

REPORT

Office of the Chief Administrative Officer

To: Mayor Johnstone and Members of Council
Date: July 10, 2023

From: Lisa Spitale, Chief Administrative Officer
Item #: 2023-484

Subject: **Retail Strategy Endorsement**

RECOMMENDATION

THAT Council endorse the Retail Strategy – Phase 2.

PURPOSE

To report back to Council on the community review of the draft Retail Strategy, and seek Council endorsement of the final Strategy.

SUMMARY

The Retail Strategy has consisted of two phases, with the second phase now presented for Council's consideration and of endorsement. The Retail Strategy is intended as a guide for informed decision-making around long-range commercial land use planning, strategic commercial area interventions, and proactive tenant retention and attraction.

Phase 1 of the project focused on conducting background research and data collection, preparing a city-wide retail inventory, and seeking community and stakeholder input. Phase 2 focused on the development of options and recommendations. The draft Phase 2 document was presented to Council on June 12, 2023 and subsequently posted online for a final check-in with stakeholders and the community. Substantial support was received and minor changes to the draft were made. Staff now recommends Council endorsement of the Strategy Phase 2 report.

BACKGROUND

On June 24, 2019, Council directed staff to proceed with the preparation of a Retail Strategy that considers actions to support existing retail, including through development, and which explores opportunities to create more affordable retail units. After a delay due to the pandemic, work on the Retail Strategy commenced in summer 2021.

Retail Strategy Goal & Vision

The Retail Strategy is intended as a guide for informed decision-making around long-range commercial land use planning, strategic commercial area interventions, and proactive tenant retention and attraction. The draft Strategy supports the Official Community Plan’s (OCP’s) vision for New Westminster’s Great Streets and identifies actions to enhance these, and provides recommendations regarding the optimal mix of uses and the most suitable development forms for the City’s commercial districts.

Unlike a site-specific retail strategy, a successful city-wide retail strategy is not intended to 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 into thriving business and social hubs that reflect the needs and wants of an increasingly diverse community so that they can 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 and acts as goal posts for the Strategy. The principles, tools and strategies discussed throughout the Strategy link back to the 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.

Phase 1

The first phase of work centered on data collection and analysis, including a current conditions review and retail inventory, municipal scan of best practices and supply/demand projections. Outreach to the business community and New Westminster residents was conducted. The Phase 1 report was received by Council on April 25, 2022.

Phase 2

Building on the research and analysis conducted as part of Phase 1, recommendations were development for the Phase 2 document (see Attachment 1), both at the city-wide level and for retail sub areas (e.g. Uptown, Sapperton, etc.).

REVIEW OF THE DRAFT RETAIL STRATEGY

A Council workshop was held on June 12, 2023 Council with the consultants. Following that, and Council's direction to bring the draft out for public review, staff posted the draft online and circulated it to business groups that have been engaged throughout the Strategy development. The following sections outline feedback received at the workshop and through public review, as well as changes that were then made to the draft.

Council Workshop

At the Council workshop on June 12, 2023, support was expressed and feedback received. The following revisions to the draft were made based on the discussion at that session:

- Addition of discussion of the intended outcomes of the Strategy, clarifying that the vision included in the document functions as the goal posts for the Strategy, and that the intent is for the Strategy to create the conditions for the desired shifts to happen; and
- Clarification regarding dark stores being most likely to emerge in Queensborough where there may be interest in conversion of existing large retail spaces.

Online Engagement

On the project's Be Heard page, the community was invited to answer a poll, share ideas for implementation and ask staff questions.

The online poll asked residents if they think the recommendations of the Strategy support Council's Strategic Priorities Plan for active and welcoming commercial areas. 12 residents completed the poll, with the majority (58%) responding in the affirmative, 25% unsure, 8% unsure, and 8% responding in the negative.

Ideas for implementation of the Retail Strategy included:

- creating an arts map highlighting Massey Theatre as a destination;
- seeking to attract high end grocery store to the Downtown;
- revitalizing Front Street;
- removal of commercial parking minimums;
- supporting existing and small businesses;
- hosting more events in Uptown; and
- creating City-owned retail spaces to be rented at below market rates.

Questions and comments were received and responded to regarding how the Strategy relates to the “15-minute city” concept, how safety and cleanliness are addressed in the Strategy as well as through other City initiatives, and around how accessibility would be given careful consideration in any changes to zoning regulations regarding active uses.

Circulation to Business Groups and Community Partners

The draft Strategy was also circulated to the 1,100 subscribers of the *Invest New West* newsletter, who represent mostly business operators in the community. No additional feedback was received.

DISCUSSION

Online engagement on the Be Heard page was low but indicates interest in moving ahead with implementation of the Retail Strategy. Similarly, the lack of concern/feedback expressed by *Invest in New West* newsletter recipients may reflect that these partners have been engaged throughout the Strategy development. The Retail Strategy has been brought to the Economic Development Advisory Committee, which includes various business and community representatives, throughout both phases of its development. Most recently, the draft was brought to the Committee on May 25th, 2023, with the committee expressing support.

The final version of the Retail Strategy – Phase 2 report (Attachment 1) reflects the changes resulting from the Council workshop, as well as minor editorial revisions and formatting improvements.

NEXT STEPS

Implementation of the Strategy would be led by Economic Development, with support from Planning and other departments as required. To support the implementation of the Strategy, the recently approved Strategic Priorities Plan, and an enhanced focus on Economic Development and Business Licensing to more fully support local business, staff anticipate a request for an additional FTE during the 2024 budget process for consideration by Council.

Implementation of land use policy and regulations recommendations would involve the Planning Division. It is anticipated to be challenging to undertake policy work on Retail Strategy recommendations this year, due to the key focus on housing initiatives. However, many of the recommendations can be implemented immediately through review of development applications and conversation with applicants about the directions in the Strategy. Further consideration regarding implementation will be brought forward for Council consideration as part of departmental work planning.

FINANCIAL IMPLICATIONS

Implementation of the Retail Strategy may have future budget implications, which will be brought forward for Council consideration as part of future work plan and budget processes.

OPTIONS

Two options are presented for Council's consideration,

1. THAT Council endorse the Retail Strategy – Phase 2; or
2. THAT Council provide staff with alternate direction.

Staff recommend Option 1.

INTERDEPARTMENTAL LIAISON

This project is being co-lead by the Economic Development Office and the Planning division.

ATTACHMENTS

Attachment 1 –Retail Strategy Phase 2

APPROVALS

This report was prepared by:
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This report was reviewed by:
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This report was approved by:
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