



City of New Westminster

Report to Council

To: New Westminster City Council
in Workshop

Meeting Date: February 2, 2026

From: Blair Fryer, Director, Community
Services
Jackie Teed, Director, Planning &
Development

Report No.: 2026-52

Re: **Retail Strategy Implementation: Active Streets Initiative**

Staff Recommendation

THAT staff prepare the necessary Zoning Amendment Bylaw to implement the Active Streets Initiative approach as outlined in the report titled “Retail Strategy Implementation: Active Streets Initiative” from the Director, Community Services and Director, Planning and Development, dated February 2, 2026, with feedback from Council incorporated.

Purpose

To provide information to and receive feedback from Council on implementation of Retail Strategy recommendations related to active streets and seek authorization from Council to proceed with Next Steps.

Summary

The Official Community Plan and Council-endorsed Retail Strategy include recommendations to activate New Westminster’s commercial districts and, specifically, core Great Street areas. Specifically, the Retail Strategy recommends that:

- Zoning be used to limit at-grade uses in core Great Street areas to ‘active uses’;
- Zoning be amended to permit combination stores and emerging retail and service concepts; and,
- The Business License Bylaw be amended to support window transparency and connection to the street.

Through the Active Streets Initiative, staff are proposing to implement these recommendations via active use zoning changes and targeted business outreach. Overall, the proposed approach strives to:

- Enhance the unique roles of key commercial areas

- Make space for active commercial uses and support diverse retail experiences; and,
- Take a balanced regulatory approach.

Intended to be moderate in nature, the proposed approach would involve:

- Permitting only active commercial uses at-grade in core Great Street areas and shifting low-activity uses (e.g., offices) to upper levels;
- Adjusting the Retail Strategy core Great Street areas to include key gateways, select pedestrian-oriented streets, and leverage public realm investments (see core areas in Attachment 3);
- Continuing to permit both active and low-activity uses on any commercial storey outside of core Great Street areas;
- Modernizing existing Zoning Bylaw uses and permitting new uses in accordance with the Retail Strategy; and,
- Continuing outreach to businesses to improve window transparency and street connection in light of recent Business License Bylaw amendments.

Staff are seeking feedback from Council on the proposed approach and are recommending that this feedback be incorporated into a Zoning Amendment Bylaw to implement the changes.

Background

Official Community Plan

The Official Community Plan envisions the city's Great Streets as vibrant neighbourhood hearts that should be "...animated with active uses like cafes and shops located on the ground level of buildings. Less active uses, such as offices, should be located on the upper levels of buildings." A summary of this and other City policies are in Attachment 1.

Retail Strategy

The Retail Strategy includes several strategic interventions intended to enhance the retail experience of New Westminster's primary commercial areas. Per the Strategy, core Great Street areas are smaller sub-sections of a larger commercial area, and function as neighbourhood hearts. These core areas are defined as:

- Downtown – Columbia Street between Eighth and Fourth Streets
- Uptown – Sixth Street between Seventh and Fifth Avenues
- Sapperton – East Columbia Street between Keary Street and Sapperton Park and Knox and Braid Streets
- Upper Twelfth Street – Twelfth Street between Nanaimo and Edinburgh Streets
- Queensborough – Ewen Avenue between Gifford and Howes Streets

To increase the vibrancy of the city's primary commercial areas, the Strategy recommends that:

- At-grade uses in core Great Street areas be limited to 'active uses';
- Zoning be reviewed 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,
- The Sign/Business License Bylaw be amended 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.).

These recommendations are discussed in further detail in Attachment 1.

Business License Bylaw

Recently, and for consistency with the Sign Bylaw, the Business License Bylaw was updated to require that window signage and/or decals not exceed more than 20% of the area of windows or glass doors. In Fall 2025, staff conducted business-by-business walkabouts in each of the city's commercial areas to educate business owners about signage requirements.

Beginning in Spring 2026 staff will follow up with businesses that have unpermitted signage decals and work on a progressive enforcement approach to increase compliance.

Past Council Decision Making

On April 8, 2024 ([minutes](#)) Council directed that the City:

- Review and refresh its current policies relating to ground level retail to ensure they are responsive to current market forces; and,
- Develop a policy to ensure that future ground level retail spaces in new developments are built to prioritize community supporting business and organizations in alignment with the Retail Strategy.

On May 27, 2024 ([report](#) / [minutes](#)) staff confirmed that they were progressing implementation of Retail Strategy recommendations related to this motion.

On June 9, 2025 ([minutes](#)) Council directed staff to, among other things, explore the impacts of using zoning to restrict extended health services in ground level commercial units.

This report responds to these Council motions and provides an update and proposed approach to implementation of Retail Strategy recommendations as discussed in the May 27, 2024 report to Council.

Precedent Research

The use of zoning to restrict inactive ground level uses in pedestrian-oriented commercial districts is not uncommon and relevant precedents were identified in Vancouver, North Vancouver, West Vancouver, and Victoria. A summary of precedent approaches is included in Attachment 1.

Consultation

The Retail Strategy was created through comprehensive engagement with business owners, operators, and local shoppers through door-to-door business engagement, online surveys, and one-on-one interviews. Among key feedback from local shoppers was a desire to satisfy more of their day-to-day needs in New Westminster and dissatisfaction with the lack of balance in the city's retail environment (see Attachment 2 for additional feedback).

To inform the Active Streets Initiative, staff sought feedback from the Arts, Culture, and Economic Development Advisory Committee at its April 10, 2025 meeting ([report / minutes](#)). Staff also held a business community workshop at Anvil Centre on June 18, 2025. Workshop invitations were mailed to all New Westminster commercial property owners and the event was advertised on the City's website, Invest New West newsletter, CityPage, and promoted by the City's business community partners. A total of 49 local business owners, 26 commercial property owners, and six Chamber of Commerce and Business Improvement Area representatives attended the workshop.

Feedback received is discussed in the following sections, and a complete summary of consultation included in Attachment 2.

Analysis

Active Uses

Business and Professional Offices

There is broad consensus between the Retail Strategy, precedent research, the local business community and Arts, Culture and Economic Development Advisory Committee (the Committee) that business and professional offices (e.g., legal, technology) are not considered active uses and should not be permitted at-grade in core commercial areas.

Health Services

The Retail Strategy does not name health services among active uses. However, precedent research is divided and health services are permitted at-grade in Vancouver and Victoria commercial areas, limited in West Vancouver's Ambleside shopping area, and prohibited in some recent Central and Lower Lonsdale Comprehensive Development Districts. Similar divisions were reflected in community feedback with the

Committee expressing general support for prohibiting these uses at-grade and the business community suggesting that they be permitted on a conditional basis.

However, staff note that health services make up the largest share of Service Commercial uses in Sapperton, and the second largest in Downtown, Uptown and Upper Twelfth Street. The Retail Strategy recommends that these uses be reduced in each area to support a more balanced retail environment.

Financial Institutions

While the Retail Strategy does not consider financial institutions active, they are considered desirable neighbourhood-serving amenities and their street interface may be improved through zoning conditions. Precedent research is divided as to whether financial institutions, including insurance brokers, are considered active and these institutions are treated similar to health services by the precedent municipalities. However, 77% of the business community indicated that these uses should be permitted at-grade without restriction.

A trend has been observed in the consolidation of financial institutions, and branches have recently closed in Downtown and Sapperton. The reduced presence of physical banking institutions has been shown to disproportionately impact low-income communities and seniors, who may have barriers to accessing online services. Using zoning to further limit where these institutions can locate, could exacerbate this issue.

Business and Vocational Commercial Schools

There is a lack of consensus in the precedent research as to whether business and vocational schools are considered active uses, and clear feedback was not received from the Committee or business community. However, the Retail Strategy does not consider these uses active, and notes that the education service sector comprises an outsized proportion of total Downtown commercial floor area, excluding dedicated institutional and office buildings.

Child Care Facilities

Child care facilities generate less street activity than active uses and often struggle to develop a successful relationship with the street. Through staff's business-by-business engagement on the Business License Bylaw amendments, it was found that sunshades, window decals, and frosting are often applied to purposefully limit views into program space. Staff continue to work with existing businesses to bring them into Bylaw compliance.

However, there is broad consensus between the Retail Strategy, precedent research, and the local business community that licensed child care facilities should not be restricted through zoning. These facilities are permitted in all precedent active use zones, and the Retail Strategy states that they could be permitted in active use areas

given alignment with City priorities. The business community also expressed broad support for locating child care facilities in core areas, with 68% indicating that that they should be permitted at-grade without restriction.

Staff note that child care facilities are vital community infrastructure and that increasing densification due to Provincial legislation is anticipated to increase child care demand. A lack of child care facilities has been shown to reduce workforce parent participation, which negatively impacts the economy and disproportionately affects women. Insufficient child care spaces have also been shown to reduce municipalities' proportion of working age adults, resulting in labour challenges and reduced economic activity.

Great Street Core Areas

The core Great Street areas defined by the Retail Strategy are more compact than those to which active use zoning restrictions apply in Vancouver, Victoria, and West Vancouver. In discussions with the Committee, members suggested extending the Uptown core area boundary along Sixth Street from Seventh Avenue to Eighth Avenue, to connect to Massey Theatre. Feedback was otherwise limited with respect to area boundaries.

New and Existing Buildings

The majority of precedent zoning applies to both new and existing buildings. The Committee was also supportive of regulating all buildings, provided preexisting uses are permitted to operate. Staff note that, through the Local Government Act, any preexisting at-grade uses inconsistent with active use zoning would be permitted to operate until the use has lapsed for more than six months (after which non-conforming status would be extinguished).

The Retail Strategy is supportive of this approach with the exception Downtown, where active use zoning is recommended to apply to new buildings only. However, the Strategy does not consider that complex construction conditions and the presence of valuable historic buildings have and would continue to slow the pace of change along Columbia Street.

Active Streets Initiative – Proposed Approach

Overall Approach

Staff propose that only active uses be permitted at-grade in core Great Street areas in the below commercial areas (active use restrictions are not proposed in Queensborough at this time for reasons discussed in the following section):

- Downtown
- Uptown
- Sapperton – with the exception of the Healthcare Campus Precinct (discussed in following section)

- Upper Twelfth Street

Core areas would comprise between two to six blocks along each commercial street (e.g., Columbia Street, Front Street) and represent only a minority proportion of an area's total commercial space. As defined in Table 1 below and shown in Attachment 3, core Great Street area boundaries have been adjusted to:

- Balance active use goals and moderate commercial land impacts by making areas compact;
- Ensure enough commercial area remains outside of core areas ("shoulder areas") to accommodate low-activity uses;
- Incorporate select pedestrian-oriented streets in Downtown and Uptown;
- Leverage public realm investments in Downtown and Uptown; and,
- Incorporate the south Downtown gateway at the Columbia and Front Street intersection and riverfront gateway at Columbia Street at Begbie Street to the Fraser River.

Table 1: Core Great Street Area Boundaries

Commercial Area	Core Great Street Area
Downtown	<ul style="list-style-type: none"> • Columbia Street – Front Street intersection to Fourth Street • Front Street – Begbie Street to Sixth Street • Begbie Street/Quayside Drive – Columbia Street to Fraser River
Uptown	<ul style="list-style-type: none"> • Sixth Street – Seventh Avenue to Fifth Avenue • Sixth Avenue – Seventh Street to Fifth Street • Belmont Street – Seventh Street to Sixth Street
Sapperton	East Columbia Street: <ul style="list-style-type: none"> • Alberta Street to Sapperton Park • Knox Street to Cedar Street
Upper Twelfth Street	<ul style="list-style-type: none"> • Twelfth Street: Edinburgh Street (mid-block) to Nanaimo Street (mid-block)

Core area boundaries reflect a balanced approach that seeks to increase the vibrancy of neighbourhood hearts, while ensuring adequate space for low-activity uses important to the local commercial ecosystem.

Active Use Restrictions

To support Downtown, Uptown, Sapperton, and Upper Twelfth Street vibrancy and create a more diverse retail experience, staff propose that the Zoning Bylaw be amended to permit only active uses at-grade, outright or with conditions, in core Great Street areas.

The below uses would be permitted on a conditional basis. These conditions would require that active components be visible from the street:

- Financial institutions – offices are not visible from the street;

- Fitness and wellness centres, child care facilities, art studios – an active component must be visible from the street (e.g., fitness activities, program spaces, retail store, gallery, reception area).

Uses that do not generate sufficient street level activity, and/or are overrepresented in the retail environment, would not be permitted in core areas. Unpermitted uses would include:

- Business and professional offices
- Health services (e.g., dental, medical, physiotherapy)
- Employment centres
- Commercial business and vocational schools
- Private schools
- Funeral parlors
- Automobile sales, rental, repair and boat and trailer showrooms
- Car washing establishments

Unpermitted and conditional uses would, where feasible, be allowed on upper storeys in core Great Street areas, and on any level within commercial “shoulder areas” (i.e., outside core Great Street areas). Zoning Bylaw amendments would apply to new and existing buildings to realize change faster than redevelopment would allow. Existing unpermitted and conditional uses would be allowed to continue operations per Local Government Act non-conforming use provisions.

Sapperton

Sapperton is a designated Special Employment Area, and a variety of policies seek to leverage the expansion of Royal Columbian Hospital to create an economic health cluster. To balance this objective with those of the Active Streets Initiative, staff propose that a portion of the core Great Street Area be designated a Healthcare Campus Precinct. The Precinct would extend between Simpson Street and Sapperton Park as defined by the Official Community Plan and supported by the IDEA Centre Strategy.

Within the Precinct, select healthcare cluster uses that support hospital expansion would be permitted at-grade. These would include:

- Physicians’ and nurse practitioners’ offices and clinics
- Provincially-designated colleges and universities
- Health research and technology offices
- Co-working and incubator offices
- Laboratories and research facilities

Healthcare cluster uses would not include local-serving extended health services, such as dental and physiotherapy offices.

Upper Twelfth Street

Upper Twelfth Street is unique for its large proportion of independent businesses (92% as of 2021) and its mix of culturally specific retail stores and restaurants. However, staff recognize that, unlike other areas, Upper Twelfth Street does not benefit from a large office inventory and that commercial vacancy rates are higher than optimal. To balance goals of the Active Streets Initiative, preservation of the area's cultural value, and market challenges, the core Great Street area would comprise only three blocks. This equates to approximately 33% of existing Upper Twelfth Street commercial floor space. Staff would continue monitor vacancies in the area and would expect to revisit the approach should the pace of change increase, and/or upon redevelopment of nearby study areas (22nd Street Station, Lower Twelfth Street).

Queensborough

Queensborough is transitioning from a destination-oriented to a neighbourhood-serving commercial area. However, local-serving goods and services, including professional and health services, remain underrepresented and high commercial vacancy rates persist. Additionally, development of upper level office space is challenged by high construction costs and insufficient residential density needed to subsidize office development. Given these constraints, and to support Queensborough's transition, staff are not proposing Zoning Bylaw amendments at this time. Instead, staff would continue to manage the pace of change through redevelopment.

Potential Commercial Land Impacts

Recent market research indicates that commercial vacancy rates are largely stable due to limited new development. However, restricting at-grade uses, particularly health services, is expected to apply a downward pressure to commercial lease rates and potentially land values. Generally, the growing health services sector can support higher lease rates compared to other commercial uses due to the sector's relative cost advantages (higher profit margins, lower capital costs, low tenant turnover.)

The proposed approach seeks to moderate lease rate and property value impacts in core Great Street areas by permitting:

- Low-activity uses above the ground level; and,
- Operation of non-conforming uses in accordance with Provincial legislation, thereby allowing the market to adjust over time as uses are slowly phased out.

Questions for Council:

- *Does Council support the proposed boundaries of core Great Street areas?*
- *Does Council support the proposed approach to requiring active uses in select commercial core areas?*

Existing and New Uses

To enhance commercial areas, staff would explore Zoning Bylaw amendments to increase commercial opportunities in commercial areas. This would be done by

modernizing existing active use definitions such as “personal service establishments,” and adding definitions to previously undefined uses, such as “cafes and restaurants.” New uses, described below, would also be added to commercial districts.

Small-scale Brewing – Downtown commercial zones

The City of Victoria currently permits breweries, distilleries, urban wineries, and manufacturers of other alcoholic beverages across their historic downtown and Central Business District. Taking from this example, breweries, distilleries, cideries, and urban wineries would be permitted in all commercial zones Downtown. Limiting this use to Downtown is intended to enhance its role as a destination arts, culture, and experiential retail destination, as directed by the Retail Strategy, and to realize the benefits of co-location observed in other municipalities (e.g., Brewer’s Row in Port Moody and Fremont Village in Port Coquitlam).

Businesses would be required to obtain a Manufacturer’s License, per Liquor Control and Licensing Act requirements, and Liquor Primary Licensed businesses would not be permitted. Per typical process, the City would continue to opt into the liquor license review process. Through this process, the City provides feedback from the public, Liquor Inspector, and civic departments to Council, from whom a resolution is obtained and provided to the Provincial Liquor Control and Licensing Branch.

The area used to manufacture alcohol would be limited to a maximum of 35% of first storey floor space, and the use would be conditional upon provision of a lounge endorsement area (i.e., tasting room) or food and beverage service. Staff note that the business community expressed support for allowing breweries in active use areas.

Small-Scale Production Use

Consistent with Retail Strategy recommendations, a new use that allows for on-site, non-industrial production, design, manufacturing, repair, or custom creation of products would be created. This use would be permitted outright in all commercial districts outside of core Great Street areas. Within core Great Street areas, this use would be permitted when provided in conjunction with a retail space and/or food and beverage service. An example of this use would be a jewellery design and manufacturing studio with a retail store.

Healthcare Cluster Uses – Sapperton (Healthcare Campus Precinct only)

Physician and nurse practitioner offices, health research and technology offices, and co-working offices are currently permitted under existing zoning in the Sapperton Healthcare Campus Precinct. However, the following new uses are proposed:

- Colleges and universities governed by the College and Institute Act or University Act
- Laboratories and research facilities

These uses would support employment objectives and have been identified by the IDEA Centre Strategy and Roadmap as key to creation of the economic healthcare cluster.

Questions for Council:

- *Does Council support these new uses?*
- *Are there other new uses that Council would like staff to explore allowing in Downtown, Uptown, Sapperton, Upper Twelfth Street, and Queensborough commercial zoning districts?*

Financial Implications

There are no financial implications related to the staff recommendations in this report, given that implementation of the Retail Strategy is a component of existing staff workplans.

Next Steps

Should Council support the proposed approach, the next step would be to prepare the Zoning Amendment Bylaw necessary to implement the described zoning changes.

Interdepartmental Liaison

Implementation of the Retail Strategy is being led by Community Services, with support from Planning and Development, and other departments as required.

Attachments

Attachment 1 – Summary of Policy and Precedent Research

Attachment 2 – Summary of Community Consultation

Attachment 3 – Core Great Street Area – Aerial Images

Report Approval

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