sub-area, and the extent of market supportable demand by category and by sub-area. This core Phase 1 analysis, supplemented by business and resident survey outreach, reviews of relevant benchmark best practices and concepts, and on-the-ground research, leads to the following area by area recommendations.

4.2.1 DOWNTOWN

The overall retail role of Downtown New Westminster has become decidedly more community-focused over the past decade, which is in large part a function of its own population growth, its role as an employment node, and the loss of more destination-oriented retailers (e.g., closure of Army & Navy). This more community-serving role for Downtown is also driven to a smaller degree by the extent of destination retail nodes in other areas of New Westminster (e.g., Queensborough) and to a larger degree by the extent of regional-serving retail offerings in neighbouring municipalities, including Coquitlam (e.g., United Boulevard and Coquitlam Centre), Surrey (e.g., Central City Shopping Centre) and Burnaby (e.g. Metrotown, Brentwood), and Vancouver / Richmond (e.g. Oakridge, Pacific Centre, McArthurGlen Designer Outlets), among others.

With the exception of a specialized wedding and formalwear cluster, the unique riverside experience offered by the River Market, Landmark Cinemas at New Westminster Station, and specialty restaurants such as Piva, El Santo, Longtail Kitchen and Re-Up BBQ, Downtown New Westminster's primary retail role is more community-serving, rather than destination-oriented.

This community-oriented role is supported by strong representation in the following day to day essential retail categories

- **Supermarkets and grocery stores** – Safeway at New Westminster Station, City Avenue Market (formerly Donald's), and Save-On-Foods at Columbia Square Plaza
- **Pharmacies** – Shoppers Drug Mart at New Westminster Station, Pharmasave at Columbia Square, Guardian-Kent Pharmacy on Columbia Street.
- **Banks and financial institutions** – Scotiabank and Manulife on Columbia, CIBC at New Westminster Station, and TD Canada Trust and BMO at Columbia Square Mall
- **Health and wellness businesses** – Various businesses throughout Downtown, including along Front Street

Opportunities to Enhance Downtown Role & Function

Downtown New Westminster's roles and quality as both a community-serving retail node and a destination arts, culture and experiential retail node would be significantly bolstered by addressing the following merchandising gaps or under-served categories:

Table 1 - Opportunities to Enhance Downtown Roles

DOWNTOWN COMMUNITY-SERVING ROLE ENHANCERS	DOWNTOWN DESTINATION ROLE ENHANCERS

• **Smaller-scale general merchandise store (e.g., Giant Tiger), ideally at east end of Columbia corridor**
• **Small-scale grocer, ideally at east end of Columbia corridor**
• **Additional specialty foods purveyors**
• **Accessibility improvements:**
  ○ **Improved bike lanes**
  ○ **Secured bicycle storage**
  ○ **Additional pocket parks**
	• Modern boutique hotel with event and meeting space, ideally close to New Westminster SkyTrain Station
	• Larger-scaled destination restaurants, with large outdoor patios (with Fraser River or Columbia Street views)
	• Broader array of arts, entertainment, and culture venues – artist collective, smaller scale live music venues
	• Specialty art and photography equipment and supplies
	• Independent clothing and shoe stores (complementing formalwear cluster)

As determined during the Phase 1 work, Downtown New Westminster comprises an eclectic mix of commercial uses befitting its dual role as both a neighbourhood and community serving retail and services hub for local residents and workers, as well as an arts/culture and specialty retail and restaurant hub attracting visitors and activity from a broader region. The current commercial mix, as of late summer 2021, is outlined below:

Table 2 - Downtown Retail-Commercial Mix by Category (2022)

BROAD COMMERCIAL CATEGORY	# UNITS	% OF UNITS	FLOOR AREA (SQ FT)	% OF FLOOR AREA
Arts, Culture, Entertainment	19	6.1%	115,968	11.7
Comparison Retail	45	14.3	115,412	11.7
Convenience Retail	30	9.6	130,132	13.1
Restaurant Food & Beverage	69	22.0	132,018	13.3
Service Commercial	115	36.6	411,761	41.6
Automotive Services	0	0.0	0	0.0
Commercial Services	14	4.5	50,540	5.1
Education + Training	19	6.1	199.015	20.1
Finance, Insurance, Real Estate (FIRE)	13	4.1	48,542	4.9
Health Services	22	7.0	36,600	3.7
Personal Services	30	9.6	29,160	2.9
Professional Services	8	2.5	16,415	1.7
Social Services	9	2.9	31,489	3.2
Vacant	36	11.5	84,558	8.5
Retail-Commercial Totals	314		989,851	
Retail-Commercial net of Arts/Culture	295		873,883	

Downtown New Westminster's dual roles as a more local/community serving retail market as well as a specialty destination are clear in the above tenant mix. Below is the current proportion of total commercial space by broad category, and a desired 'optimal mix' that can be targeted through proactive development and leasing efforts.

Table 3 - Desired Shifts in Commercial Mix (Downtown)

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	12%	15%+	Broader array of live-performance venues, integration of artist collective, additional gallery spaces (above-grade suitable)
Comparison Retail	12%	15%+	Broader range of clothing and shoe stores, modestly scaled general merchandise store, specialty retail
Convenience Retail	13%	10-12%	Smaller scale lifestyle grocer east end of Columbia
Restaurant Food & Beverage	13%	15% to 20%	Additional destination restaurants with river view or street-oriented patios
Service Commercial	42%	35-40%	Modest decrease in overall proportion, to allow for enriched mix of arts, restaurant and specialty retail

Vacancy*	9%	3-5%	Post pandemic and Metro Vancouver-driven construction, should see a drop to a more healthy range

Table 4 - Downtown Market Support vs. Supply

Category	Inventory (2021) (sq.ft.)	Market Support – 2021 (sq.ft.)	Market Support – 2031 (sq.ft.)
Comparison Retail	115,000	123,000	134,000
Convenience Retail	130,000	130,000	143,000
Food & Beverage**	132,000	122,000	143,000
Service Commercial / Local Office	410,000	375,000	420,000
Vacant	85,000	n/a	n/a
TOTALS	874,000*	750,000*	841,000*

*** Much larger opportunity given the potential to reduce area vacancy over time / with redevelopment*

As Downtown New Westminster's role continues to shift from a more traditional regional-serving retail destination to a hybrid community-serving (local and area residents and workers) and specialty arts/entertainment and restaurant district, there will be clear opportunities for enhanced mixes of:

- **Comparison retail** – increased array of independent clothing, footwear and accessories, potential for smaller scale general merchandise store
- **Restaurant food and beverage** – broader array of destination restaurants, oriented around a revamped streetscape and river views, and featuring outdoor seating areas

Key Downtown Retail Planning Principles and Priorities

- Need for new retail or non-retail anchor at eastern end of downtown (following closure of Army & Navy Department store)
- Downtown should be the City's primary location for **micro-commercial** retail development, as it offers the contextual preconditions for successful integration (namely, multi-modal accessibility, presence of significant residential density, and presence of significant retail-commercial centres)
- As a Great Street, at-grade uses along Columbia Street should be restricted to "active uses." The following uses should be restricted at-grade in the core Great Street commercial areas (downtown and beyond):
    - Private sector office space (e.g., professional, scientific, and technical services, business-to-business services)

  On Columbia Street, this shift in regulation should apply to new development only, as important non-profit and government offices that currently serve the community in at-grade spaces may not have the potential to locate above grade in older buildings that do not meet accessibility standards.
- Downtown should be the primary location for new hotel development.
    - New hotel developments should include the following wherever possible:

        - Meeting spaces
        - Restaurant spaces
        - Smaller-scale arts and entertainment venues (up to 250-person capacity)
- To support a functional pivot to an experiential downtown, downtown should be the primary focus of potential creation of affordable space for the following uses:
    - Arts and culture
    - Entertainment venues
    - Non-profit institutions and services

Downtown can and should be a major focal point for filling notable gaps in the Metro Vancouver event space venue sector, particularly small to medium sized venues (see Appendix A for details)

One possible way to achieve this is through negotiations with developers on major redevelopment projects – negotiate a proportion of below-market rental space above or below grade for use by priority categories that are typically unable to pay market rents.

- Uses such as ghost kitchens, dark stores and other uses that are similarly demanding of curbside space, should ideally *not* be located in the core Columbia Street area. Subject to a review of transportation impacts, Queensborough would be an appropriate area for these types of uses and Lower 12th / Sharpe Street would appropriate for ghost kitchens only.



- At grade high-profile corner locations should ideally be reserved for the most active uses (e.g., destination restaurants / bars / lounges / brew pubs with significant outdoor patios).

- To better support the health of the existing destination formal wear cluster, work with the Downtown BIA to encourage recruitment of additional complementary fashion and footwear retailers and business concepts.
    - A good recent example of this category expansion in the Downtown area is *Found Boutique* – a fashion collective with a carefully curated artisan collection.

4.2.2 UPTOWN

New Westminster's Uptown area serves as the city's primary community-serving north-south commercial spine, connecting with Downtown New Westminster at 6th Street and Columbia Street. With significant retail shopping centres Royal City Centre (anchored by Walmart) and Westminster Centre (anchored by London Drugs) located in the heart of Uptown near 6th Street and 6th Avenue, Uptown offers a broad array of community and local-serving retail uses.

Opportunities to Enhance Uptown's Role and Function

As highlighted in the following Uptown inventory summary, Uptown's vacancy rate, as tracked during the late summer of 2021, was only about 5%, which is quite healthy given the challenges being faced by local businesses during that stage of the pandemic. While continued redevelopment will create challenges for existing businesses in older, more affordable commercial space, it will also create opportunities for the introduction of more modern, well-appointed spaces that can be sized to suit the needs of new market entrants.

A review of Uptown's commercial mix and shifts that would help to enhance its role as the community-serving commercial spine of the city, is presented below.

Table 5 - Uptown Retail-Commercial Mix by Category (2022)

Uptown by Broad Commercial Category	# Units	% of Units	Floor Area (Sq. Ft.)	% of Floor Area
Arts, Culture, Entertainment, & Recreation	4	1.3%	17,937	2.3%
Comparison Retail	31	10.4%	188,825	23.7%
Convenience Retail	31	10.4%	161,754	20.3%
Restaurant Food & Beverage	59	19.7%	91,213	11.5%
Service Commercial	151	50.5%	297,293	37.3%
Automotive Services	1	0.3%	837	0.1%
Commercial Services	16	5.4%	18,860	2.4%
Education + Training	12	4.0%	18,595	2.3%
Finance, Insurance, Real Estate (FIRE)	26	8.7%	81,675	10.3%
Health Services	38	12.7%	106,076	13.3%
Personal Services	40	13.4%	42,409	5.3%
Professional Services	15	5.0%	22,841	2.9%
Social Services	3	1.0%	6,000	0.8%
Vacant	23	7.7%	38,957	4.9%
Retail-Commercial Totals	**299**		**795,979**	
Retail-Commercial net of Arts/Culture	**295**		**778,042**	

Commentary related to desirable shifts in broad commercial categories in Uptown include:

Table 6 - Desired Shifts in Commercial Mix (Uptown)

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	2%	2-3%	Modest room for growth, leveraging connections to Massey Theatre arts programs, local artists
Comparison Retail	24%	24-25%	Good coverage, modest opportunities for expansion (e.g. specialty apparel, shoes)
Convenience Retail	20%	20%	Healthy mix
Restaurant Food & Beverage	12%	13-14%	Opportunities for growth – focus on restaurants with outdoor patio areas
Service Commercial	37%	35-36%	
Vacancy*	5%	2-4%	Minor reduction in vacancy

** as of Summer 2021*

While Uptown will benefit from planned placemaking upgrades, the current retail-commercial business mix is healthy and aligned with its role as the community-serving commercial spine of the city. As noted in Phase 1 of the retail strategy, while there is sufficient supply of both service-commercial and convenience retail space in Uptown, there is clear opportunity for growth in Uptown's comparison retail and restaurant food and beverage offerings, as noted in the following inventory vs. demand comparison:

Table 7 - Uptown Market Support vs. Supply

Category	Inventory (2021) (sq.ft.)	Market Support – 2021 (sq.ft.)	Market Support – 2031 (sq.ft.)
Comparison Retail	189,000	234,000	257,000
Convenience Retail	162,000	146,000	159,000
Food & Beverage	91,000	89,000	102,000
Service Commercial / Local Office	297,000	235,000	259,000
Vacant	39,000	n/a	n/a
TOTALS	778,000*	705,000*	777,000*

These broad categories of opportunity will be particularly relevant for planned mixed-use redevelopment opportunities that have the potential to complement Uptown's already healthy community-serving mix of convenience retail (including supermarkets, pharmacy, other essentials) and commercial services (personal, professional, financial and health/wellness). Though there will be opportunities, over time, for new comparison retail businesses to secure spaces along the Sixth Street corridor, including in newer redevelopment projects, there is also further market potential to enhance the mix within Uptown's two primary retail centres.


Burnaby Vapor
Electronic Cigarettes and Accessories
604-544-4140
218
220
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BELMONT

Key Uptown Retail Planning Principles and Priorities

- Fully leverage the City's investments in new active transportation infrastructure by:
    - Incorporating secure bicycle storage in accessible locations
    - Exploring optimal future location(s) for e-bike / e-scooter rental hub(s)
    - Ensuring attractive and accessible public spaces to support business activity and visibility
- Restrict at-grade spaces to active uses as well as financial institutions in key areas of Sixth Street (between 5th and 7th Avenues), given its status as a Great Street.
- Encourage highly active uses for high-profile corner locations, particularly for new development or redevelopment projects.
- Encourage and support integration of arts and culture-supporting retail and service businesses along 6th Street to better support arts activities and programs being offered through Massey Theatre. An example of an at-grade use would be an arts supply store. Examples of appropriate above-grade (or below grade) uses could be artist studios.
- Within the Bent Court Study Area, support the integration of arts, culture, private and professional office uses where appropriate, provided they support desired heritage retention principles. Encouragement mechanisms may include:
    - Parking requirement flexibility
    - Allowances for cooperatives / shared spaces
    - Development density transfers

  Active uses should not be directed in the Bent Court area.

4.2.3 QUEENSBOROUGH

While the Queensborough commercial area, like downtown, serves both local and destination roles, this has been most heavily weighted to destination retail given the presence of large-scale commercial businesses and centres, including Starlight Casino, Lowe's Home Improvement and Smart Centres' Queensborough Landing. While the scale (435,500 sq. ft. over 35 acres), nature (34% independent, 66% chain retail), and mix (apparel, general merchandise) of Queensborough Landing are generally in line with other destination oriented open-format power centres, its role, like other power centres across the country, is evolving in response to shifting consumer demand.

While the growth of online shopping in Canada has been significant, and accelerated throughout the COVID-19 pandemic, there are signs that customers are increasingly willing to explore in-store shopping options, particularly those that merge the best elements of the online shopping experience (e.g., product scanning, interactive displays). The recent staffing rationalization and decreased valuation of Shopify is a good reminder that consumer retail trends need to be regularly tracked as they are subject to constant change. The shift to online vs. brick-and-mortar shopping may not be as strong or permanent as early pandemic trends would suggest and retailers and retail property owners are taking the time to carefully evaluate their approach to merchandising and connecting with their customer base.

As in the case of similar retail properties in other Canadian markets, SmartCentres will need to continue to monitor the market and adapt its tenant attraction and retention efforts to align with customer demand. This may involve the introduction of new retailers with more experiential store environments, but will also entail exploration of a more varied mix of uses, including a broader array of commercial service, health service, and other non-retail uses.

Opportunities to Enhance Queensborough's Role & Function

While the more destination-oriented Queensborough Landing node may be what the Queensborough commercial area is naturally known for, the area has also had to evolve more local, neighbourhood-serving commercial functions to meet the day to day needs of a growing Queensborough area population. While currently underserved in terms of local-serving goods and services, this is likely to improve over time as Queensborough Landing itself adapts to a more hybrid destination and community-serving function.

Table 8 - Queensborough Retail-Commercial Mix by Category (2022)

Broad Commercial Category	# Units	% of Units	Floor Area (Sq. Ft.)	% of Floor Area
Arts, Culture, Entertainment, & Recreation	2	2.2%	91,110	13.4%
Comparison Retail	18	20.2%	383,925	56.3%
Convenience Retail	9	10.1%	23,353	3.4%
Restaurant Food & Beverage	22	24.7%	60,714	8.9%
Service Commercial	19	21.3%	43,934	6.4%
Automotive Services	0	0.0%	0	0.0%
Commercial Services	1	1.1%	1,050	0.2%
Education + Training	2	2.2%	5,875	0.9%
Finance, Insurance, Real Estate (FIRE)	3	3.4%	5,634	0.8%
Health Services	3	3.4%	6,600	1.0%
Personal Services	9	10.1%	14,775	2.2%
Professional Services	0	0.0%	0	0.0%
Social Services	1	1.1%	10,000	1.5%
Vacant	19	21.3%	78,925	11.6%
Retail-Commercial Totals	**89**		**681,961**	
Retail-Commercial Net of Arts/Culture	87		**590,851**	

While Queensborough serves a vital role as a comparison goods shopping node in New Westminster (56% of the mix as of late summer 2021), there are also clear opportunities for the area to better support its role as a local-serving node. The extent of vacancy at Queensborough Landing is certainly indicative of the market-driven challenges facing comparison goods retailers, but it also offers an opportunity for the centre to broaden its mix and become more of a hybrid retail-service centre.

Table 9 - Desired Shifts in Commercial Mix (Queensborough)

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	13%	13-15%	Leverage proximity to Downtown to support local arts and culture uses
Comparison Retail	56%	50-55%	Refine comparison goods retail mix while allowing for growth in other local-serving uses
Convenience Retail	3%	10%	Opportunities for expanded convenience retail uses serving local area population
Restaurant Food & Beverage	9%	10-12%	Opportunities for growth – focus on restaurants with outdoor patio areas
Service Commercial	6%	8-10%	Improve depth and range of service uses for local residents and employees
Vacancy*	12%	4-6%	Opportunities to fill significant vacancies with experiential retailers and non-retail uses





Current vacancy levels offer considerable flexibility in exploring options for a refined commercial mix. As noted in the table below, retail market demand for the Queensborough commercial sub-area indicated substantial oversupply of comparison retail uses, but undersupply of both convenience retail (e.g. retail food, pharmacy, etc.) and service commercial (e.g., personal, professional, and financial) services.

Table 10 - Queensborough Market Support vs. Supply

Category	Inventory (2021) (sq.ft.)	Market Support – 2021 (sq.ft.)	Market Support – 2031 (sq.ft.)
Comparison Retail	384,000	301,000	330,000
Convenience Retail	24,000	63,000	68,000
Food & Beverage	61,000	51,000	59,000
Service Commercial / Local Office	44,000	83,000	98,000
Vacant	79,000	n/a	n/a
TOTALS	591,000*	498,000*	548,000*

A modest pivot to an increased array of convenience retail, service-commercial and non-retail community uses is likely to bring the area more in line with market support over the coming decade. Queensborough's more neighbourhood-serving commercial nodes have also been attracting a broader array of specialty foods businesses, a direct result of increased demand from a growing local population.





Key Queensborough Retail Planning Principles and Priorities

- The main focus of retail activity along Ewen Avenue (a Great Street) is between Gifford St. and Howes St. This is the core Ewen Avenue area where non-active uses should be restricted at-grade.
- Continue to focus growth along Ewen Avenue to support local commercial uses.
- In the 'large format' shopping areas of Queensborough, support future conversions of larger format retail spaces to the following:
    - 'Dark stores' (i.e., large format store designed for delivery and pick-up, but not in-store shopping)
    - Commissary kitchens / ghost kitchens
    - Low-impact light industrial uses including research and technology, service industry, food & beverage manufacturing (with on-site service) and smaller-scale local distribution warehouses.
    - Non-industrial activities that could be compatible with larger format retail and low-impact industrial such as indoor sport and recreation activities and health and wellness centres

4.2.4 TWELFTH STREET

Upper Twelfth Street offers a mix of independent specialty foods, unique restaurants, and lifestyle retailers that draws interest and support from neighbourhoods throughout New Westminster and in neighbouring municipalities including Burnaby and Surrey (as shown in the trade area analysis undertaken in phase 1 of the Retail Strategy). Upper Twelfth Street also has as a high proportion of independently owned businesses (only 8% chains, vs ~20% in Sapperton, ~40% in Downtown and Uptown). Scattered from 10th Ave to 5th Ave in buildings of different ages, some with documented heritage value, there are several African & Caribbean markets and salons, a Balkan grocer, an Arabic grocer, Mexican restaurants and catering, and Filipino grocers. There are also several donair shops and tattoo salons, and specialty stores like a guitar shop, children's toy store and used bookshop, some of which are long-standing businesses. Engagement with businesses suggests that, in addition to being able to find specialty items in culturally specific or specialty retail stores, these businesses have a community serving function as important social spaces. The lower rents along upper Twelfth Street have also provided incubator opportunities for interesting businesses to start up and evolve over time.

Lower Twelfth Street / Sharpe Street area offer a mix of commercial and light industrial zoning and related functions that make it an ideal location for integration of new business concepts. While the current mix of business ranges from used auto dealers and automotive service centres to commercial service and restaurant uses, the Lower Twelfth area offers significant potential for integration of:

- Hybrid maker movement businesses that combine on-site manufacturing with street-facing customer-focused retail functions
- Independent microbrewery, cidery and distillery businesses
- Adaptive re-use conversions of automotive-oriented commercial facilities for more active uses, including clusters of smaller scale restaurant food and beverage uses.

Opportunities to Enhance Twelfth Street's Role & Function

Though the upper Twelfth Street commercial district serves primarily a local neighbourhood role, its mix of specialty foods and restaurants, highlighting a variety of cultural backgrounds, attracts patronage from well beyond the neighbourhood boundaries.

The importance of this cluster of businesses, to the business owners, operators and the communities they serve, could be further explored through a cultural value assessment of the area, similar to a heritage value assessment but including further engagement and consideration of the living heritage and tangible and intangible cultural assets that make this commercial corridor special. This kind of study could help determine whether a different or further policy response should be considered.

Table 11 - Twelfth Street Retail-Commercial Mix by Category

Broad Commercial Category	# Units	% of Units	Floor Area (Sq. Ft.)	% of Floor Area
Arts, Culture, Entertainment, & Recreation	1	0.7%	1,300	0.5%
Comparison Retail	35	26.1%	57,449	22.5%
Convenience Retail	14	10.4%	26,165	10.2%
Restaurant Food & Beverage	21	15.7%	46,484	18.2%
Service Commercial	48	35.8%	100,305	39.2%
Automotive Services	2	1.5%	4,592	1.8%
Commercial Services	5	3.7%	18,200	7.1%
Education + Training	5	3.7%	17,360	6.8%
Finance, Insurance, Real Estate (FIRE)	2	1.5%	4,300	1.7%
Health Services	7	5.2%	18,707	7.3%
Personal Services	24	17.9%	29,176	11.4%
Professional Services	1	0.7%	1,000	0.4%
Social Services	2	1.5%	6,970	2.7%
Vacant	15	11.2%	23,972	9.4%
Retail-Commercial Totals	**134**		**255,675**	
Retail-Commercial net of Arts/Culture	**133**		**254,375**	

Given that its role as a specialty node complements the more traditional community-serving mix found in New Westminster's Uptown commercial area, changes in its commercial composition should ideally be focused on enhancing this specialty role over time. Twelfth Street has a unique character, different than Uptown and Downtown, and that character should be supported over time.



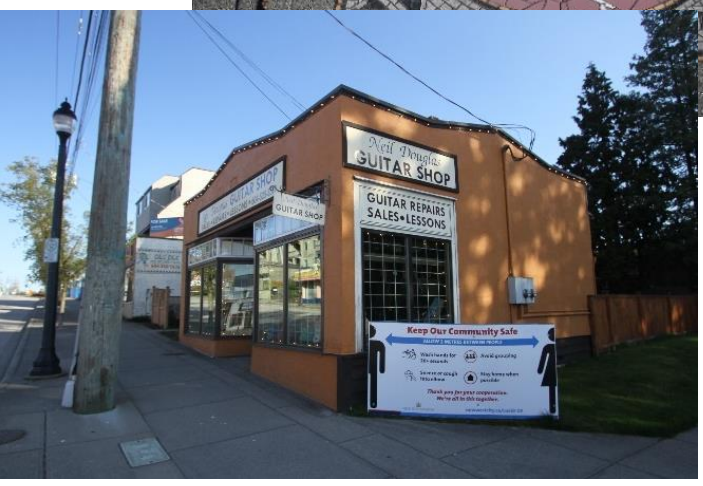


Table 12 - Desired Shifts in Commercial Mix (Twelfth Street)

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	1%	3-5%	Opportunities for more arts and cultural uses, spaces
Comparison Retail	23%	22-24%	Specialty retail focus
Convenience Retail	10%	10-12%	Opportunities for expanded convenience retail uses (specialty lifestyle grocer)
Restaurant Food & Beverage	18%	20%	Opportunities for growth – focus on specialty restaurants with outdoor seating areas
Service Commercial	39%	35-37%	Opportunities in other categories (i.e., specialty foods, restaurants)
Vacancy*	9%	3-5%	Healthy vacancy range to allow for new business entries, relocations

Table 13 - Twelfth Street Market Support vs. Supply

Category	Inventory (2021) (sq.ft.)	Market Support – 2021 (sq.ft.)	Market Support – 2031 (sq.ft.)
Comparison Retail**	26,500	25,000	27,000
Convenience Retail	26,000	28,000	31,000
Food & Beverage	46,000	38,000	45,000
Service Commercial / Local Office	100,000	54,000	64,000
Vacant	24,000	n/a	n/a
TOTALS	224,000*	163,000*	192,000*

Though Phase 1 demand analysis indicated a short-term oversupply of commercial space in the 12th Street area, this was reflected primarily in service-commercial/local office uses, which are also very well represented in Uptown, and in the area's high (9%) vacancy rate, as of late summer 2021.Given the competitive pressures facing Twelfth Street from surrounding commercial districts (including those of Uptown and southeast Burnaby/Kingsway), the allowance for multifamily residential redevelopment without commercial uses at grade, as represented by the land use designations in the Official Community Plan, is appropriate.

While the area's generally older building stock currently supports a mix of independent businesses of varied cultural backgrounds, future redevelopment is likely to include commercial spaces at rental rates that are out of reach for these existing businesses. This raises the question of how to protect and enhance the sense of place along upper Twelfth Street, and support its unique character over time.

Placemaking interventions like the patio spaces, street banners and mosaics have enhanced the streetscape over time. Businesses that were engaged in the strategy development expressed interest in

more festivals and events, to bring new energy to the commercial corridor. There also may be further opportunities to explore, such as unique crosswalk treatments and more support for patios. New placemaking interventions could be informed by the specific mix of businesses and community assets along upper Twelfth Street.

The pace of change along upper Twelfth Street has been gradual, with six redevelopments since the 1990s. Much of the rest of the street consists of fairly shallow and narrow lots that would require assembly in order for redevelopment to occur. The pace of change going forward is therefore also anticipated to be gradual, which could allow for the gradual addition of new CRUs that rejuvenate the building stock and become more affordable over time. Particularly if opportunities for more small businesses could be created by ensuring there is a diversity of CRU sizes and configurations.

In addition, the higher vacancy rate along upper Twelfth Street may provide for opportunities for businesses that may face displacement from one location to relocate within the community. There is a potential role here for the City to ensure tenants are provided information and resources to assist with relocation or lease negotiation.

Key Twelfth Street Retail Planning Principles and Priorities

- Upper Twelfth St. and Lower Twelfth St. are distinct in character and suited for different categories of uses.
- Upper Twelfth Street
    - Retail space supply and demand analysis supports allowing for residential-only redevelopment opportunities at the north end of upper Twelfth Street, consistent with the land use designations in the Official Community Plan.
    - Require active uses at-grade between Eighth and Seventh Avenue.
    - Support retention of prime corner locations for the most active uses (e.g., restaurants with patios).
    - Encourage redevelopment or repurposing of existing automotive service spaces for more active retail, restaurant and service uses over time.
    - Explore placemaking opportunities such as:
        - Actively promote the patio program to new businesses during business licensing process, and through outreach to existing businesses who do not currently have a patio.
        - Explore location(s) for future e-bike share hub(s)
        - Consider opportunities for unique cross-walk treatments
        - Explore opportunities to support festivals and events on upper Twelfth Street
    - Give particular attention along upper Twelfth Street to the following City-wide directions:
        - Manage the pace of change to existing commercial areas by continuing to give careful consideration of rezoning applications.
        - Create a commercial tenant assistance policy applicable at the time of rezoning.
        - Encourage inclusion of storefronts with a mix of widths, sizes and configurations in new mixed-use and commercial developments, to facilitate the inclusion of small independent businesses.
    - Consider exploring the cultural and community importance of the cluster of businesses along upper Twelfth Street through a cultural value assessment of the Great Street to inform a further policy response.

- Lower Twelfth / Sharpe Street
    - Leverage the unique commercial / industrial zoning mixture to support 'combination businesses' which are not easily accommodated elsewhere in the City. These include:
        - Micro distilleries with on-site tasting rooms (e.g. Odd Society in Vancouver)
        - Additional urban wineries or micro breweries with tasting rooms and patios
        - Artisan businesses merging small-scale on-site manufacturing with sales and demonstrations (e.g. woodwork, metalwork, etc.)
        - Small or micro commercial cluster(s) of artisinal food and beverage (and related) businesses.
        - Live/work opportunities for operators of businesses listed above.
    - Allow for emerging commercial uses such as ghost kitchens, which fit with the maker-space focus of the study area.
    - Encourage and support conversion of a former automotive commercial buildings and properties for adaptive re-use and repurposing to the types of uses listed above.



4.2.5 SAPPERTON

Beyond being one of the oldest neighbourhoods in New Westminster, Sapperton is also one of the city's primary employment nodes, housing the regional-serving Royal Columbian Hospital and a wide range of supporting health and medical professionals in surrounding commercial buildings. From a retail-commercial perspective, Sapperton has evolved into a healthy community-serving commercial district, serving the needs of both daytime workers and local area residents.

As presented in Phase 1 of the retail strategy, Sapperton's commercial mix is indicative of its dual role as both a neighbourhood-serving retail district and a convenience restaurant and service centre for a sizable daytime working population (estimated at more than 6,100 daytime workers for the defined Sapperton PTA).

Table 14 - Sapperton Retail-Commercial Mix by Category (2022)

Broad Commercial Category	# Units	% of Units	Floor Area (Sq. Ft.)	% of Floor Area
Arts, Culture, Entertainment, & Recreation	3	2.5%	6,000	1.9%
Comparison Retail	20	16.5%	40,734	12.8%
Convenience Retail	13	10.7%	60,602	19.1%
Restaurant Food & Beverage	24	19.8%	40,918	12.9%
Service Commercial	52	43.0%	158,381	49.9%
Automotive Services	4	3.3%	8,600	2.7%
Commercial Services	2	1.7%	3,800	1.2%
Education + Training	7	5.8%	32,434	10.2%
Finance, Insurance, Real Estate (FIRE)	3	2.5%	6,000	1.9%
Health Services	26	21.5%	96,726	30.5%
Personal Services	9	7.4%	9,135	2.9%
Professional Services	0	0.0%	0	0.0%
Social Services	1	0.8%	1,686	0.5%
Vacant	9	7.4%	10,916	3.4%
Retail-Commercial Totals	**121**		**317,552**	
Retail-Commercial Net of Arts/Culture	118		**311,552**	

As outlined in the above table, roughly 50% of Sapperton's overall commercial mix is made up of service-commercial businesses, with the greatest representation in Health Services (31%) and Education & Training (10%).

As of late summer 2021, Sapperton's commercial vacancy was recorded to be roughly 3.5%, which falls within a healthy range of 3-5%. This particularly encouraging given ongoing pandemic-related issues facing businesses and employees.

Opportunities to Enhance Sapperton's Role & Function

Though the Sapperton commercial area is quite well balanced in its offerings, particularly given its role serving both daytime health care and other workers, as well as local residents, there are nevertheless opportunities to enhance these functions. With relatively low vacancy, opportunities will be primarily focused on new mixed-use development, including most notably Sapperton Green near Braid Station. Recommended shifts in commercial mix by category are modest, but of relevance to the character and mix of future redevelopment sites.

Table 15 - Desired Shifts in Commercial Mix (Sapperton)

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	2%	3-4%	Opportunities to integrate more arts spaces
Comparison Retail	13%	10-12%	Specialty retail focus
Convenience Retail	19%	23-25%	Opportunities for significantly expanded convenience retail uses (including new grocery)
Restaurant Food & Beverage	13%	15%	Opportunities for growth – focus on specialty restaurants with outdoor seating areas
Service Commercial	50%	45%	Maintain strong proportion, allowing for growth in convenience retail and restaurants
Vacancy*	3%	3-5%	Healthy vacancy range to allow for new business entries, relocations

Sapperton Green Redevelopment

Following a 2015 amendment to the OCP for 97 Braid Street, which designated the site for mixed-use transit-oriented development adjacent to the Braid SkyTrain station, QuadReal has been developing a concept plan in preparation for a rezoning applicaton. Plans for the site include:

- Range of housing options, including secured market rental, market strata, and affordable housing units in line with the City's Inclusionary Housing Policy
- Diverse housing forms, including townhomes, stacked townhomes, as well as low-rise, mid-rise and high-rise apartments
- Significant office space component, which aligns well with the transit-orientation employers seek out in the region
- Neighbourhood-serving retail

Many of the shifts in category by category representation outlined above will occur naturally with the development of Sapperton Green, as this mixed-use community is very likely to include:

- A mid-sized supermarket/grocery anchor of at least 25,000 sq. ft.
- A large-scale pharmacy
- Restaurant food & beverage, including quick-service restaurants and coffee/tea businesses
- A large-scale daycare
- Range of personal, professional and financial services

The extent of this program is also likely to be well aligned with the Sapperton area demand analysis conducted as part of Phase 1 of this study, with market support as follows:

Table 16 - Sapperton Market Support vs. Supply

Category	Inventory (2021) (sq.ft.)	Market Support – 2021 (sq.ft.)	Market Support – 2031 (sq.ft.)
Comparison Retail	41,000	28,000	33,000
Convenience Retail	61,000	76,000	83,000
Food & Beverage	41,000	37,000	43,000
Service Commercial / Local Office	158,000	141,000	157,000
Vacant	11,000	n/a	n/a
TOTALS	312,000*	281,000*	314,000*

As the Phase 1 retail demand vs. inventory assessments were completed in late summer 2021, and the nature and timing of Sapperton Green remained indeterminate, it would be worth more fully examining the impact of the project's build-out on retail-commercial demand (market support) in the Sapperton sub-area. Driven by full build-out of Sapperton Green's planned residential and office components, the following extended market support figures for 2031 are applicable:

- Comparison Retail – 35,000 to 40,000 sq. ft.
- Convenience Retail – 85,000 to 95,000 sq. ft. (assuming a 25,000 sq. ft. supermarket anchor at Sapperton Green
- Restaurant Food & Beverage – 45,000 sq. ft.
- Service Commercial / Local-Serving Office – 175,000 sq. ft. (not including dedicated office space)

Full build-out of Sapperton Green will also entail the redevelopment of Amazon's current fulfillment centre at Braid Station. Amazon have already secured two other warehouse locations in the region totaling nearly 1.9 million sq. ft. of space.



Key Sapperton Retail Planning Principles and Priorities

- Sapperton Green offers an opportunity to serve a currently under-served portion of the Sapperton neighbourhood, as well as future on-site Sapperton Green residents.
- Key principles for future retail integration at Sapperton Green include:
    - Focus primarily on retail anchors and categories that are under-represented along East Columbia Street north of Major Street. These include:
        - Full-scale supermarket
        - Full-format multi-department pharmacy
        - Commercial fitness
        - Larger daycare centre
- Require active uses at-grade from Keary Street to Sapperton Park on the west side of East Columbia Street, and from Sherbrooke Street to Braid Street on both sides of East Columbia Street.
- Focus temporary pop-up event and festival core activity in a central Sapperton location.

4.2.6 MCBRIDE

The McBride commercial area, which for the purposes of this retail study included the node centred on the intersection of McBride and 8th Avenue as well as the small-scale offerings in the Victoria Hill neighbourhood, is likely to see a contraction in its total retail-commercial space over time.

The anticipated redevelopment of the McBride Plaza site, which lies directly north of the neighbourhood's primary shopping centre Royal Square Mall, is most likely to result in a rationalization of net commercial area, as residents in a future redevelopment will for the most part be very well served by the mix of businesses at Royal Square Mall.

825 McBride Boulevard





New mixed-use development at the site is more likely to include convenience food & beverage and limited personal services, in a smaller at-grade commercial footprint, as current inventory is roughly sufficient to meet the area's growth needs.

As noted in the Phase 1 retail report, the McBride commercial area inventory is focused primarily on:

- Convenience Retail (39%)
- Service Commercial (29%)
- Restaurant Food & Beverage (14%)
- Comparison Retail (14%)

Vacancy, as tallied in late summer 2021, was roughly 4%, which is in line with expectations for a local-serving node under normal market conditions.

Total McBride area inventory, including at-grade retail-commercial in mixed-use buildings adjacent to Royal Square Mall is as follows:

Table 17 - McBride Retail-Commercial Mix by Category (2022)

Broad Commercial Category	# Units	% of Units	Floor Area (Sq. Ft.)	% of Floor Area
Arts, Culture, Entertainment, & Recreation	1	1.4%	1,800	1.2%
Comparison Retail	8	11.8%	20,100	13.5%
Convenience Retail	11	16.2%	58,427	39.3%
Restaurant Food & Beverage	13	19.1%	20,359	13.7%
Service Commercial	30	44.1%	43,337	29.1%
Automotive Services	1	1.5%	444	0.3%
Commercial Services	5	7.4%	4,000	2.7%
Education + Training	5	7.4%	11,100	7.5%
Finance, Insurance, Real Estate (FIRE)	4	5.9%	3,700	2.5%
Health Services	4	5.9%	10,293	6.9%
Personal Services	8	11.8%	8,000	5.4%
Professional Services	2	2.9%	1,800	1.2%
Social Services	1	1.5%	4,000	2.7%
Vacant	6	8.8%	6,500	4.4%
Retail-Commercial Totals	**69**		**150,523**	
Retail-Commercial net of Arts/Culture	68		**148,723**	

Given the extent of offerings at the 61,000 sq. ft. Royal Square Mall, which is shadow-anchored (separate property) by a 43,000 sq. ft. Safeway supermarket, little growth in commercial supply can be expected in this area of New West. Many local trade area residents will naturally travel to other New West neighbourhoods to round out their shopping needs.

Key McBride Retail Planning Principles and Priorities

- The core retail area is at McBride and 8th, on the west side of McBride.
- In future redevelopment on the east side of McBride, support reduction in overall commercial footprint to better support existing clusters west of McBride.
- Explore potential to better support pedestrian and cycling crossing of McBride to access retail and service businesses on the west side of McBride.

5.0 CONCLUSIONS AND ACTIONS

SUMMARY OF GENERAL RECOMMENDATIONS

Data Collection, Analysis and Tracking

Actions	Responsibilities	Timeframe
1. **Allocate resources to secure and analyze updated mobility data at regular intervals**	City planning / economic development	Every 2-3 years
2. **Update city-wide retail inventory at regular intervals, including vacancies**	City planning / economic development; collaboration with post secondary institutions.	Every 2-3 years
3. **Track health and vitality of retail areas through regular updating of economic development indicators so that changes can be monitored.**	City planning / economic development and local BIAs	Every 1-2 years
4. **Update retail demand and positioning analyses by sub-area**	City planning / economic development	Every 3-5 years

Land Use and Related Policies

Actions	Responsibilities	Timeframe
5. **Undertake a review of the Zoning Bylaw to consider:** **a) Ensuring flexibility to allow changes of use, accommodate 'combination stores' (e.g., production with retail sales and on-site consumption), and permit emerging retail / service concepts where appropriate; and**	City planning/ economic development	Immediate and ongoing
6. **Limiting at-grade uses in core areas of Great Streets to 'active uses.'**		
7. **Strengthen commercial and mixed-use Development Permit Area guidelines by:** 8. **Integrating more detailed commercial retail unit design guidelines, to ensure functionality for a range of business types, and** 9. **encouraging inclusion of storefronts with a mix of widths, sizes and configurations in new mixed-use and**	Planning	Immediate

commercial developments, to facilitate the inclusion of small independent businesses and incubation.		
10. Ensure the Retail Strategy findings inform future planning for Lower Twelfth and Sharpe Street and Bent Court	Planning	As needed
11. Manage the pace of change to existing commercial areas by continuing to give careful consideration of rezoning applications.	Planning	Ongoing
12. Ensure alignment with area-specific retail principles when reviewing redevelopment / rezoning applications.	Planning	Ongoing
13. Continue to allow for a range of uses in redevelopment of sites within 400m of SkyTrain stations, including arts, culture, entertainment venues, and residential	Planning	Complete
14. Ensure land use policy (e.g. Temporary Use Permits) is not a barrier to pop-up retail and / or temporary use of vacant lots	Planning	Immediate and ongoing
15. Review other land use and related policies to reduce barriers to adaptive re-use of buildings, especially on a temporary basis.	Planning	Short-term and ongoing
16. Continue to further streamline business-related permitting processes	Planning, Building, Business Licensing, Economic Development	Immediate and ongoing
17. Explore whether vacancy tax for commercial properties in select areas is a useful approach within the local context.	Economic development	Short-term

18.

Business Support Programs and Policies

Actions	Responsibilities	Timeframe
• **Establish a dedicated business support staff role within Economic Development, to provide support to existing businesses in navigating City regulations, policies and procedures and develop tools and processes to better meet the needs of small business.**	Economic development	Next 1-2 years
• **Continue to make investments in quality public realm and related maintenance. This include:** **a) Safety and cleanliness** **b) Compact walkable areas** **c) Quality interface between public realm and commercial spaces** **d) Cycling infrastructure**	Planning, Economic development, other City departments	Immediate and ongoing
• **a) Continue to disseminate information and collaborate with business partners on workshops, webinars, etc. to help businesses understand the regulatory framework and key business requirements** **b) Encourage information sharing among individual BIAs, chamber of commerce and other business associations.**	Economic development	Next 1-2 years
• **Consider opportunities for incubation through space provision (e.g., business incubator spaces, cultural, non-profit and community-serving hubs)through rezoning amenity negotiations**	Planning / economic development; BIAs, local businesses, landlords, developers.	Next 2-3 years
• **Explore and prioritize other business incentives and fiscal tools as outlined in Section 4.8**	Economic development and partner organizations.	Immediate and ongoing
• **Enhance local businesses' ability to pivot to omni-channel business model (e.g. production and retail sites with on site consumption)**	Economic Development and partner organizations	Immediate and ongoing
• **Prioritize commercial tenant building permit applications to reduce permitting times for business, and consider conditional business licence approval for low risk uses.**	Economic Development, city departments involved with business licensing	Immediate and ongoing
• **Continue to consider building compliance plans during Building Permit review that allows a phased implementation of building upgrades during to offer a**	Building	Immediate and ongoing

sensitive and flexible approach to business operators.		
• **Develop Commercial Tenant Assistance policy applicable at the time of rezoning to support businesses during redevelopment and rezoning scenarios**	Economic Development, Planning, business stakeholders	Immediate and ongoing
• **Explore provision for micro grants in the City's granting process to encourage public space activation and beautification ideas in commercial areas**	Economic Development and Legislative Services	Next 1-3 years
• **Ensure expectations around routine maintenance of buildings and properties are clearly articulated to property owners, and that ground level commercial units are filled in an appropriate and timely manner**	Economic Development and Business Licensing and business stakeholders	Immediate and ongoing
• **Amend the Business License Bylaw to encourage the visual connection between passersby on the street and interior uses provide an engaging streetscape experience (e.g. limit opaque window treatments.)**	Economic Development	Next 1-3 years

Strategy Coordination and Integration

The Retail Strategy will be implemented in concert with a number of related City plans and policies, such as the Economic Development Plan *Future Forward*, the Downtown Livability Strategy, and active transportation improvements being explored and implemented.

MARKET DEMAND, POSITIONING IMPLICATIONS AND KEY USES

Below is a summary of the commercial tenant mix for each of the commercial sub-areas and our recommendations around the 'optimal tenant mix' shift that should be sought, based on the Phase 1 findings, consultation and analysis prepared over the course of this project.

Downtown

- Serves a dual role as both a local-serving and specialty destination market
- Demand analysis suggests opportunity for increased array of comparison retail and broader array of destination restaurants as well as arts and culture venues and performance spaces

BROAD CATEGORY	CURRENT PROPORTION (% MIX)[12]	OPTIMAL PROPORTION (% OF MIX)[13]	DESIRED SHIFT
Arts, Culture, Entertainment	12%	15%+	Broader array of live-performance venues, integration of artist collective, additional gallery spaces (above-grade suitable)
Comparison Retail	12%	15%+	Broader range of clothing and shoe stores, modestly scaled general merchandise store, specialty retail
Convenience Retail	13%	10-12%	Smaller scale lifestyle grocer east end of Columbia
Restaurant Food & Beverage	13%	15% to 20%	Additional destination restaurants with river view or street-oriented patios
Service Commercial	42%	35-40%	Modest decrease in overall proportion, to allow for enriched mix of arts, restaurant and specialty retail
Vacancy*	9%	3-5%	Post pandemic and Metro Vancouver-driven construction, should see a drop to a more healthy range

DOWNTOWN COMMUNITY-SERVING ROLE ENHANCERS	DOWNTOWN DESTINATION ROLE ENHANCERS

• **Smaller-scale general merchandise store ideally at east end of Columbia corridor**
• **Small-scale grocer, ideally at east end of Columbia corridor**
• **Additional specialty foods purveyors**
• **Accessibility improvements:**
  ○ **Improved bike lanes**
  ○ **Secured bicycle storage**
  ○ **Additional pocket parks**
	• Modern boutique hotel with event and meeting space, ideally close to New Westminster SkyTrain Station
	• Larger-scaled destination restaurants, with large outdoor patios (with Fraser River or Columbia Street views)
	• Broader array of arts, entertainment, and culture venues – artist collective, smaller scale live music venues
	• Specialty art and photography equipment and supplies
	• Independent clothing and shoe stores (complementing formalwear cluster)

[12] From Phase 1 inventory research
[13] Recommended based on industry best practice and type of commercial area

Uptown

- Current retail-commercial business mix is healthy and aligned with its role as the city's primary community-serving commercial corridor
- Opportunity for growth in comparison retail and restaurant food & beverage

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	2%	2-3%	Modest room for growth, leveraging connections to Massey Theatre arts programs, local artists
Comparison Retail	24%	24-25%	Good coverage, modest opportunities for expansion (e.g. specialty apparel, shoes)
Convenience Retail	20%	20%	Healthy mix
Restaurant Food & Beverage	12%	13-14%	Opportunities for growth – focus on restaurants with outdoor patio areas
Service Commercial	37%	35-36%	
Vacancy*	5%	2-4%	Minor reduction in vacancy



Queensborough

- Serves a vital role as a comparison goods shopping node
- Also is an area in transition, with clear opportunities to:
    - Become a stronger neighbourhood-oriented retail and service area supporting the local Queensborough population
    - Broaden its mix and become more of a hybrid retail-service centre

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	13%	13-15%	Leverage proximity to Downtown to support local arts and culture uses
Comparison Retail	56%	50-55%	Refine comparison goods retail mix while allowing for growth in other local-serving uses
Convenience Retail	3%	10%	Opportunities for expanded convenience retail uses serving local area population
Restaurant Food & Beverage	9%	10-12%	Opportunities for growth – focus on restaurants with outdoor patio areas
Service Commercial	6%	8-10%	Improve depth and range of service uses for local residents and employees
Vacancy*	12%	4-6%	Opportunities to fill significant vacancies with experiential retailers and non-retail uses

Twelfth Street

- Offers an unique mix of independent specialty foods, restaurants and lifestyle retailers, with potentially significant cultural importance
- Changes to commercial composition over time should focus on enhancing its specialty role
- Given competitive pressures facing 12th Street from surrounding commercial areas, the land use designations in the Official Community Plan, which allow for some redevelopment without at-grade commercial, are appropriate from a supply and demand point of view.

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	1%	3-5%	Opportunities for more arts and cultural uses, spaces
Comparison Retail	23%	22-24%	Specialty retail focus
Convenience Retail	10%	10-12%	Opportunities for expanded convenience retail uses (specialty lifestyle grocer)
Restaurant Food & Beverage	18%	20%	Opportunities for growth – focus on specialty restaurants with outdoor seating areas
Service Commercial	39%	35-37%	Opportunities in other categories (i.e., specialty foods, restaurants)
Vacancy*	9%	3-5%	Healthy vacancy range to allow for new business entries, relocations

Sapperton

- Serves both the local neighbourhood and the sizeable (and expanding) Royal Columbian Hospital precinct.
- Quite well balanced in its offerings
- Primary new retail opportunities will be focused on new mixed-use developments, including Sapperton Green near Braid Station.
- Only modest recommended shifts in commercial mix by category

BROAD CATEGORY	CURRENT PROPORTION (% MIX)	OPTIMAL PROPORTION (% OF MIX)	DESIRED SHIFT
Arts, Culture, Entertainment	2%	3-4%	Opportunities to integrate more arts spaces
Comparison Retail	13%	10-12%	Specialty retail focus
Convenience Retail	19%	23-25%	Opportunities for significantly expanded convenience retail uses (including new grocery)
Restaurant Food & Beverage	13%	15%	Opportunities for growth – focus on specialty restaurants with outdoor seating areas
Service Commercial	50%	45%	Maintain strong proportion, allowing for growth in convenience retail and restaurants
Vacancy*	3%	3-5%	Healthy vacancy range to allow for new business entries, relocations

McBride

- Area is expected to see a contraction in total retail commercial area over time, as new mixed-use redevelopments should see a rationalization of space
- New residential development in the area will be well served by commercial mix within – and near – Royal Square Mall.

KEY PLANNING AND RELATED POLICY OPPORTUNITIES

Below is a summary of key opportunities for each of the City's retail areas:

RETAIL AREA	PRIORITY DIRECTIONS
Downtown	1. Encourage and support emergence of a micro-retail cluster through redevelopment scenarios or other opportunities, ideally towards east end of Columbia. 2. Support emergence of new small to medium scale entertainment venues through redevelopment scenarios or as other opportunities arise. 3. Explore opportunities for shared arts / culture and non-profit spaces above/below grade (e.g., basement units, second floor units) 4. Consider a pilot program to create affordable space through rezoning negotiations. 5. Support and promote opening of new destination restaurants through economic development advocacy efforts. 6. Expand active transportation infrastructure, including creating an e-bike share hub 7. Actively promote patio program to new businesses during business licensing process, and through outreach to existing businesses who do not currently have a patio 8. Continue to support integration of higher density mix of uses within 400m of SkyTrain stations in redevelopment scenarios; where possible, integrate new restaurant and entertainment venue space. 9. Focus new hotel development in the Downtown near transit. Where possible, integrate new restaurant and entertainment venue space. 10. Require active uses on Columbia Street at-grade in new buildings and work with property owners of existing buildings to encroach a similar approach.
Uptown	1. Focus on public realm improvements (pocket parks, lighting, seating) – aligned with Uptown Streetscape Vision. 2. Fully leverage the City's investments in new active transportation infrastructure 3. Explore creating an e-bike share hub as part of a larger City-wide system. 4. Require active uses for at-grade commercial space between 7th and 5th Avenues, to support 6th Street's role as a Great Street; office and other less-active uses to be focused on upper floors or outside of the priority retail stretch.

	5. Encourage highly active uses for high-profile corner locations (e.g. restaurant with patio) in redevelopment scenarios? 6. Encourage and support integration of arts and culture-supporting retail and service businesses to better leverage and connect to Massey Theatre, through economic development marketing activities and planning policy.
Queensborough	1. Require active uses for at-grade commercial space along Ewen Avenue between Gifford Street and Spruce Street, to support Ewen Avenue's role as a Great Street. 2. Continue to focus multi-family development along the Ewen Avenue corridor. Within the large-format shopping area of Queensborough, support future conversion of larger-format retail spaces to allow for: dark stores, ghost kitchens, indoor sport and recreation, small-scale local distribution, and other low-impact light industrial uses. 3. Continue to encourage small-scale commercial uses through redevelopment in the Port Royal area to better meet the day-to-day needs of residents. Examples include o Smaller scale grocery store o Pharmacy, medical and dental uses o Small-scale convenience retail and service uses
Twelfth Street	Upper Twelfth Street (between Tenth Avenue and Sixth Avenue) 1. Retail space supply and demand analysis supports allowing for residential-only redevelopment opportunities at the north end of upper Twelfth Street, consistent with the land use designations in the Official Community Plan. 2. Require active uses at-grade between Eighth and Seventh Avenue. 3. Support retention of prime corner locations for the most active uses (e.g., restaurants with patios). 4. Encourage redevelopment or repurposing of existing automotive service spaces for more active retail, restaurant and service uses over time. 5. Explore placemaking opportunities such as: o Actively promote the patio program to new businesses during business licensing process, and through outreach to existing businesses who do not currently have a patio. o Explore location(s) for future e-bike share hub(s) o Consider opportunities for unique cross-walk treatments o Explore opportunities to support festivals and events on upper Twelfth Street

	6. Give particular attention along upper Twelfth Street to the following City-wide directions: o Manage the pace of change to existing commercial areas by continuing to give careful consideration of rezoning applications. o Create a commercial tenant assistance policy applicable at the time of rezoning. o Encourage inclusion of storefronts with a mix of widths, sizes and configurations in new mixed-use and commercial developments, to facilitate the inclusion of small independent businesses. 7. Consider exploring the cultural and community importance of the cluster of businesses along upper Twelfth Street through a cultural value assessment of the Great Street to inform a further policy response. Lower Twelfth / Sharpe Street 1. Leverage the unique commercial / industrial zoning mixture to support opportunities for 'combination businesses' which are not easily accommodated elsewhere in the city. These include: o Micro distilleries with on-site tasting rooms (e.g. Odd Society in Vancouver) o Additional urban wineries or micro breweries with tasting rooms and patios o Artisan businesses merging small-scale on-site manufacturing with sales and demonstrations (e.g. woodwork, metalwork, etc.) o Small or micro commercial cluster(s) of artisanal food and beverage (and related) businesses. o Live/work opportunities for operators of businesses listed above. 2. Dark stores are not appropriate uses for the Lower Twelfth / Sharpe Street area 3. Allow for emerging uses that are in line with the manufacturing-orientation and mixed-use intention of the precinct, such as ghost kitchens, through appropriate policy. 4. Encourage and support conversion of a former automotive commercial buildings and properties for adaptive re-use and repurposing to the types of uses listed above.
Sapperton	1. Future retail integration at Sapperton Green should complement East Columbia Street core commercial district by focusing on retailers and categories that are underrepresented along East Columbia Street north of Major Street, such as:

	○ Full-scale supermarket ○ Full-format multi-department pharmacy ○ Commercial fitness ○ Larger daycare centre 2. Require active uses at-grade from Keary Street to Sapperton Park on the west side of East Columbia Street, and from Sherbrooke Street to Braid Street on both sides of East Columbia Street. 3. Focus temporary pop-up event and festival core activity in a central Sapperton location 4. Along the west side of East Columbia Street, between Alberta and Cumberland Streets, should be a primary focus area for improvement of pedestrian and cyclist safety, comfort and accessibility.
McBride	1. For future redevelopment east of McBride Avenue, support reduction in overall commercial footprint to best support existing retail cluster west of McBride Avenue. 2. Maintain the commercial footprint as part of any future redevelopment at the commercial node on the west side of McBride and Eighth Avenue. 3. Explore enhanced pedestrian and cycling crossing of McBride Avenue.
Connaught Heights	1. Focus on local-serving lifestyle convenience retail / service commercial uses in new development in the 22nd Street station area.

APPENDIX A:

LIVE MUSIC AND EVENT SPACE OPPORTUNITIES



APPENDIX A: LIVE MUSIC AND EVENT SPACE OPPORTUNTIES

New Westminster has an opportunity to emerge as a regional food, beverage, arts and entertainment destination, in part through the increased provision of event space and live music venues. The market for live music venues in the Lower Mainland has been historically focused on Vancouver. However, with the increasing land values, many venues that once supported the culture of the region have been lost to higher-value redevelopment (i.e., condos). There is, therefore, an opportunity at hand for New Westminster, to play a role in the Metro Vancouver region similar to that which is increasingly being played by Hamilton in the Greater Toronto Area – as the affordable, grittier and hipper alternative to the 'big city', with a large focus around local art, music, and food.

INTRODUCTION TO THE EVENT SPACE SECTOR

The business of hosting large events and musical concerts depends on the availability of venues. In Metro Vancouver historically, all venues for concerns and other events have predominantly been based in Downtown Vancouver. However, a consequence of rising real estate values has been the loss of venues. A classic example of this loss is Richards on Richards, which was a popular venue for touring musicians, but which was lot to redevelopment in 2009.

There have been some instances of new venue development in recent years, such as the Imperial and Rickshaw, both opening in recent years. It has however been suggested in the event sector that the Imperial may soon be lost to a new housing development.

In many North American cities, many important venues for music and events are located in neighbourhoods or communities outside of the downtown core, where land is less expensive. With its enviable transit connectivity to the rest of the region, historic downtown and tight urban grid, New Westminster could position itself as a regional hub for concerts and events.

TYPES OF EVENTS

Based on conversations with local event promoters, a successful venue would require at least 250 events per year to succeed financially. Event organizers suggest that 75% of events at a venue would be filled with shows from either local or touring groups. These shows would mostly be musicians, but other types of events could include comedy shows, spoken word, and the like. The remaining 25% of events would be private bookings that could include corporate events, birthday parties, frat parties, film wrap parties etc.

Some event spaces remain open as a bar when there are no event bookings, but operating a bar on non-event nights can make the space a hub for local social issues. Remaining as an event-only space would be the preferable route.

GAPS IN EVENTS SPACE MARKET

Event promoters look at the possible spaces to host events in a number of ways, but one of the most important is capacity. Venues are typically grouped into the following categories based on capacity limits:

- 150 – 300 – (e.g., Biltmore, Fox Cabaret, Wise Hall and likely others)
    - Venues of this size work for local acts as well as touring groups that are just getting started. Venues this size can be suitable for a large range of events, including local acts, and smaller touring acts. A small venue can also be easier to rent out for private events than larger spaces.
- 500 – 700 – (e.g., Imperial)
    - This is a popular size of a venue for bands that are becoming popular, but not quite ready to fill the Commodore or the other venues that are slightly larger. This venue size is one of the more notable gaps in the region. Richards on Richards was in this size range, and it has been suggested that the Imperial will close to make way for an affordable housing development.
- 800 to 1,200 – (e.g., Commodore, Rickshaw, Massey Theatre, and Vogue)
    - A popular size for larger events. There are multiple venue options at this capacity, and likely not the best size for a new venue given the regional competition, and especially given the Massey Theatre is already in New Westminster. The existing venues at this size provide the option for a large dancefloor, or for a seated event.
- 1,800 to 3,000 – (e.g., Orpheum, Queen Elizabeth Theatre, PNE Forum)
    - There is a gap in the regional market for venues of this size range. The Orpheum and Queen Elizabeth Theatre are more expensive to rent and do not have any option for general admission. The These venues are the only options for acts that are too big for the Commodore, Vogue or Massey Theatre but do not want to play in Rogers Arena or the Pacific Coliseum. The Orpheum and Queen Elizabeth Theatre are expensive to rent and also have constrained availability with regular events such as the symphony, ballet, opera, and other events, which can prevent some touring acts from visiting Vancouver.

VENUE ECONOMICS

The rates that venues charge per event will vary depending on the specific type of demand, but in general, the various fees for renting a space in Metro Vancouver will fall into this range:

- A smaller venue with ~300 seat capacity will likely charge $500-$1,000 per night for a concert and $3,000 to $7,500 per night for a private event.
- A medium sized venue with capacity up to 700 will likely charge $1,500 to $2,500 per night for a concert and $5,000 to $10,000 per night for a private event.

Assuming mid-range rental fees, a small venue would generate approximately $450,000 annually, while a medium venue would generate approximately $780,000 in revenues per year. This would not include any of the revenue generated from good, drink or other revenue streams.

The total revenue of a venue is typically 30% event space rental and 70% revenue from food, drink and other sources.

SAMPLE VENUES

Crocodile – Seattle:

- Capacity of 750 for shows, but can transform into a 300-capacity venue or a 100 seat comedy club
- Venue also includes two restaurant bars and a 17-room hotel.



Source: www.wikipedia.org

Doug Fir – Portland:

- Capacity 299
- Opened in 2004 and has 7 different event layouts.
- Rated as one of the best places to explore Portland's music scene
- Shares the property with the Jupiter Hotel
    - The 'Rock n' Roll Hotel' has become a successful concept in multiple US markets including Seattle, Phoenix, and San Francisco.



www.jupiterhotel.com

Commodore Ballroom:

- Capacity 995



www.commodoreballroom.com

Vogue:

- Capacity 1,280



https://vancouversun.com/news/refurbished-vogue-theatre-hopes-to-host-200-events-annually

Orpheum:

- Capacity 2,672



https://vancouver.ca/people-programs/theatre-rental-grant-program.aspx

Rickshaw:

- Capacity 1,000



https://rickshawtheatre.com/gallery/

Biltmore:

- Capacity 350



https://www.eventective.com/vancouver-bc/biltmore-cabaret-714548.html

Fox Cabaret:

- Capacity 262





https://www.foxcabaret.com/guest-list

Imperial:

- Capacity 700



https://imperialvancouver.com/#photos

Fortune Sound Club:

Capacity: 400



Venue:

- Capacity: 600



Paramount:



APPENDIX B:

BUSINESS ENGAGEMENT SUMMARY



APPENDIX B: BUSINESS ENGAGEMENT SUMMARY

We began by conducting an online search of small businesses located in New Westminster. Simultaneously, we reached out to the New West Collective and other local contacts to see whether they knew of any small businesses that fit the description we were looking for. We also searched through Instagram and Etsy, both popular and accessible platforms for online retail. These approaches yielded few results, however, as many businesses either did not note their geographic location at all, or simply listed their location as in "Vancouver" or "BC". This challenge became particularly prominent as we discovered that even some local online businesses we knew to be based in New Westminster through word-of-mouth had listed their location as "Vancouver".

Next we searched for local art fairs and markets that typically host local retailers. Through this process, we acquired a list of artisans, makers, and small businesses who live in New Westminster and participate in New West Craft through the Arts Council of New Westminster. Our team also visited the Farmer's Market in Tipperary Park to speak to small businesses in person. Through these conversations, we started developing some shared high-level themes surrounding the challenges these businesses face.

Once we had identified a sufficient number of business names, we began outreach to business owners. Equipped with the findings from our initial conversations at the Farmer's Market, and the results from our research on best practices (detailed below), we created a brief list of questions for stakeholder interviews. While we received limited responses to our request for interviews, we compiled findings with those from the Farmer's Market into the key themes below.

CHALLENGES AND CONCERNS

Cost

All businesses cited cost as a primary barrier to opening a physical store. Most small businesses of the size spoken to(1-3 people) do not have revenues high enough to justify brick and mortar locations. Some businesses also use "made-to-order" production processes, meaning they do not produce their products until requested by a customer, and therefore do not have additional or extra stock with which to fill a physical store. This production model is common for small online businesses that are early in their growth.

Shared retail spaces

Concerns about cost also came up when discussing shared retail models like "Nooks", in which commercial entities rent out small portions of their retail space to a diversity of small businesses that can't afford an entire space of their own. Many businesses knew of this approach. Most appreciated having the option, and some specifically mentioned having good experiences selling there. However, several businesses noted that the cost of these spaces felt unjustifiable, given the lack of certainty of making enough sales to cover the overhead cost. The alternative model for these types of shared retail spaces is a percentage fee based on sales, which some businesses noted felt slightly more financially viable. However, online entrepreneurs raised the same concern about all shared retail spaces: by placing their products in a shared space, businesses are not able to personally sell or promote their products first-hand, and are dependent on a third-party salesperson's ability to know their products well enough to

pitch and make sales. To some businesses, this was too much of a deterrent to pursue shared retail spaces.

Location and value

Another notable barrier was the location of the physical space. Compared to the internet's broad and limitless reach, a physical space's success is constrained by the location and access to clientele in-person. Foot traffic and place attraction become key requirements, as does convenient street parking or transit connections. One business that used to have a physical retail location and closed down prior to the pandemic, noted that their sales have actually increased since switching to online sales, and that it is not interested in making the switch back to a physical store.

Interestingly, place still matters to a number of these online businesses. Several small businesses noted that farmer's markets were very useful, since they can almost guarantee attracting significant foot traffic to these consistent events, without tying the business to one spot over the long term.

Product type

The type of retail product being sold by each of these businesses notably impacted their key challenges and aspirations. For example, products that can be thoroughly viewed and understood online (like jewelry, some types of clothing, art, etc.) seemed less reliant on physical stores compared to more sensory-based products, like candles, soaps, or food. For the latter group, selling in person is more important, because it allows customers to properly experience the products before making a purchase. These types of businesses are therefore more likely to pursue options such as the shared retail models or farmer's markets.

ASPIRATIONS

Diverse, "walk-by" shops

Despite some of the challenges noted regarding shared retail models, the desire for mixed or shared retail space was a common theme, particularly in the context of New Westminster. One interviewee pointed to a lack of—and need for—more "walk-by" shops that have a variety of product offerings and that can capture foot traffic, instead of relying solely on one brand to attract customers.

Higher-quality retail selection

One business owner noted that aside from Downtown's bridal shops, most of the New Westminster fashion retail landscape is not considered high-end and, aside from one clothing store -, leans predominantly towards consignment-style shopping. This owner expressed a desire for a higher quality and diversity of retail choices, so that customers are encouraged to spend time in the neighbourhood, instead of seeing the city as a destination purely for special occasions.

Busy, energetic locations

Business owners that cited location as a primary concern for potential physical locations noted that a lively, energetic street environment would be essential for the success of their business. They would first like to ensure the location has enough exposure to justify the cost of renting any kind of physical space.

Mixed-use retail

The aspiration to have work space coupled with studio or production space came up several times. Two businesses spoke of a desire to have a central location, where production can happen in the back and products could be sold in the front. Food-based businesses identified a primary need of production space. None of these types of businesses held their production operations within New Westminster.

OUTCOMES

Based on the challenges, aspirations, and common themes we heard from conversations with these online business owners, we propose the following recommendations:

Seasonal indoor space for small businesses (Fall / Winter):

Most retail sales peak in the fall and winter months leading up to the year-end holidays. At this time, small businesses see a greater need for retail space to showcase their products, often turning to seasonal craft markets—which have high table fees. To address this need and build momentum around local retail, the City could create a program that identifies retail property owners with spare space, and connect them with independent businesses who seek seasonal retail space during these busy sales months. To facilitate programming of the spaces, the City could support by coordinating space rentals, connecting property owners to small businesses directly, developing a program that links businesses and the space in an ongoing manner, and/or creating standard contract templates that businesses and property owners could use for these types of agreements.

Arts, Culture and Small Business Space Bank:

To address the evolving and varied needs of small business, a public-facing Arts, Culture and Small Business Space Bank could be created. This would align with the City's Arts Strategy's goal of generating economic opportunities for local artists, and identifying affordable and accessible spaces. This database would need to be kept up to date, and provide information on short-term or low-cost spaces for pop-ups

or temporary brick and mortar locations. Since the needs of these types of retailers can change seasonally and as each type of business grows, this database would serve as a useful resource for small business owners to reference as they manage their fluctuating retail needs. Maintenance and upkeep of this database would require resources and would be a good example of how the City could collaborate with a business association or non-profit organization on implementation.

Year-round (Winter) Farmers Markets

Farmers' markets are a popular choice for many small, independent businesses. The existing Farmers Market at Tipperary Park is currently seasonal, running from the spring to early November. In the past, they have tried running a year-round market in indoor and outdoor locations with mixed results. Given the appeal of this style of vending and community outreach, support for a year-round, or winter-specific, Farmers' Market could be considered. This would allow existing vendors to sell throughout the year, and continue to build momentum for the community of local vendors and artisans in New Westminster. This would require additional City collaboration with the New West Farmers Market Society, which currently manages these events, or a new organization that hosts the winter market specifically. The City could further support a year-round or winter market by assisting to identify indoor and weather-friendly spaces for colder, rainier months.

APPENDIX C:

RETAIL AREA HEALTH AND VITALITY TRACKING



Below is a sample 'health and vitality scorecard' that could be used as a starting point for the development of a consistent, clear approach to evaluating the trajectory and health of retail districts. The scoring schemes, weightings and assessments are preliminary and based on USL's understanding of the relative importance of different functions depending on the nature of a given retail area. As noted in the report, tracking the retail mix and vacancy over time are both critical to keeping tabs on the trajectory of retail areas. There are other, more qualitative variables that could be added to a report card, such as the presence or absence of a BIA, and its level of funding and staffing, or the extent to which there is frequent communication and transference of information between local business areas and City staff, and vice versa.

Table 18: Sample Retail Health and Vitality Report Card for UPTOWN

Variable	Scoring Scheme	Local Weight	Destination Weight	Score	
Critical Mass - Total Retail / commercial, excl. automotive	5: 500,000+; 4: 225-500; 3: 100-225; 2: 50-100; 1: <50	1.5	2.5	5	
Comparison Retail	5:30%+; 4: 20-30%; 3: 15-20%; 2: 10-15%; 1: <10%	1.0	3.0	4	
Convenience Retail (Food & Drug)	5: 20%+, 4: 15-20%, 3: 10-15%, 2: 5-10%, 1: <5%.	3.0	1.0	4	
Food Services	5: 20%+, 4: 15-20%, 3: 10-15%, 2: 5-10%, 1: <5%.	1.0	2.0	3	
Retail Commercial Anchors	5: extensive draw; 4: good, 3: average; 2: below average, 1: minimal	1.0	1.0	4	
Vacancy Rate	5: <4%, 4: 4-6%, 3: 6-8%, 2: 8-10%, 1: >10%	2.0	1.5	3	
Non-Retail Anchors					
Library	Presence, absence and scale/location	1.0	0.5	5	
Performing Arts	Presence, locations, quality	0.5	2.0	3	
Museum, Art galleries	Presence, locations	0.5	2.0	0	
Schools	Presence, locations.	1.0	0.5	5	
Specialized Retail Function	Neighbourhood hub + destination.	1.0	3.0	3	
Walk Score	5: 90+, 4: 80-90; 3: 70-80; 2: 60-70; 1: <60	3.0	3.0	4	
Transit Score	5: 70+; 4: 60-70; 3: 50-60; 2: 40-50; 1:<40	3.0	3.0	3	
400m Population	Based on threshold pop levels (qualitative)	3.0	1.0	4	
800m Population	Based on Threshold pop levels (qualitative)	2.0	1.0	4	
400m population growth (5-years)	Vs. Citywide	1.0	1.0	5	
800m population growth (5-years)	Vs. Citywide	1.0	1.0	5	
Daytime population	will vary by trade area	2.0	0.5	3	
LOCAL / COMMUNITY RETAIL SCORE				**108**	**76%**
DESTINATION RETAIL SCORE				**103.5**	**70%**

Based on the above scoring for Uptown, we would conclude that Uptown is a relatively healthy retail area both in terms of its day to day role for local trade area residents, and as a destination for the broader community. The area has a good critical mass of retail, with strong anchors (retail and non-retail). Further, the area has good double-loaded streets in most areas, although there are notable opportunities for re-allocation of public spaces to create more opportunities for gathering and outdoor activity.