MEMORANDUM

July 18, 2025

TO: Mayor and Council

CC: Paul Mochrie, City Manager
Armin Amrolia, Deputy City Manager
Karen Levitt, Deputy City Manager
Sandra Singh, Deputy City Manager
Katrina Leckovic, City Clerk
Maria Pontikis, Chief Communications Officer, CEC
Teresa Jong, Administration Services Manager, City Manager's Office
Mellisa Morphy, Director of Policy, Mayor's Office
Trevor Ford, Chief of Staff, Mayor's Office
Siobian Smith, Director of Business and Economy Office

FROM: Josh White, General Manager, Planning, Urban Design and Sustainability

SUBJECT: 2025 Storefronts Report

RTS #: N/A

Purpose
This memo provides Council with an update on storefront conditions following the 2025 Storefronts Inventory.

Background
Every year, Council receives for information the results from the Planning department's Storefronts Inventory. Spring 2025 marked the 6th year of the Storefronts Inventory data collection work. The inventory dataset has become a reliable and crucial longitudinal dataset for policy development, area planning and BIA strategic planning. The attached report (Appendix A) provides key findings and specific metrics for 2025 (including BIA specific metrics). Metrics include vacancy, turnover, proportion of independent businesses, and business category distribution. The Storefronts Inventory involves in-person reviews of the exteriors of ground floor commercial retail units supported by detailed web research and business license review. In 2025, the Storefront Inventory included roughly 9,700 storefront sites.

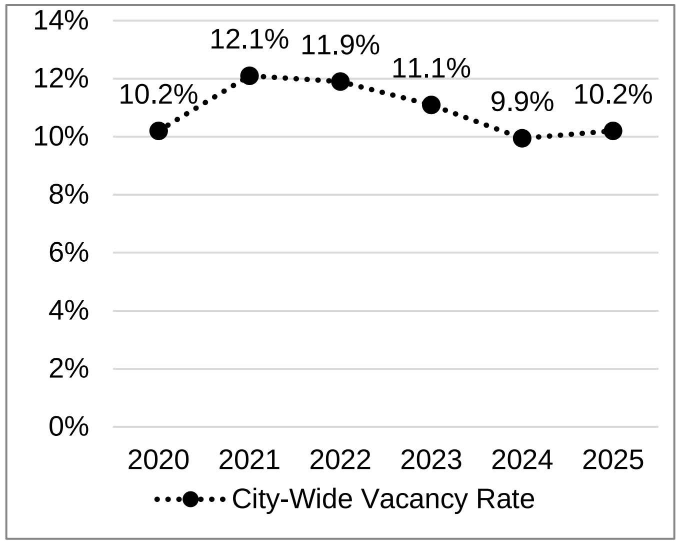
Key Findings: 2025 Vacancy Rates

The citywide vacancy rate has increased to 10.2% in 2025 (up from 9.9% in 2024). The target healthy vacancy rate is 5-7% with above 10% considered unhealthy.

Vacancy rates dropped or remained unchanged in 11 of the 22 BIAs (see Appendix A).

Downtown Eastside retail districts continue to struggle but showed improvement:

- Vacancy in the Hastings Crossing BIA (26.8%), Strathcona BIA (18.4%) and Chinatown BIA (16.2%) all improved dropping by 4.7%, 0.6%, and 2.3% respectively.



City of Vancouver Storefront Vacancy Rate 2020-2025

The City has taken several actions to support storefront occupancy, including:

- Reducing regulatory requirements through the Permitting Improvement Program;
- Creating multilingual resources to help businesses relocate into new spaces;
- Assisting property owners (non-profit or for-profit with a social purpose) located in the Downtown Eastside with activating their vacant spaces though the Special Enterprise Program (SEP); and
- Supporting improved conditions in retail districts through actions such as the provision of Graffiti Abatement Grants to BIAs, 2025 Gastown Summer Pilot, and the Uplifting Chinatown Action Plan 2025 grant.

Next Steps

The next update report to Council will be provided in Q2 2026 following the 2026 Storefront Inventory.

If you have any questions or require further information, please contact me or Chris Robertson, Director, City-Wide & Regional Planning, at chris.robertson@vancouver.ca.

Josh White
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APPENDIX A

CITY OF VANCOUVER

STOREFRONTS REPORT

CITY OF VANCOUVER

July 2025

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REPORT INTRODUCTION

HEALTHY STOREFRONTS

Vancouver's local shopping areas play an important role in the livability and sustainability of the City's neighbourhoods by providing local goods and services within walking distance of residents. Active storefronts support healthy shopping areas and support the broader business ecosystem. A storefront vacancy rate between 5 and 7% is considered healthy. To monitor storefront conditions, City staff perform an annual survey tracking the status of storefronts across the city.

STOREFRONT INVENTORY

At the onset of the pandemic in spring 2020, staff commenced the annual city-wide storefronts inventory to establish a baseline for storefront conditions. The inventory provides a unique dataset enriched by each subsequent edition. The inventory survey comprises of 9,700 sites across the city's local shopping areas and small retail clusters.

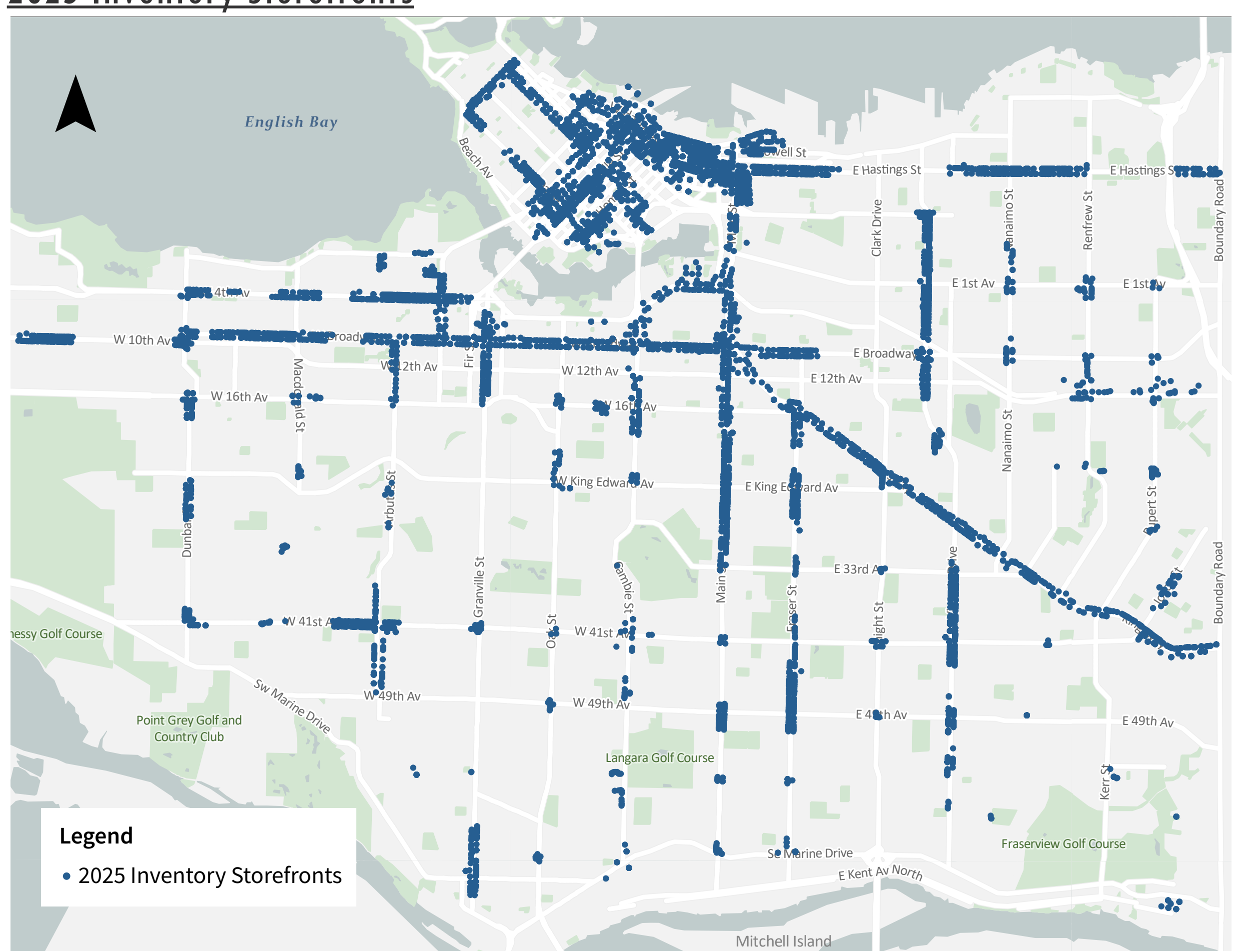
PUBLISHING FINDINGS

In January this year, staff provided City Council with a report considering storefront trends over the last 5 years (ending in spring 2024). This included vacancy, turnover (storefront change), ratio of independents, and the distribution of business types. This report updates those findings and provides the annual update for the 2025 storefronts inventory. Going forward staff will provide a single report in Q2 annually following the next inventory.

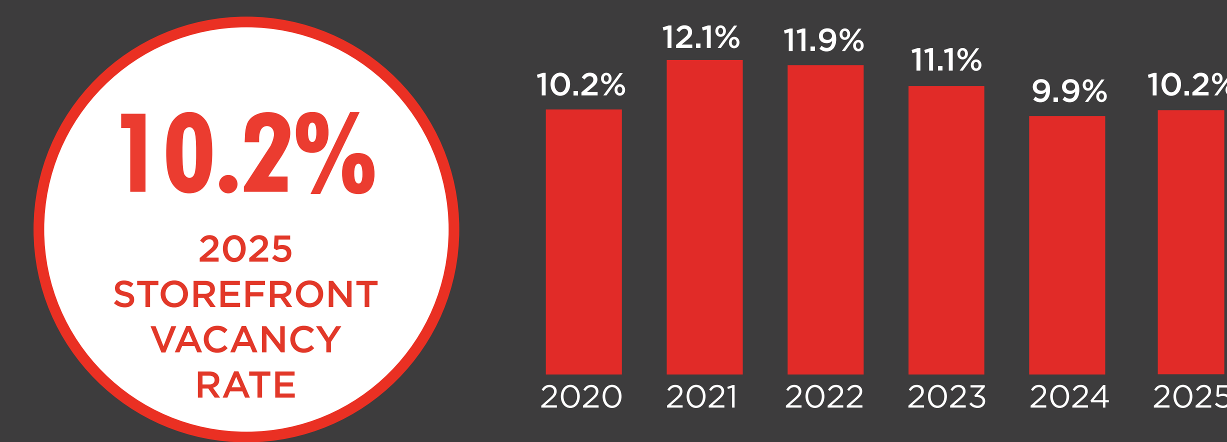
REPORT HIGHLIGHTS

- City-wide vacancy is up 0.3% since 2024, but down 1.9% since 2021 (see page 4).
- BIA store vacancies continue to trend down with most new vacancies occurring outside of BIAs (see page 5).
- Persistent vacancies, those that have been vacant for 5+ years, account for 26% of all vacancies and 3% of all storefronts (see page 5).
- Overall turnover is down compared to 2024 with openings outpacing closings for the 4th year in a row (see page 6).
- Independent stores account for over 75% of storefronts, a stable ratio since 2020 (see page 7).
- City-wide business distribution shifted since last year with 10% less Comparison Goods stores (e.g. clothes, furniture, jewlery, etc) compared to an increase in the previous year. Food & Beverage and Service Commercial stores increased again but at slowing rate compared to the previous 2 years (see page 9).
- Vacancy was down in the BIAs with the three highest vacancy rates (see page 10).

2025 Inventory Storefronts

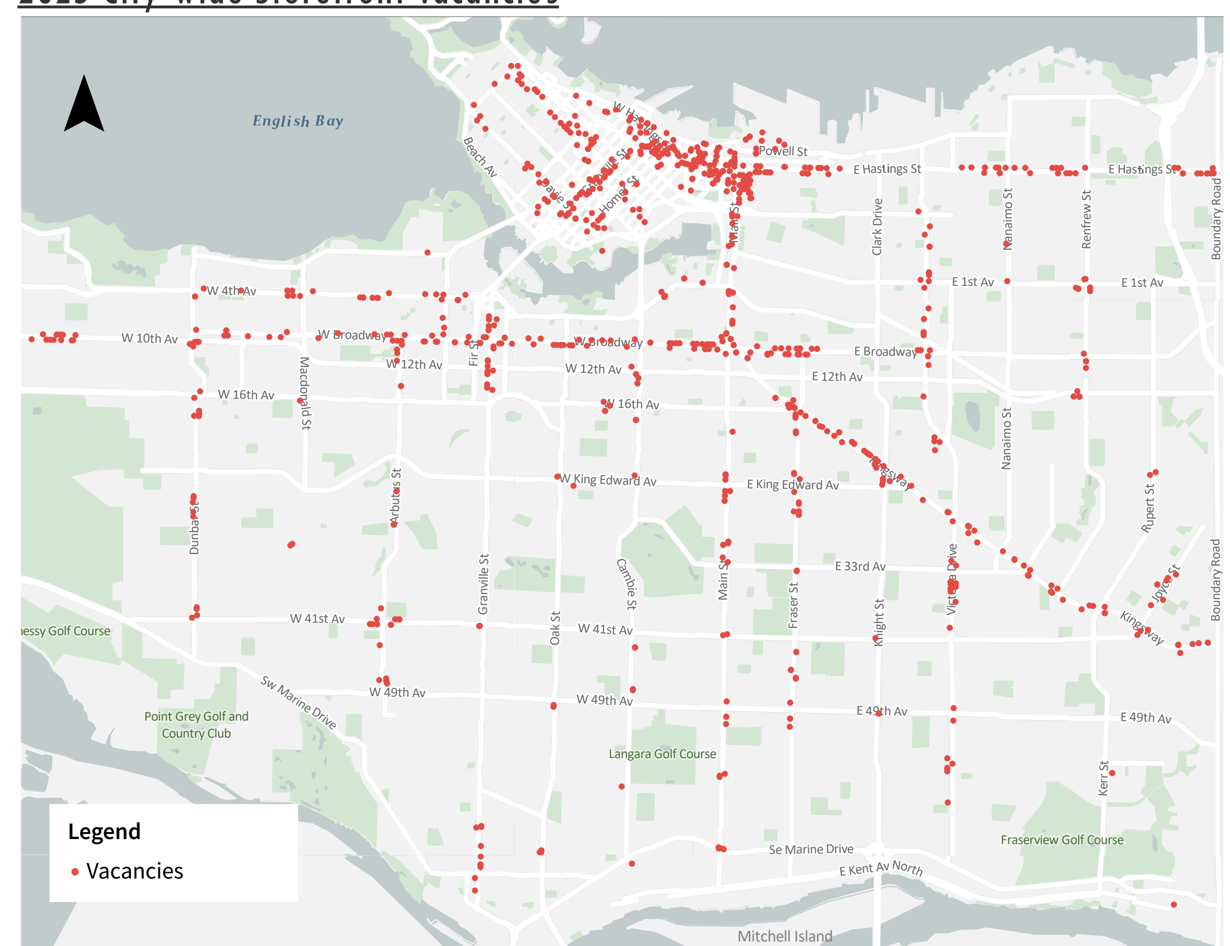


CITY-WIDE VACANCY



THE VACANCY RATE INCREASED SLIGHTLY TO **10.2%** FROM 9.9% LAST YEAR DUE TO THE INCREASE IN NEW VACANCIES OUTSIDE OF BIAS.

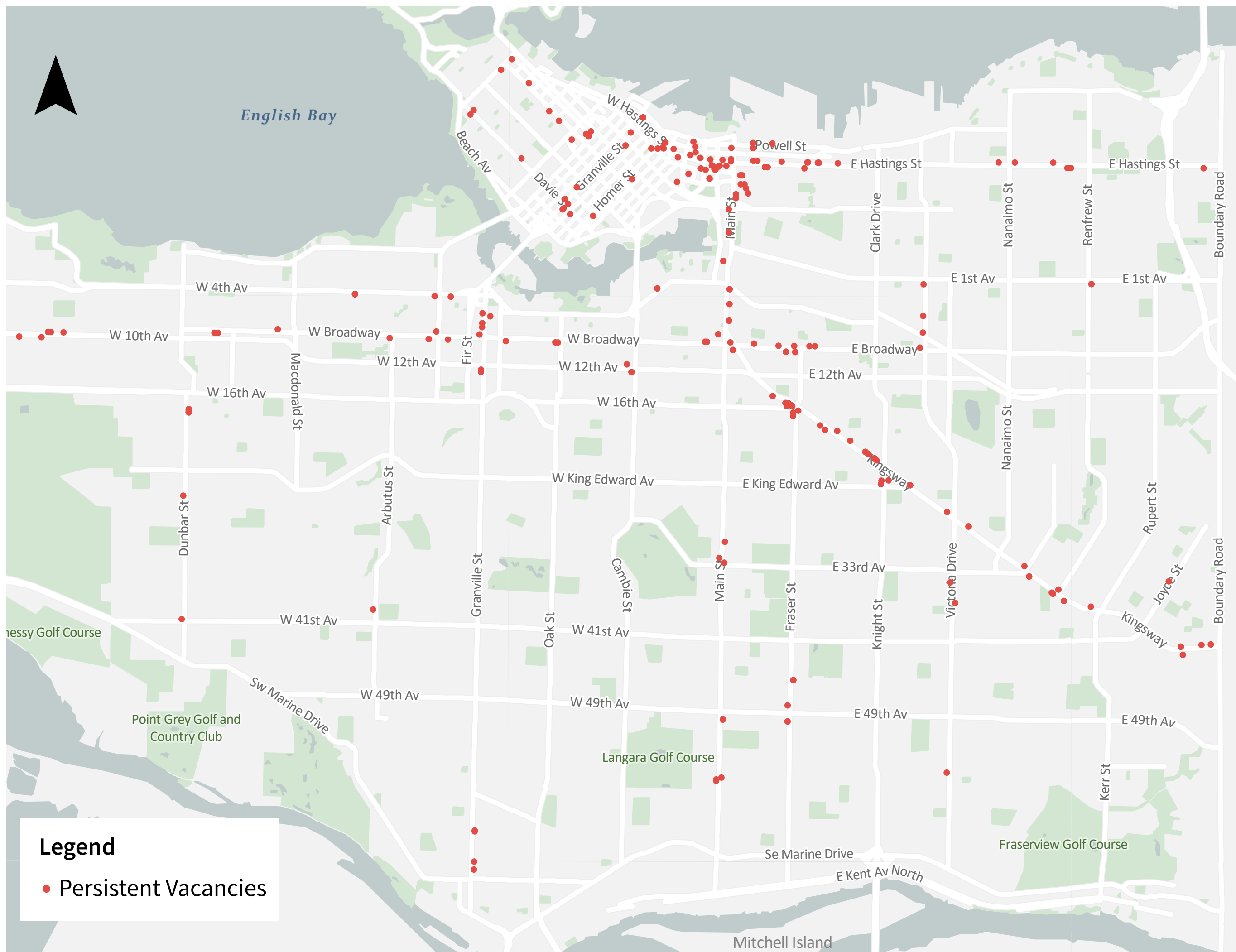
2025 City-wide Storefront Vacancies



TYPES OF VACANCY

Storefront vacancy is a key indicator of the health of retail areas. Frictional vacancy refers to temporary, short-term vacancies in retail space due to normal turnover, a healthy part of a functioning market. In contrast, persistent vacancy indicates long-term, often problematic, vacancies that may signal deeper issues in the market, building or area. The target frictional vacancy rate of 5-7% allows for the natural turnover in retail spaces.

2025 Persistently Vacant Storefronts

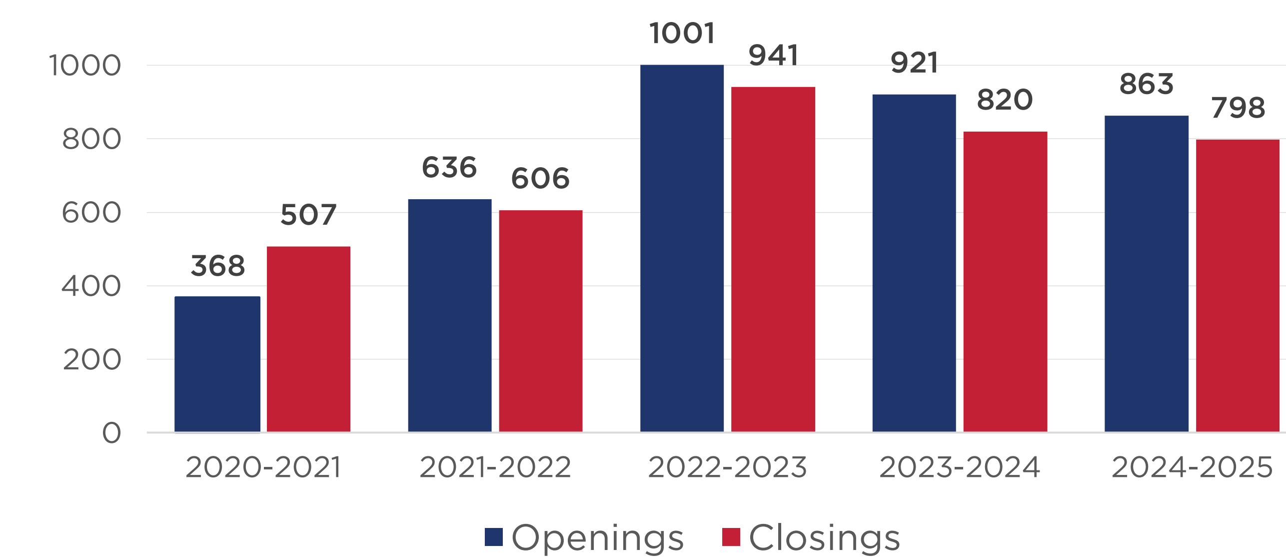


Persistent vacancies (5+ years) account for 26% of all vacancies and 3% of all storefronts. Persistent vacancies are most heavily concentrated in the DTES.

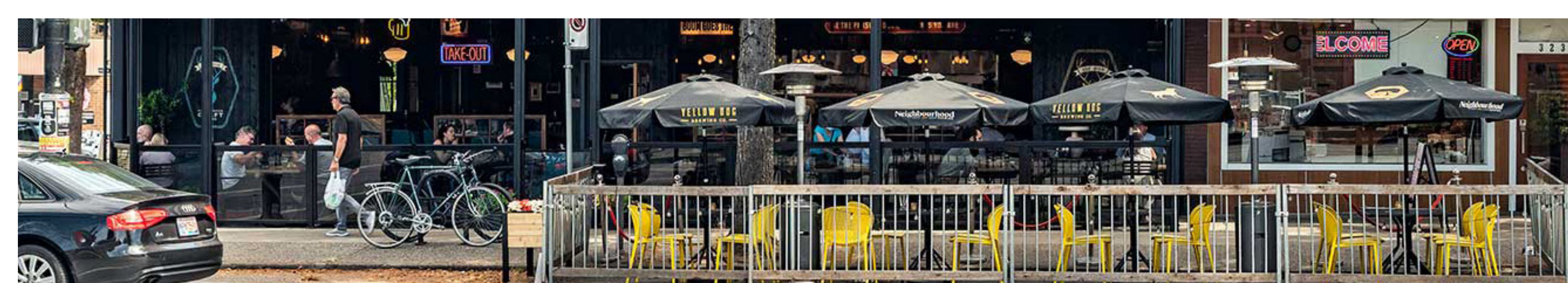
CITY-WIDE STOREFRONT TURNOVER

Turnover refers to a change in storefront occupancy. Turnover is a normal part of a market cycle. However, high turnover has been found to be correlated with high vacancy and could indicate challenging conditions at the local level. Conversely, low vacancy prevents a healthy amount of turnover. Storefront closures and openings provide detail about storefront turnover. Openings have outpaced closings since 2021. Openings continue to outpace stores closing in 2025 with slightly less turnover overall. This trend indicates more stability in the market and overall improvement of conditions. However, openings can be constrained if space in areas indicated by vacancy below 5% is in short supply.

Storefront Openings and Closings



Restaurants account for 15% of all storefronts and the most turnover of all storefronts with 140 opening and 115 closing over the last year. Opening restaurants occupied the most vacant storefronts at 25 with the 115 replacing existing restaurants.



CITY-WIDE RATIO OF INDEPENDENT STOREFRONTS

INDEPENDENT STOREFRONTS

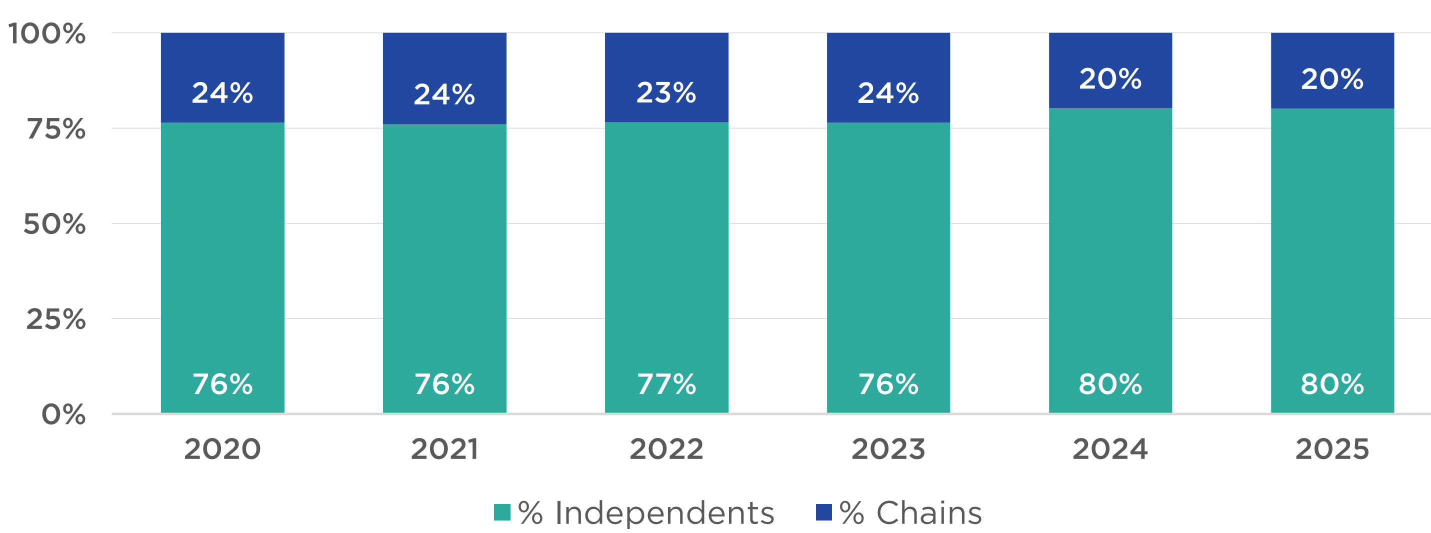
"Independent" refers to businesses with less than 4 locations. Conversely, "chain" refers to business with 4 or more locations[1]. Independent storefronts provide character and support the local economy.

RATIO OF INDEPENDENT STOREFRONTS

Independents consistently account for over 75% of all storefronts in the city. The slight increase in the proportion of independents reflects healthier local economy as chains have lower local economic multiplier benefits than independents[2].

The top 3 types of chain storefronts in 2025 are Fast Food (278), Financial Services (180), and Coffee Shops (145) businesses. The leading 3 types of independent storefronts in 2025 are Restaurants (1278), Barbershops & Salons (816), and Medical & Dental Services (390) businesses.

Ratio of Independent to Chain Storefronts City-wide 2020-2025



[1] Statistics Canada
[2] Retail-Commercial District Small Business Study

CITY-WIDE DISTRIBUTION OF STOREFRONT BUSINESSES

STOREFRONT BUSINESS CATEGORIES

Automotive Goods and Services
Businesses involved with vehicles.

Comparison Goods
Business that sell goods purchased less frequently than convenience goods and for which consumers are likely to do comparison shopping.

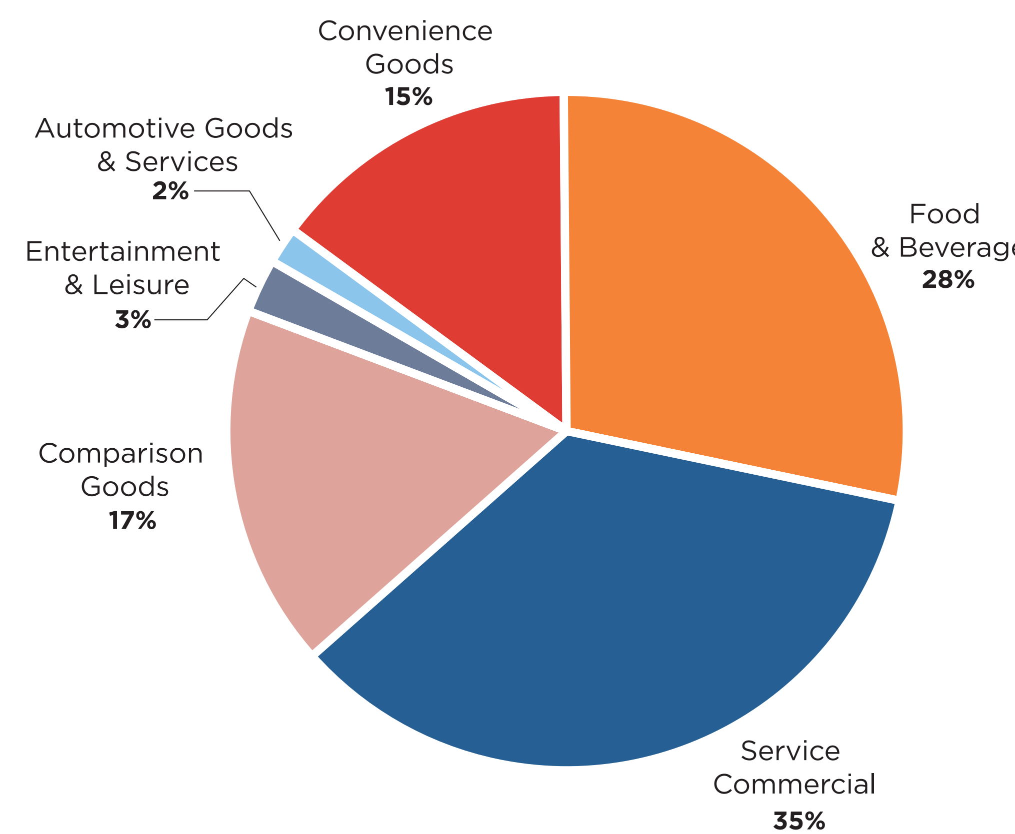
Convenience Goods
Businesses that sell goods purchased frequently.

Entertainment & Leisure
Entertainment or recreation venues including theatres, gyms, and yoga studios.

Food & Beverage
All types of restaurants, eating places, and drinking places.

Service Commercial
Commercial services such as hair cutting.

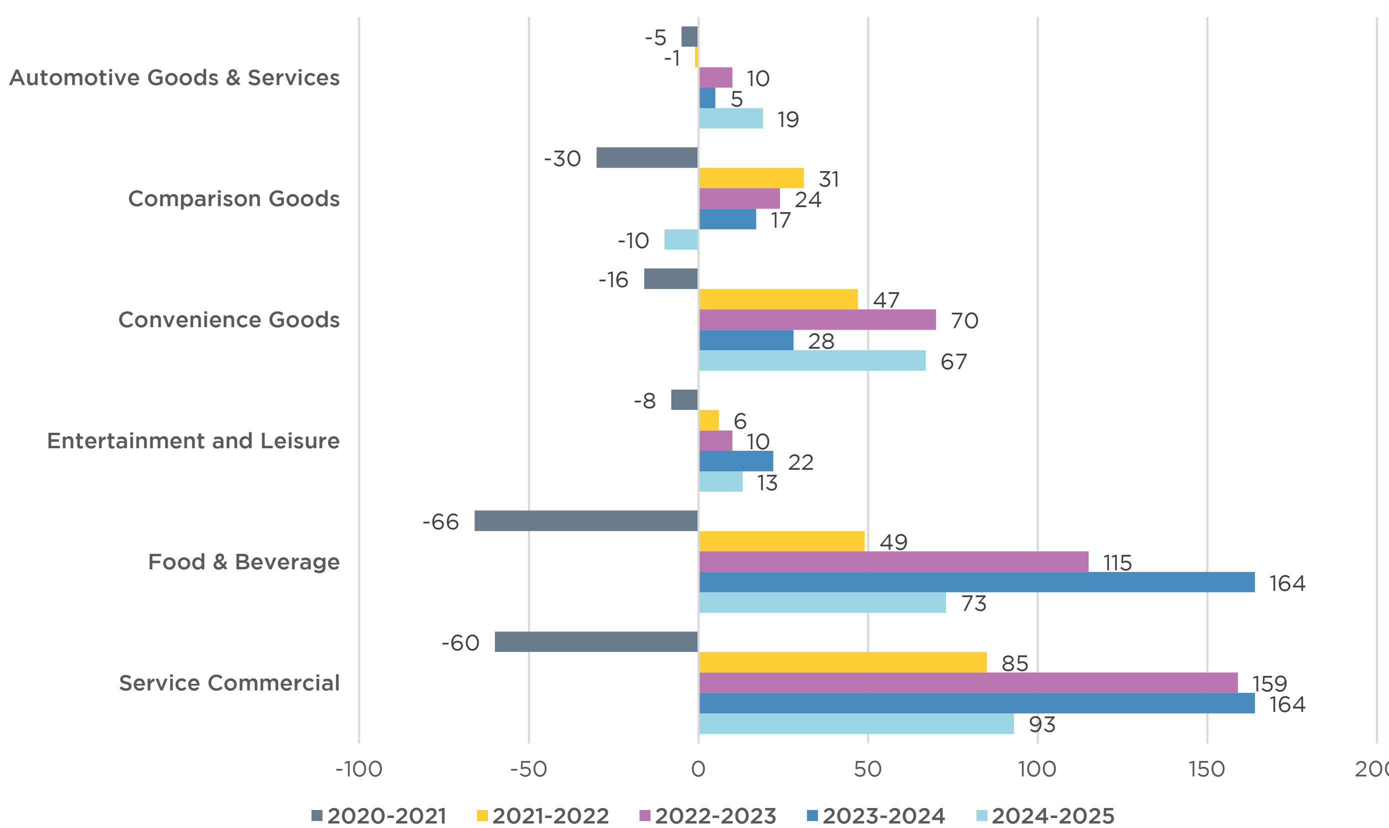
Distribution of General Business Categories

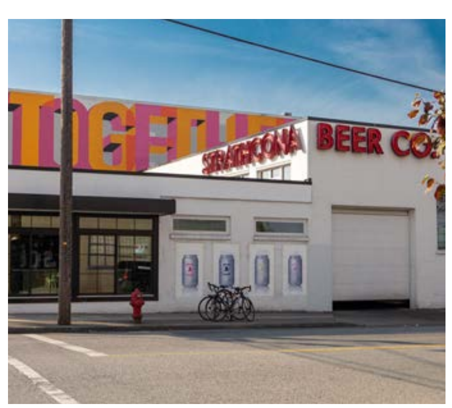


CHANGES IN STORES BY CATEGORY

Annual change in number of stores helps illustrate the overall net change in storefronts for each category. Over the last year, the net change in the number of stores has shifted with Food & Beverage and Service Commercial stores increasing but at a lower amount than the previous year. The net increase in Convenience Goods stores has accelerated with double the net new stores compared to the previous year. Conversely, there is a net decrease in the number of Comparison Goods stores, with 10 more closings than openings. The net new Automotive stores reflect the inclusion of missing car sales stores that were added to the inventory in 2025 (primary from the Burrard Slopes area).

Annual Change by Number of Stores in General Business Category 2021-2025





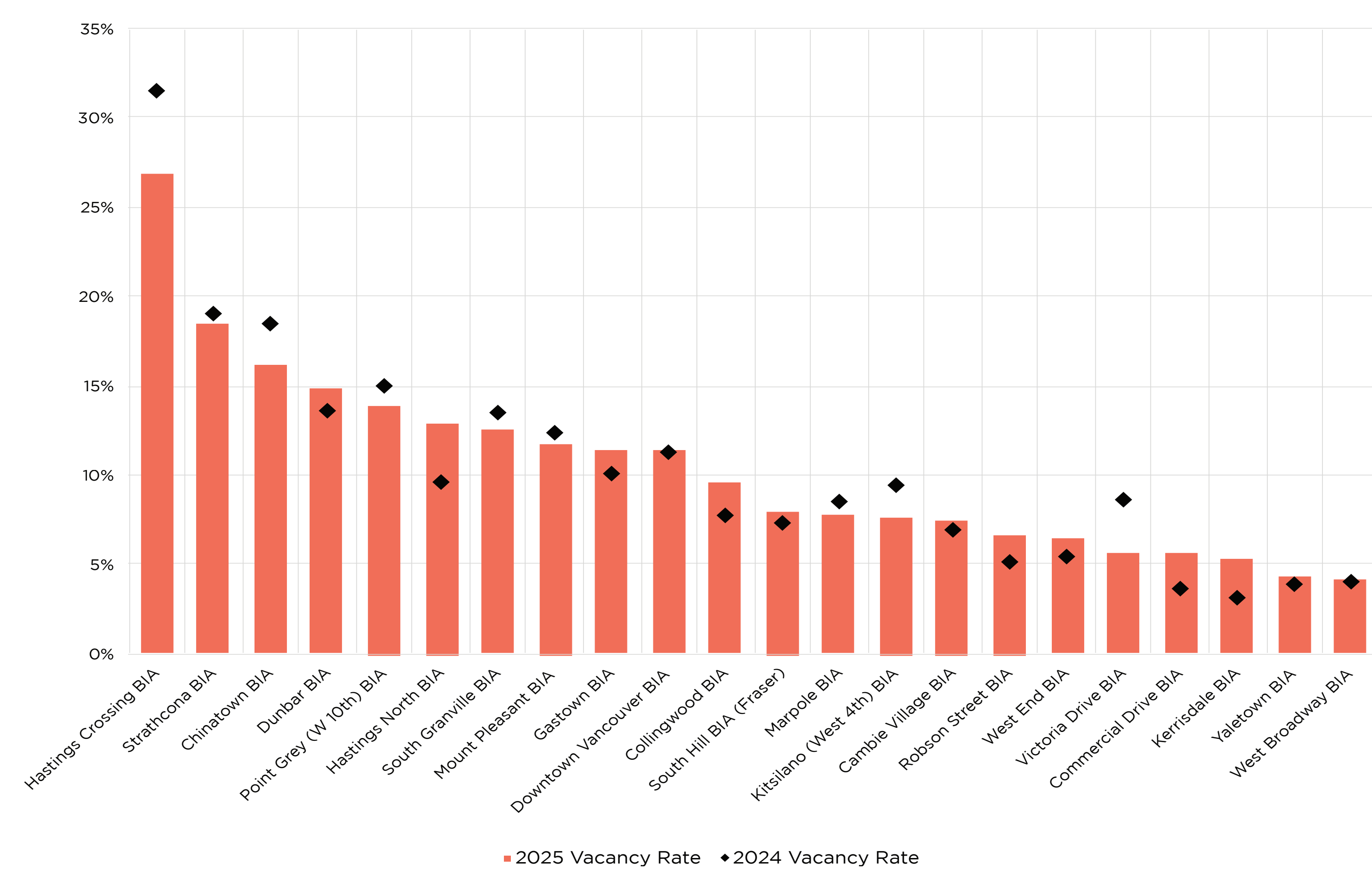
BIA STOREFRONT METRICS

Business Improvement Areas (BIAs) are specially funded business districts managed by non-profit groups of property owners and business tenants. The City of Vancouver has 22 BIAs who aim to promote and improve their business district. As BIAs contain most local shopping areas, the following lists storefront metrics for each BIA.

BIA VACANCY

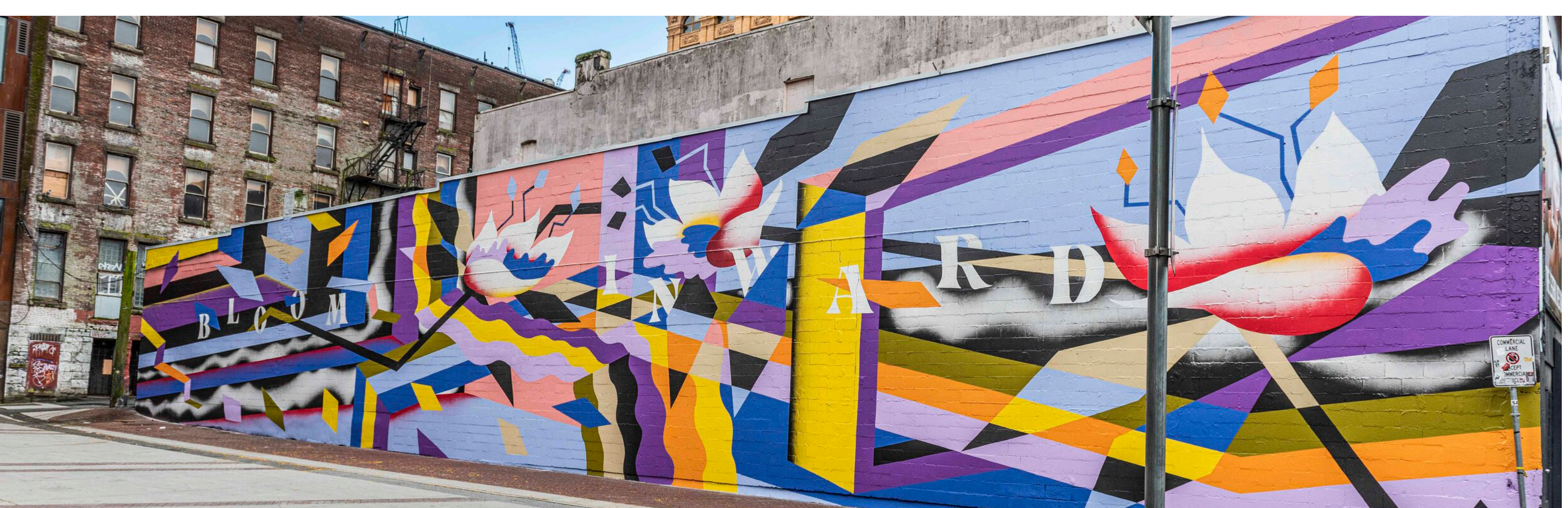
In 2025, the BIA vacancy rates dropped for Hastings Crossing (26.8%), Strathcona (18.4%), and Chinatown (16.2%), the three BIAs with the highest vacancy rates. Low vacancy (below 5%) continues to be a concern in some areas as this indicates a tightening of supply and a corresponding increase of lease rates. VanPlan implementation will address the retail supply concern through new development retail requirements responding to the corresponding increase in demand and density. Overall, vacancy in the BIAs continues to trend downwards since 2021.

2025 BIA Vacancy Rates



BIA STOREFRONTS METRICS

	Vacancy			Turnover	Proportion of Independents		
BIA	2025	1YR Change	5YR Change	Storefronts that Changed	2025 Ratio	1 YR Change in Ratio	5 YR Change in Ratio
Cambie Village BIA	8%	1%	0%	35%	70%	-2%	7%
Chinatown BIA	16%	-2%	-1%	35%	96%	1%	10%
Collingwood BIA	10%	2%	-4%	34%	84%	0%	9%
Commercial Drive BIA	6%	2%	-5%	34%	85%	0%	6%
Downtown Vancouver BIA	11%	0%	1%	36%	70%	1%	10%
Dunbar BIA	15%	1%	-5%	42%	76%	1%	15%
South Hill BIA (Fraser)	8%	1%	3%	28%	76%	1%	3%
Gastown BIA	11%	1%	-1%	44%	89%	1%	14%
Hastings Crossing BIA	27%	-5%	2%	41%	89%	2%	20%
Hastings North BIA	13%	3%	4%	35%	82%	-1%	2%
Kerrisdale BIA	5%	2%	-1%	35%	75%	-2%	9%
Kitsilano (West 4th) BIA	8%	-2%	-6%	36%	65%	0%	14%
Marpole BIA	8%	-1%	-7%	32%	78%	1%	12%
Mount Pleasant BIA	12%	-1%	0%	37%	86%	0%	4%
Point Grey (W 10th) BIA	14%	-1%	-3%	38%	79%	1%	13%
Robson Street BIA	7%	2%	-10%	38%	58%	1%	25%
South Granville BIA	13%	-1%	-4%	39%	74%	1%	20%
Strathcona BIA	18%	-1%	-6%	33%	97%	2%	13%
Victoria Drive BIA	6%	-3%	0%	30%	88%	0%	5%
West Broadway BIA	4%	0%	-3%	34%	78%	0%	7%
West End BIA	6%	1%	-4%	37%	77%	-2%	6%
Yaletown BIA	4%	0%	-2%	31%	76%	1%	15%



BIA STOREFRONTS METRICS

	Change in the Types of Businesses											
BIA	Automotive Goods & Services		Comparison Goods		Convenience Goods		Entertainment & Leisure		Food & Beverage		Service Commercial	
	1 YR Change	5 YR Change	1 YR Change	5 YR Change	1 YR Change	5 YR Change	1 YR Change	5 YR Change	1 YR Change	5 YR Change	1 YR Change	5 YR Change
Cambie Village BIA	0%	0%	-1%	0%	1%	-2%	0%	-1%	-1%	2%	1%	1%
Chinatown BIA	0%	0%	-1%	-4%	1%	-3%	-1%	3%	1%	5%	0%	0%
Collingwood BIA	0%	0%	0%	-2%	1%	2%	0%	0%	3%	3%	-4%	-3%
Commercial Drive BIA	0%	-1%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%
Downtown Vancouver BIA	0%	0%	-3%	-5%	1%	0%	0%	0%	0%	0%	2%	5%
Dunbar BIA	0%	0%	0%	-5%	1%	2%	1%	-1%	1%	0%	-2%	4%
South Hill BIA (Fraser)	0%	0%	1%	-1%	-1%	-3%	0%	0%	1%	4%	-1%	-1%
Gastown BIA	0%	0%	-2%	-6%	3%	4%	0%	1%	-2%	1%	1%	0%
Hastings Crossing BIA	0%	0%	-1%	-4%	3%	3%	0%	0%	-2%	0%	0%	1%
Hastings North BIA	0%	0%	-1%	-1%	1%	-1%	1%	1%	0%	1%	0%	-1%
Kerrisdale BIA	0%	0%	0%	-1%	0%	0%	0%	0%	0%	0%	0%	1%
Kitsilano (West 4th) BIA	0%	0%	1%	3%	2%	2%	0%	0%	-1%	-2%	-2%	-3%
Marpole BIA	0%	0%	1%	-1%	-1%	2%	0%	1%	1%	-2%	0%	0%
Mount Pleasant BIA	0%	0%	0%	-1%	0%	0%	0%	1%	0%	0%	-1%	0%
Point Grey (W 10th) BIA	0%	0%	1%	2%	-1%	-3%	0%	0%	2%	1%	-1%	-1%
Robson Street BIA	0%	0%	0%	-3%	0%	1%	0%	0%	2%	0%	-2%	1%
South Granville BIA	0%	0%	0%	-2%	2%	2%	0%	-1%	0%	0%	-1%	1%
Strathcona BIA	0%	0%	-1%	1%	0%	-1%	0%	0%	0%	3%	0%	-3%
Victoria Drive BIA	0%	0%	0%	0%	0%	-1%	0%	0%	0%	1%	0%	0%
West Broadway BIA	0%	0%	-2%	-5%	0%	1%	0%	0%	1%	2%	1%	2%
West End BIA	0%	0%	0%	-1%	0%	0%	0%	0%	1%	-2%	-1%	3%
Yaletown BIA	0%	0%	-1%	-4%	2%	1%	0%	-1%	1%	3%	-1%	0%

METHODOLOGY & ASSUMPTIONS

DEFINITIONS & NOTES

STOREFRONTS INVENTORY

The City of Vancouver's annual Storefronts Inventory surveys storefronts in each local shopping area in the city. Staff visually inspect over 9700 ground floor sites from the sidewalk for activity in commercial areas across the city each Spring. Staff use a GIS app to efficiently make updates directly in the field. The data is validated through the City of Vancouver business licence data, online research and BIA feedback. Staff code the validated data for business categories to allow for analysis. Non-retail storefronts such as office buildings, churches, libraries and vacant lots are not included in the calculations.

STOREFRONTS UNIVERSE

A storefront is a ground floor street facing commercial retail unit. As not all businesses are in storefronts (e.g. offices, industrial spaces etc.) not all businesses in the city are included in the annual inventory. The total number of storefronts surveyed is not the entire "universe" of storefronts in the city. The 2020 inventory focused on the high-streets and large storefront clusters, i.e most storefronts in the city. Since 2021, these areas have been fine-tuned each year adding new and missed storefronts in existing survey areas and adding new clusters. Storefront totals change from year to year due to existing storefronts splitting and merging, new commercial space opening, missed storefronts added, and new areas added.

VACANCY CODING

A storefront is considered "vacant" if it is unoccupied, regardless of lease status or permitting status during the annual spring field survey, i.e., the space appears "inactive" and could be occupied. Vacancy includes storefronts used for storage. Storefronts under tenant improvement are considered "Vacant Under Construction" as the space is unavailable, and the work could take more than a year to complete. This category is separate from vacant.

TYPES OF VACANCY

Frictional vacancy refers to temporary, short-term vacancies in retail space due to normal turnover, a healthy part of a functioning market. In contrast, persistent vacancy indicates long-term, often problematic, vacancies that may signal deeper issues in the market, building or area. Location, market conditions, and a range of other factors impact what is considered persistent or the length of time a storefront becomes an unhealthy vacancy. This report considers storefronts vacant 5 or more years as persistent.

HEALTHY VACANCY

The 2020 Retail-Commercial District Small Business Study recommended storefront vacancy as an indicator of retail health. Specifically, the study identified 5-7% as the target range of healthy (frictional) vacancy. Over 10% was described as unhealthy. This report uses 5-10% as the threshold for health vacancy levels in an area.

INDEPENDENT STOREFRONTS

Independents have less than 4 locations. Chains refer "to an organization operating four or more outlets in the same industry class under the same legal ownership at any time during the survey year" [source]

TURNOVER

Turnover refers to storefront sites that have changed between inventory years. A site with an opening and closing is only counted once.

OPENINGS AND CLOSINGS

Openings represent all businesses that now occupy a space that was either vacant or previously a different business in the prior inventory. Closings represent sites that are now vacant in the current inventory or businesses that changed since the prior inventory. Both openings and closings do not include "Vacant Under Construction" nor "Non-Retail" sites.

DATA FIDELITY

A master index tracks all storefront spaces in each inventory year to track revisions. Any errors identified are corrected back through each inventory year as appropriate.

2020 VACANCY DATA REVISION

The original 2020 storefront inventory set the baseline for pre-COVID vacancy rates. However, some of the survey work overlapped with COVID restrictions and the closure of many stores. Stores that were temporarily closed due to government restrictions remain recorded as "occupied" in the 2020 inventory. Storefronts that appeared to be temporarily closed during the survey but remained closed in 2021, have been re-coded as "vacant". This adjustment has increased the 2020 city-wide storefront vacancy rate from 9.3% to 10.2%.

BUSINESS CATEGORY

The use of general business category aggregates businesses of common business types. The following table provides a break down of each category by business type and provides examples.

BUSINESS CATEGORY	Business Type e.g., examples
AUTOMOTIVE GOODS & SERVICES	Car services e.g. Gas Station, Car Service, Car Sales, Car Rentals
	Car goods e.g. Car parts
COMPARISON GOODS	Office goods e.g. Office supplies, Stationary
	Art goods e.g. Art gallery & framing, Camera & photo, Antiques, Records & physical media, Musical Instruments
	General merchandise e.g. Second-hand merchandise, General store, Dollar store
	Clothing e.g. All clothing and specialty clothing stores
	Accessories e.g. Luggage and bags, Jewelery, Footwear
	Home goods e.g. Housewares, Appliances, Electronics, Furniture, Home furnishings, Linen
	General hardware e.g. Hardware, Building supplies & services
	Specialty hardware e.g. Paint, Garden Supplies
	Sporting goods e.g. Sporting goods, Bicycle
	Personal goods e.g. Bookstore, Toys & hobbies, Gifts, Glasses & lens, Pets & pet supplies
CONVENIENCE GOODS	Food retail e.g. Supermarket, Grocer & produce, Convenience, Specialty, Other food retail
	General pharmacy e.g. Pharmacy only, Pharmacy plus (sells some additional products), Pharmacy full retail mix
	Convenience Retail e.g. Health & beauty, Specialty
	Regulated goods e.g. Liquor, Cannabis, Other regulated goods
ENTERTAINMENT & LEISURE	Entertainment venue e.g. Live performance venue, Digital entertainment, Cultural venue, Casino, Recreation
	Exercise venue e.g. Fitness & yoga & martial arts
FOODS & BEVERAGE	Drinks & beverages e.g. Bar or pub, Cafe & specialty
	Food services e.g. Fast food, Restaurant, Specialty
SERVICE COMMERCIAL	Personal services e.g. Barber & salon, Shoe repair, Dry cleaner & laundromat, Tailor, Optometrist, Video rental & sales, Travel agency, Cell service
	Office services e.g. Printing & delivery, Office services, Instructional, Elementary & secondary school
	Professional services e.g. Health services, Medical & dental offices, House & property services, Financial services, Legal & Accounting services, Professional services, Repair & trade services, Business services, Animals services
	Community Services e.g. Government & social services, Community centres & organizations