

Retail Gentrification and Social Inclusion Working Group Notes

June 16, 2016

In Attendance: Hendrik Buene (Village Vancouver), Landon Hoyt (HxBIA), Elizabeth Ballyantyne (DTES Neighbourhood House), Wes Regan (City of Vancouver), Kiri Bird (CEDSA/LEDlab)

Regrets: Pete Fry (SRA), Judy McGuire (Ray Cam, Reboot), Jean Swanson (CCAP), Moira Yuen (Chinatown BIA)

1. Intro and Check In

Purpose of Retail Gentrification and Social Inclusion Working Group

- In the DTES Plan there are targets around retaining local serving businesses, there are targets to reducing retail vacancy rates. The City has a target of reducing those. I think we can reduce those at the same time as having business that are providing goods and services for a mix of income groups.
- Figure out how the Neighbourhood Fit tool [introduced at CED Forum] can be better used.
- Balance retail uses along the Hastings Corridor, and throughout DTES.
- Figuring out create ways to provide affordable space for socially oriented or heritage businesses.
- Build bridges between low income serving businesses and new residents.
- Retain Chinese heritage
- Better represent First Nations culture through business makeup.
- Look at retail through the lens of a community economic development, ensuring that business that serve the needs of the residents who are here now continue to do that.
- The new businesses that come in, that serve a different market, that there is an intention and a framework to ensure that there is a respectful fit. Even potentially some synergies. That they're supportive of the community that is here now.

2. Timelines and Outcomes

Report going to council in October, recommendation from CEDSA Committee must be approved at August 17th meeting.

That means draft recommendations are to be discussed at the July 25th CEDSA Committee Meeting.

Between now and July 25th this committee will need to refine the project and policy ideas discussed at the April 8th meeting (and any others). This subcommittee will need to submit a report to the co-chairs (supported by CED

Coordinator and myself) by July 18th. Same thing in August: submit report to co-chairs no later than 7 days in advance of CEDSAC meeting.

Goal of July 25th meeting – review draft recommendations and discuss as full committee.

Goal of August 17th meeting – finalize recommendations for Wes' council report.

3. Review of April 8th Meeting Work

Policy

- Rate of Change policy
- Taxing empty Community Retail Units
- Land trust
- Retail cohort strategy partnership with BC Housing

Projects:

- Neighbourhood Fit tool
- Welcome Gift Baskets / CommunityWise
- Grocery Enhancement Program

[skipped directly to CED Planner report back on what was possible and what wasn't]

4. CED Planner Report

CED Planner Report: Retail Gentrification and Inclusion

What is NOT possible:

- Rate of Change policy: Wes looked into this. Planning are not sure how to put this into zoning
- Designating CRUs: Limiting frontage might be an option, but there's no way to recognize a business spaces as different from each other or give preference to social businesses.
- The Property Endowment Fund: Managed by Finance department, they own huge amount of assets, maybe 12-15 retail spaces included, sole goal is to generate a profit. So far doesn't seem like they want to play with CED Strategy folks.

What seems more POSSIBLE:

- Partner with BC Housing on Social Enterprise Retail Cohort Strategy
- City uses Revitalization Tax Exemption in order to fund Industrial Land Trust (among other things)

Updates on Research into Heritage Businesses/Retail Gentrification:

- CCAP and SRA not present at meeting, but some updates were heard
- CCAP first town hall happened and was well attended
- SRA proposal needs to be approved by CEDSA Committee

- CEDSAC will be using table @ Reconciliation in Action event for SRA to build up a mail list of people who want to respond to the heritage business survey.

Discussion of Policy Ideas

Retail Cohort Strategy

- Governed by BC Housing, City of Vancouver, plus community groups
- Wes meeting with David Lepage to better understand how City of Vancouver and BC Housing can work together on this
- Roughly 30 retail spaces for social enterprise, etc.
- Cohort will have its own property manager, selection process, etc.

Revitalization Tax Exemption

- Details of this model are included in Wes' slides
- There's a specific part of the Vancouver Charter (Section 2.6.6) that address revitalization tax exemptions
- Wes believes that within the DTES Planning Area, if it is zoned a 'revitalization area' a tax exemption can be applied to social purpose businesses. This will have two effects: a) encourage empty properties to fill their spaces with social/heritage businesses in order to be eligible for the tax exemption, and b) hopefully saving on taxes will be passed on to social/heritage business through lowered rents.
- At the same time this will generate revenues which can be leveraged for social purpose / industrial revitalization real estate plays.
- Therefore, can the City buy some long-term leases? Can I go to Council and buy a couple of buildings, and then take them out of the market?
- There's discussion of a Community Development Corporation being formed in Chinatown.

Ask to the committee:

- We need a community vehicle to administer the fund.
- Big challenge might be institutional capacity. Do we look to partners in the real estate industry? Do we go to a local foundation,
- If we agree that the revitalization tax exemption sounds reasonable, this piece is the missing piece.
- The committee agrees to explore potential vehicles: is it a new vehicle? Should we seek out institutional partnerships? How might this actually happen?
- Committee/LEDlab acknowledge knowledge gaps, will engage outside experts with technical knowledge on this subject (Vancity: Andy Broderick, Kira Gerwing, Central City Foundation: Jennifer Johnston, Dawn Bowls (independent consultant).
- Come to this group with good clear questions: governance, operations, and vehicle (legal status), independent vs. institutional partnership.
- Try to set up meeting for early July.

- At a later date we might Vancouver Foundation could set up a fund for donors to invest. Vancouver Community Foundation also has donor advised funds.

Action Item: Kiri to write save the date (July 7th/8th) and draft questions for the committee to review.

Discussion of Project ideas:

Neighbourhood Fit Tool

- Neighbourhood Fit guidelines now officially embedded in the development and permitting process at the City. If you're a developer or a business asking for a new license throughout the DTES planning area, it's now required that you fill this thing out. It gives you a score out of 40 of ways to connect with the community around local hiring, local purchasing, etc. This is an incentive type tool that could tie in with revitalization tax exemption. For companies or businesses that score particularly high on this index, they are able to opt in to this tax exemption process.
- Are there any teeth on this? City doesn't have a lot of latitude to shut things down, unless it's a really strong case. Your list of approved uses and your zoning are what gets you your business license.
- Could this integrate with CBA work? [everyone nods]
- Statement of commitment of what developer/business owner is undertaking. "That is what I strive to do in being a member of this community." Not for people to bash them when they fail, but to encourage self awareness.
- Is there something that's visible, that can be in businesses, when new employees come through?
- Current research underway into 'heritage businesses/low income serving businesses) will help us refine the neighbourhood fit tool and refine what heritage business is (for revitalization tax exemption).

CommunityWise

- CommunityWise new launch will be happening June 28th in the evening at Lost and Found.
- Welcome package for new businesses that provides info on how to be a good neighbour in the DTES.
- Connects businesses to social impact employment resources, procurement from social enterprise, etc.

Grocery Enhancement Program

- Kevin Hua from Hua foundation and Leslie Shea and others are talking about putting this program together. Educating new tenants about what products are available in Asian grocery stores. Also talking to business owners about carrying products that new residents would purchase. Goals are to increase cultural awareness of traditional Asian fruits and vegetables, while attracting new customers to existing businesses.

5. Set Next Working Group Meeting for July 4th – July 13th

Kiri to distribute Doodle Poll with suggested times.