



Punjabi Market Retail Business Study

Findings and Next Steps (April 2018)



Acknowledgements

Thank you!

We would like to acknowledge the Punjabi Market area residents, employees, visitors, businesses and property owners for dedicating their time and energy to this project. They are passionate about the future of the area, and provided invaluable input for this research project.

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Executive Summary

The Punjabi Market has been an important commercial and cultural destination since the 1970s. More recently, it has experienced economic decline, and the loss or dislocation of iconic neighbourhood businesses.

This research investigated factors contributing to challenges in the area as a first step in responding to community requests that the City of Vancouver identify strategies to improve the area's economic vitality and business diversity while also protecting its cultural significance and heritage.

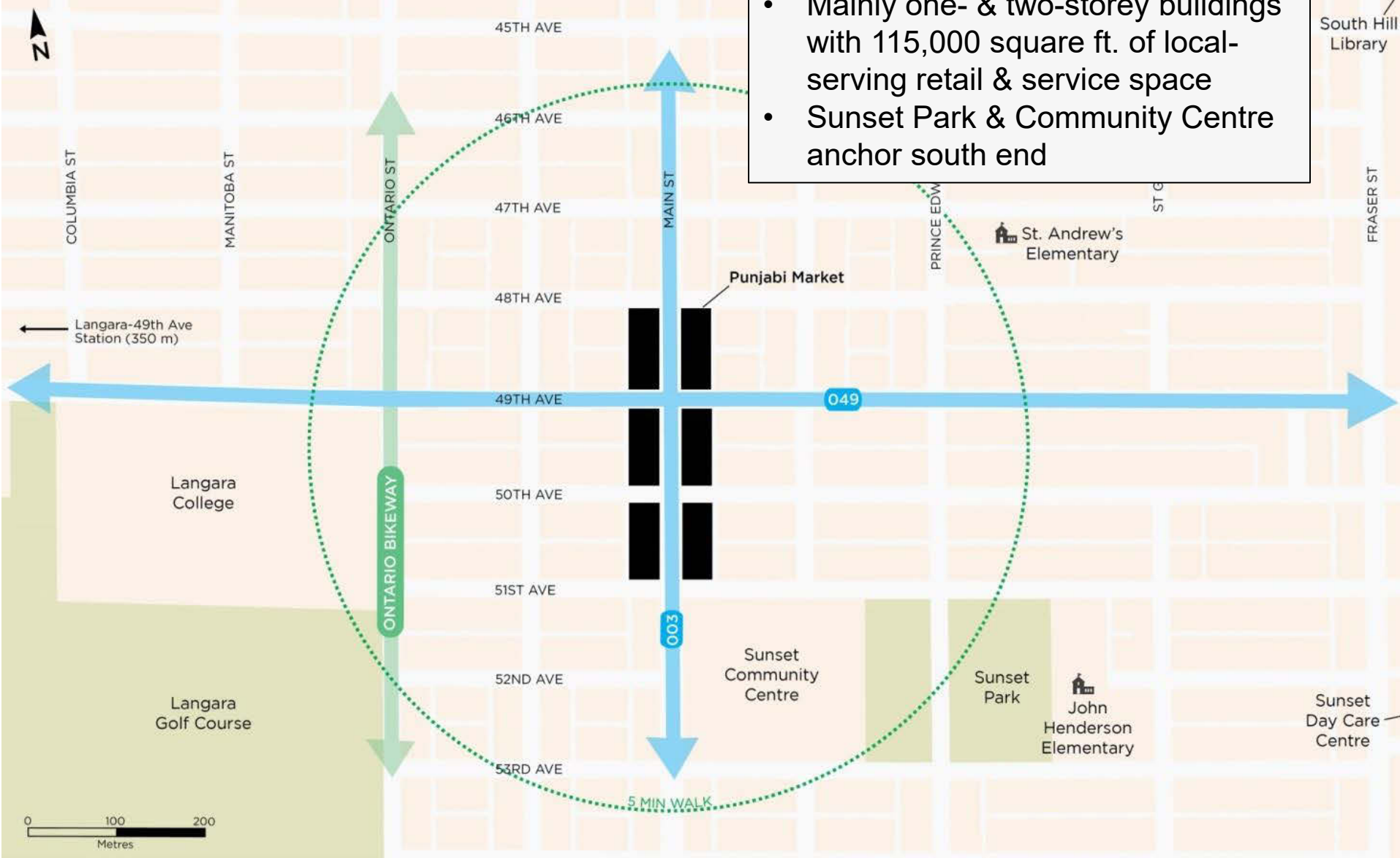
This project produced baseline data on the demographic and planning context, and retail environment in the Punjabi Market area, and conducted initial engagement with a targeted group of area stakeholders to understand the historic and present day importance of the area.

Since the launch of this study in Summer 2017, a number of related city-wide initiatives have come forward which will contribute to small business viability in both the Punjabi Market and other commercial districts throughout Vancouver. This overview presents the study findings and proposes next steps which integrate localized findings from the Punjabi Market with city-wide work to contribute to the vitality and cultural significance of the Punjabi Market into the future.

Project Context

Punjabi Market

- 3 block commercial area (C-2)
- Surrounded by single family homes (RS-1) off Main St.
- Mainly one- & two-storey buildings with 115,000 square ft. of local-serving retail & service space
- Sunset Park & Community Centre anchor south end



Project Context

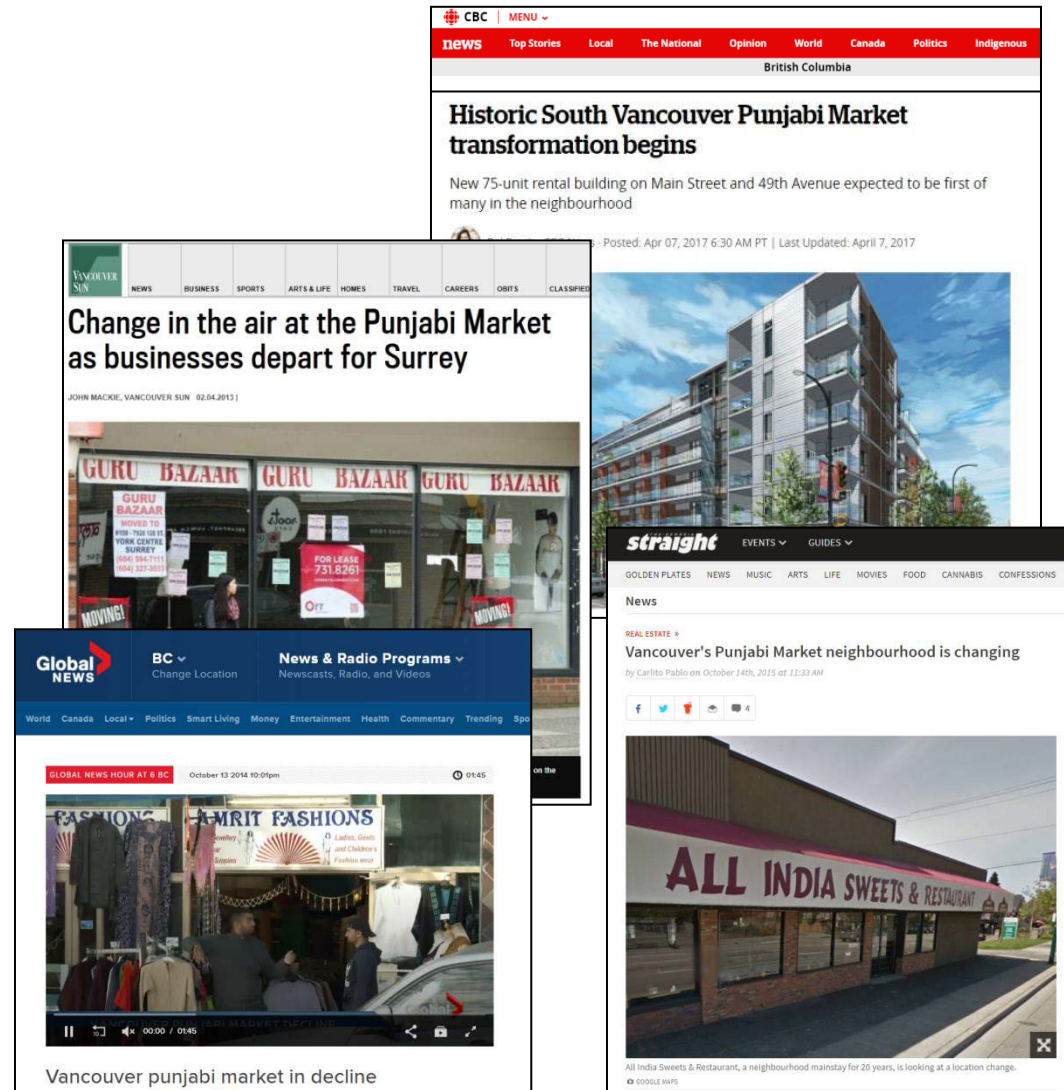


Feedback received during community consultation for a rezoning application indicated a strong desire for revitalization of the Punjabi Market to support economic vitality, business diversity, beautification and cultural opportunities.

This feedback went beyond the scope of an individual rezoning application and touched on local heritage/cultural preservation and city-wide issues of small business viability in Vancouver.

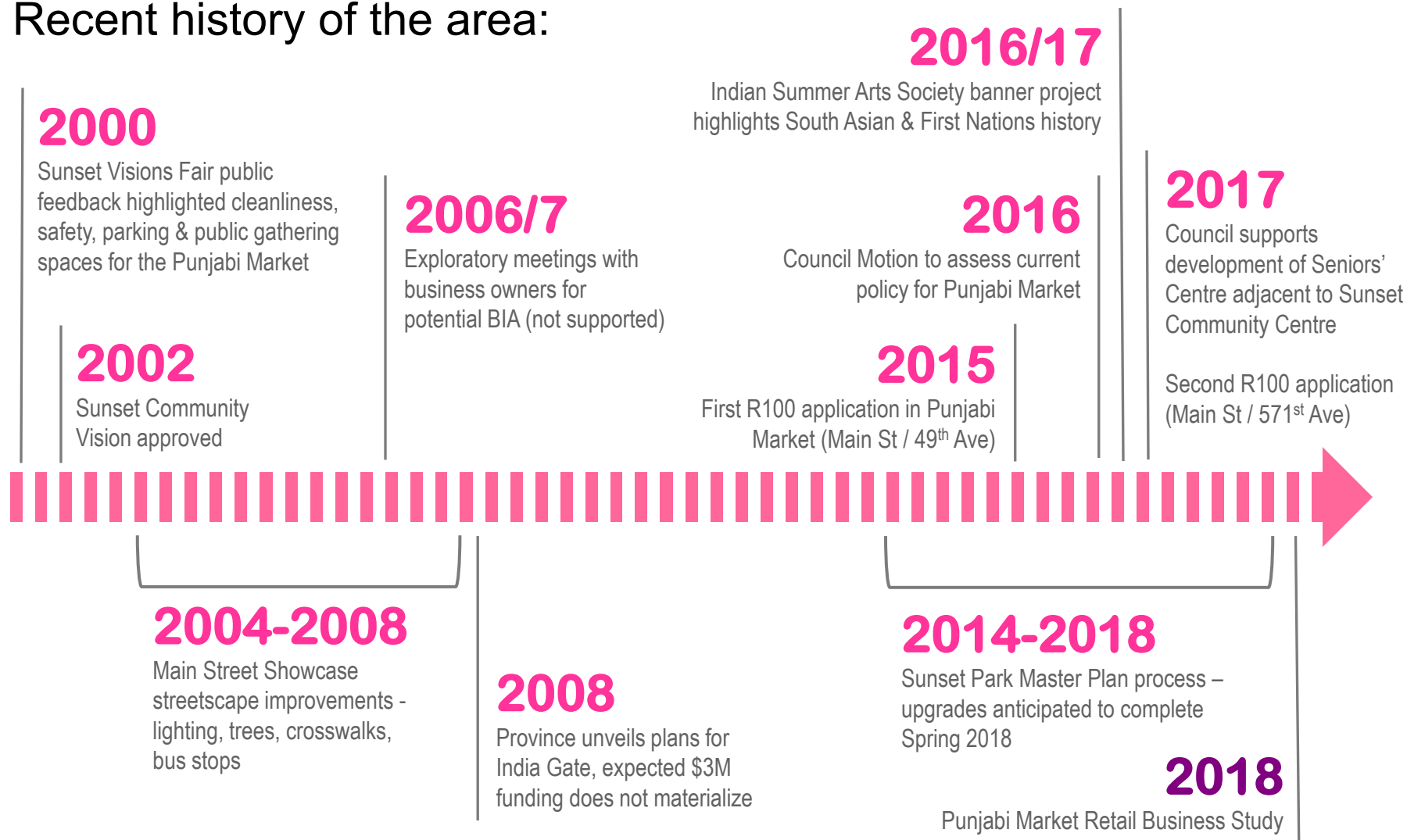
Project Context

In response to this community feedback, in May 2016 City Council directed staff to look at existing policy, conduct research and engage with stakeholders to determine if policy changes are needed to support the sustainability and vibrancy of the Punjabi Market for future generations.



Project Context

Recent history of the area:



Project Overview

The City engaged LOCO BC to complete a 4 Phase project:

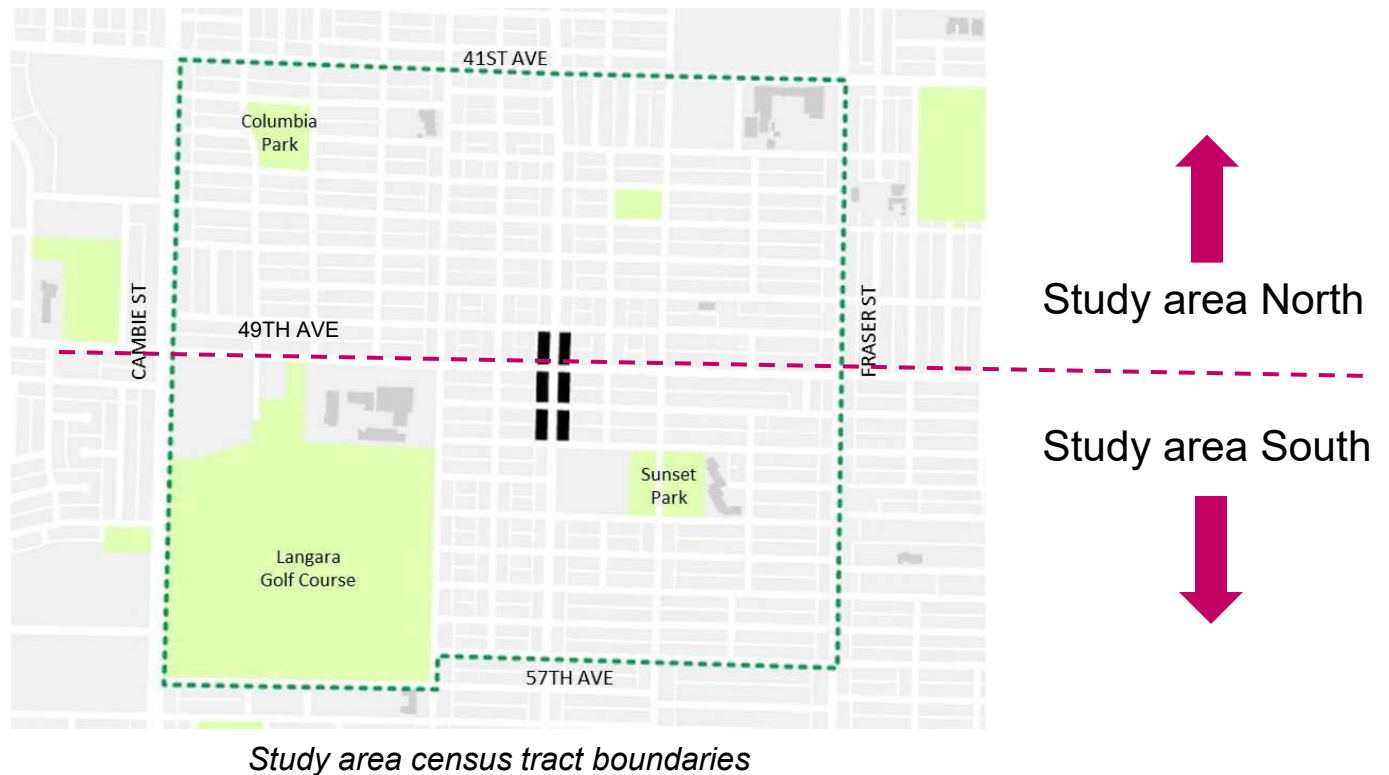
- **Phase 1** – Baseline data collection on current demographic and retail environment to understand changes over time.
- **Phase 2** – Planning review of recent developments and ongoing/future planning work in the area.
- **Phase 3** – Retail analysis to understand anticipated retail needs of the community and local impact of market trends.
- **Phase 4** – Targeted stakeholder engagement with local focus group.

Project Timeline:



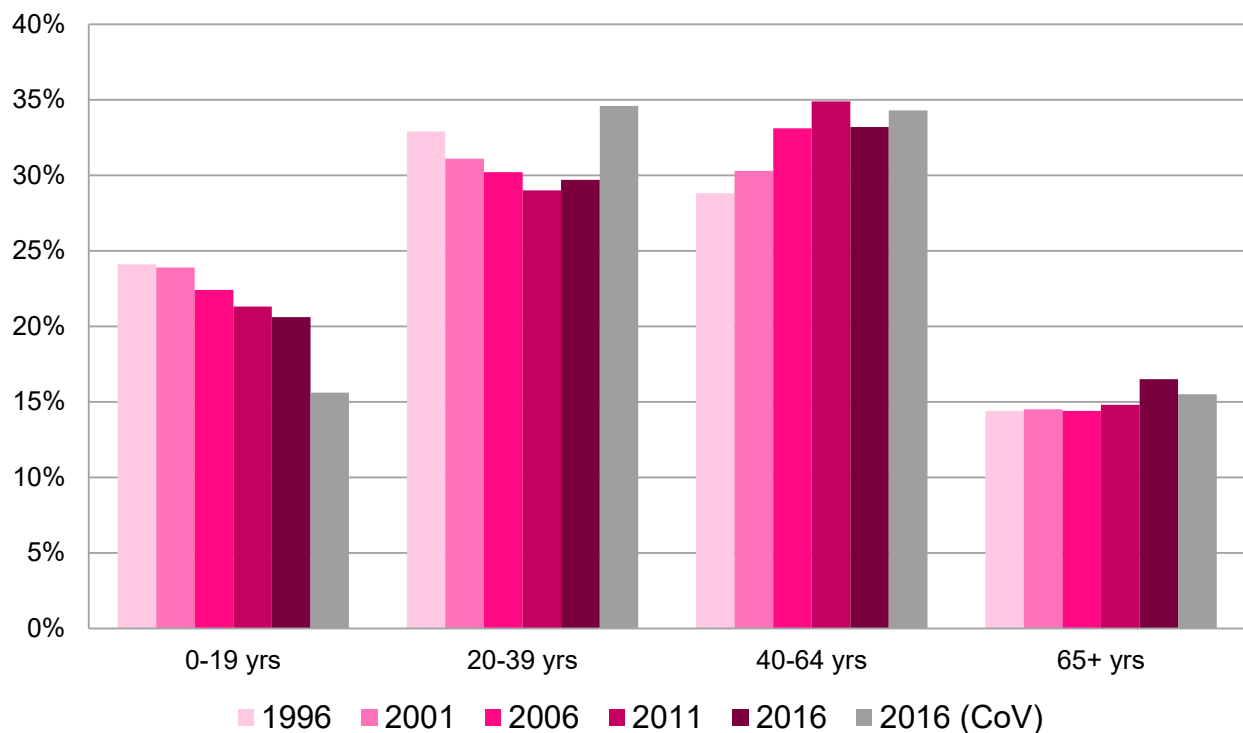
Area Demographics

The study area for demographics consisted of the three census tracts covering the Punjabi Market and surrounding area; the most localized data set available.



Area Demographics

Study Area Age Profile 1996-2016



Data Source: Statistics Canada, 1996, 2001, 2006 and 2016 Census and 2011 National Household Survey

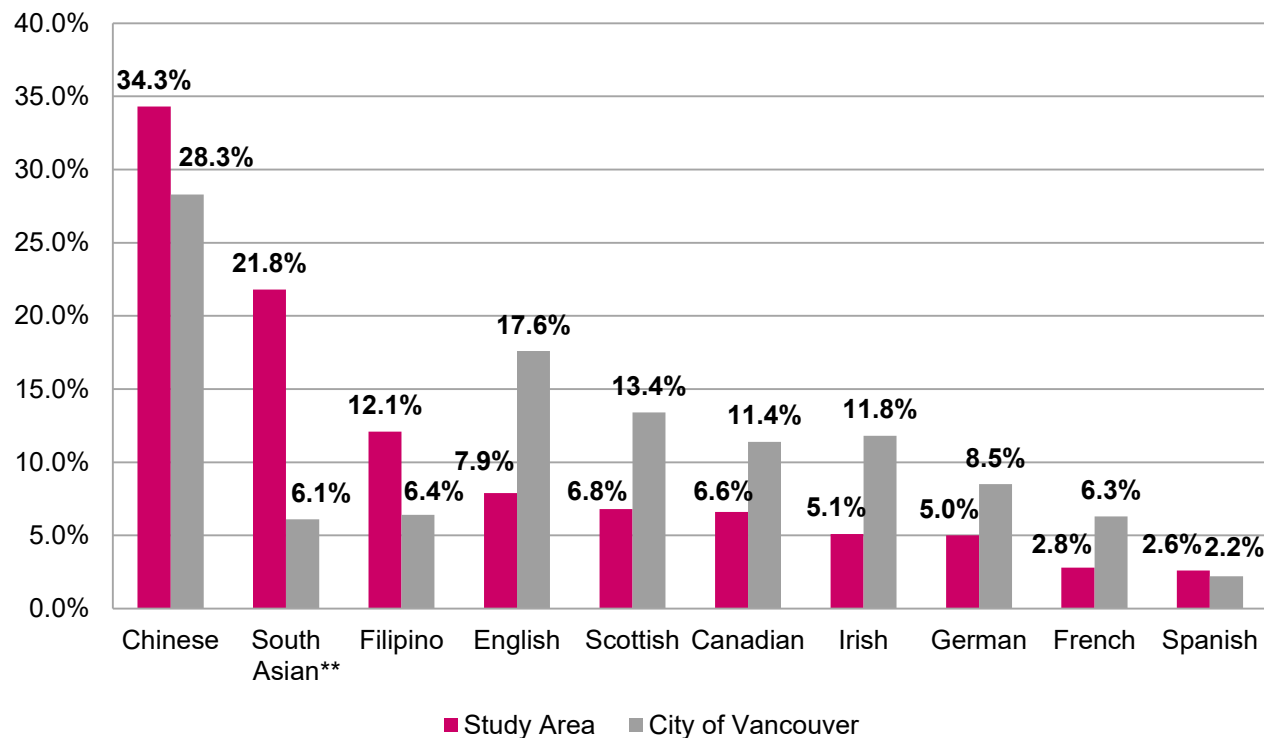
The population has increased in age over the last decade.

In 2016 the study area had more children 0-19 years old compared to the citywide average. The area also had fewer young adults and middle aged residents aged 20-39 years than citywide.

In 2016, 37% of the total study area population had moved since the last census, lower than the city in general (46%).

Area Demographics

Ethnic Origins* in the Study Area and the City 2016



The primary ethnic origins of the local population are Chinese and South Asian.

The percentage of respondents identifying South Asian as one of their ethnic origins in the study area is higher than the City overall at 21.8%. Of that, 82.2% are East Indian and 8.6% are Punjabi.

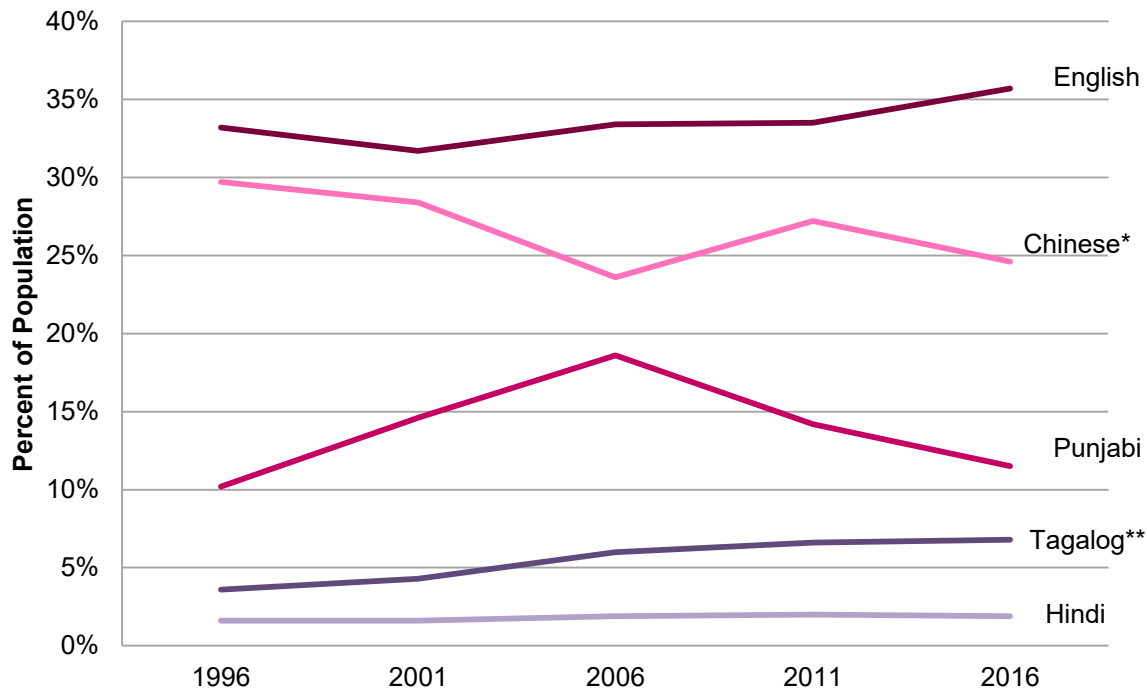
**Ethnic origin refers to the ethnic or cultural origins of the respondent's ancestors. Percentages are calculated as a proportion of the total number of respondents and total more than 100% due to dual responses.*

***South Asian origins includes Bangladeshi, Bengali, Bhutanese, East Indian, Goan, Gujarati, Kashmiri, Nepali, Pakistani, Punjabi, Sinhalese, Sri Lankan Tamil and South Asian not otherwise specified.*

Data Source: Statistics Canada, 2016 Census

Area Demographics

Most Common Mother Tongues in Study Area 1996-2016



The number of Punjabi-speakers in the study area peaked in 2006 at 19% of the population and has decreased to 12% in 2016.

Citywide 2.1% of the population identifies Punjabi as their mother tongue.

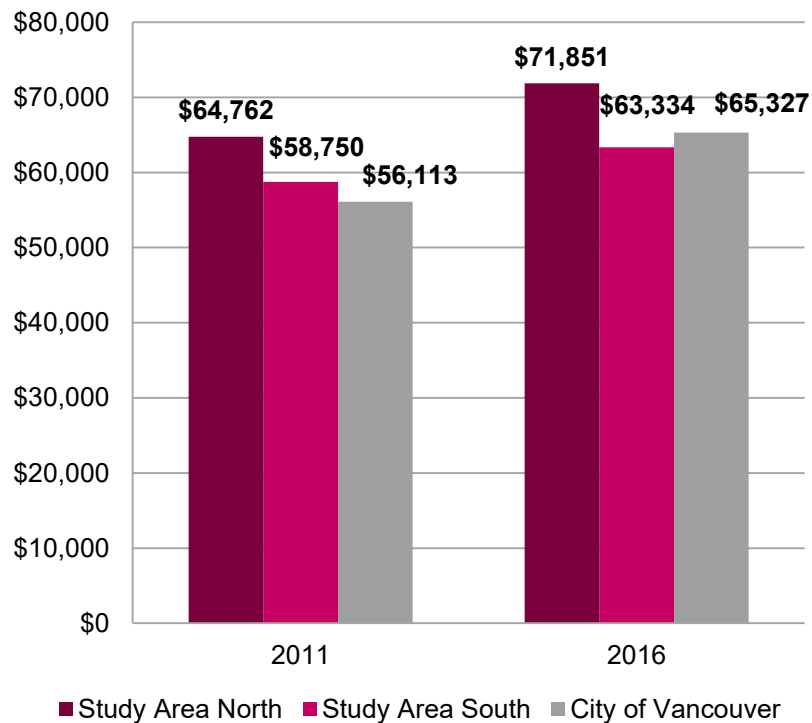
**Chinese includes Cantonese, Hakka, Mandarin, Min Dong, Min Nan (Chaochow, Twochow, Fukien, Taiwanese), Wu (Shanghainese) and Chinese not otherwise specified.*

***Tagalog includes Pilipino and Filipino*

Data Source: Statistics Canada, 1996, 2001, 2006 and 2016 Census and 2011 National Household Survey

Area Demographics

Median Household Income in Study Area



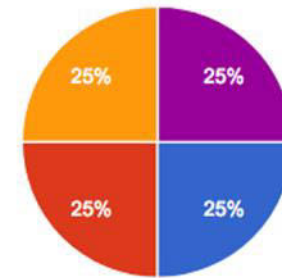
Household income for Study Area North (north of E. 49th Avenue) is slightly higher than Study Area South and higher than the citywide median household income.

Retail Environment

We do not have reliable data at this time for current lease rates in Punjabi Market. The stakeholder survey showed a broad range of rents (from <\$20/ft² to >\$50/ft²) from a small sample of businesses (n=6).

This broad range of rents can also be seen in recent rents on other, arguably higher order retail streets.

What is your current rate?

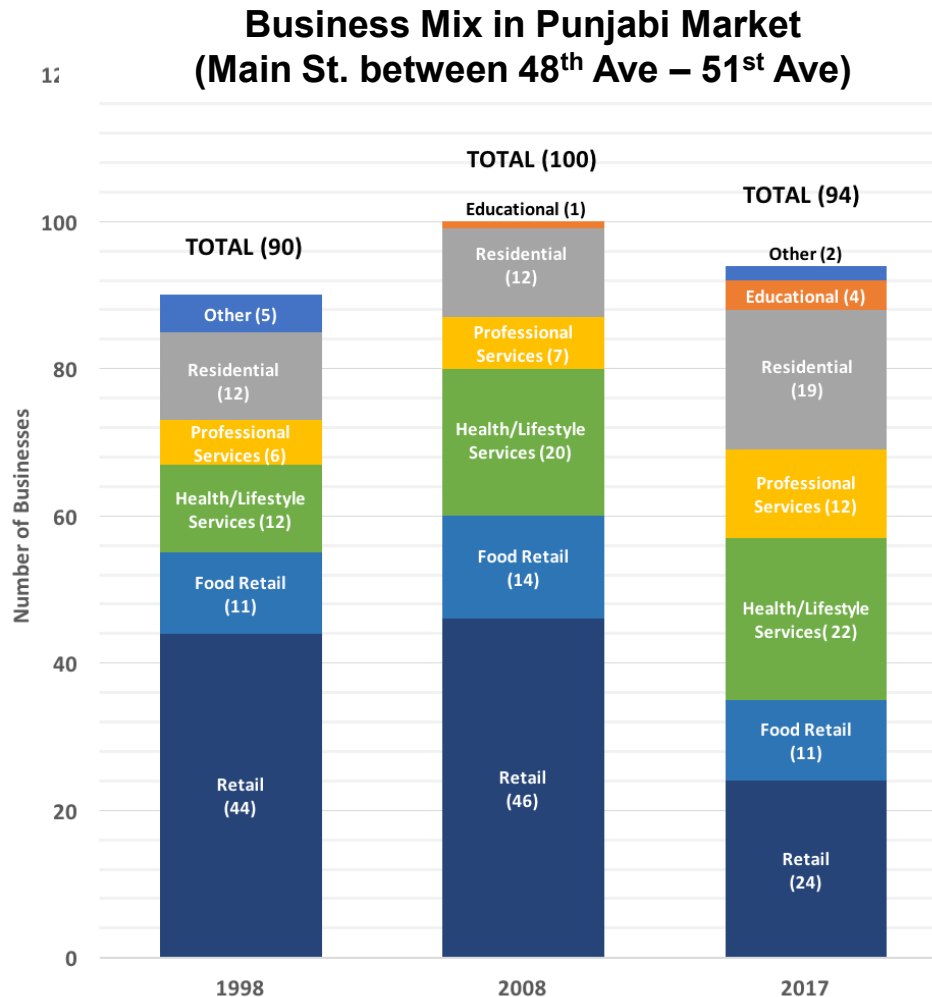


<\$20/ft2	1	25%
\$20-30/ft2	1	25%
30-40/ft2	1	25%
\$40-50/ft2	0	0%
\$50-100/ft2	1	25%

Street		Low		High
Alberni Street(Luxury Zone)	\$	150	\$	250
Robson Street (1000,1100 Blks)	\$	125	\$	150
Yaletown	\$	80	\$	120
Granville Street, Downtown Vancouver	\$	35	\$	100
Broadway and Cambie	\$	40	\$	90
Granville Street, Broadway to 16th Avenue	\$	45	\$	80
W. 4 Avenue (Kits)	\$	50	\$	75
W. 10 Avenue/UBC	\$	25	\$	75
West End: Denman Street, Davie Street	\$	45	\$	70
Commercial Drive	\$	25	\$	65
West 41st, Kerrisdale	\$	25	\$	55
Chinatown/Crosstown	\$	20	\$	50
Gastown	\$	40	\$	50
Main Street near Broadway	\$	30	\$	45
Broadway/MacDonald (Kits)	\$	25	\$	40

Per Cushman Wakefield, Q1 2017

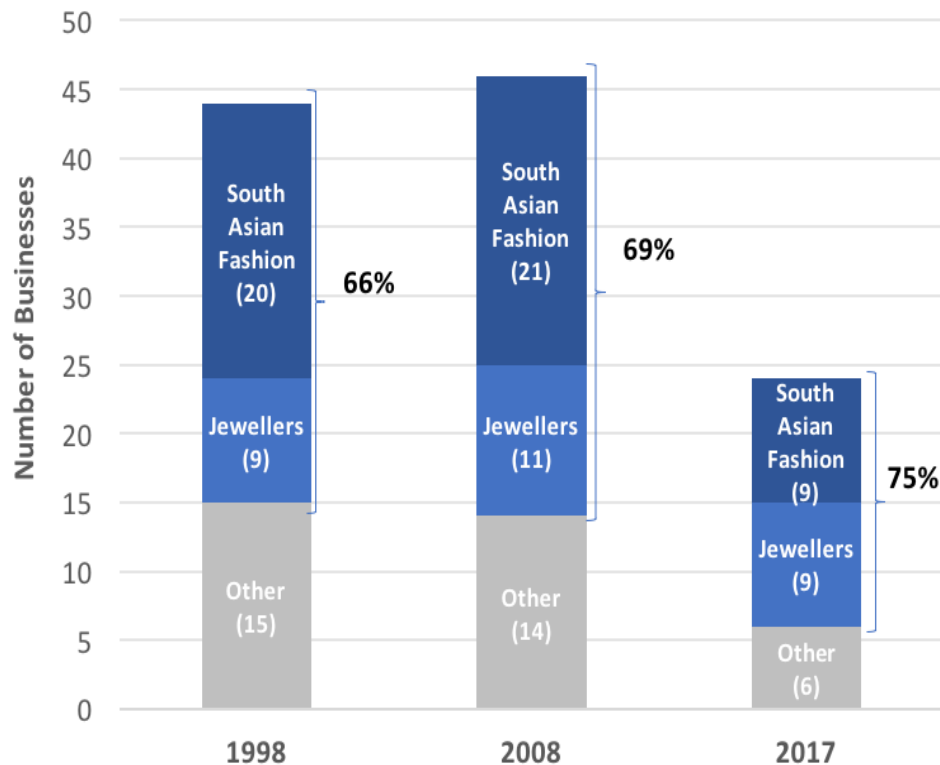
Retail Environment



- Number of retail businesses fell 48% (2008 to 2017)
- Number of health/lifestyle services increased 83% since 1998 and has diversified from primarily physicians in 1998 to more hair and beauty salons
- Number of professional services has increased since 1998 (e.g. notaries, insurance companies)

Retail Environment

**Types of Retail in Punjabi Market
(Main St. between 48th Ave – 51st Ave)**



- South-Asian fashion & jewelers consistently over half of all retail businesses since 1998
- Number of South Asian fashion stores decreased by 55% (2008 – 2017)
- Number of jewelers has remained approximately the same since 1998

Retail Environment

Occupation and Frontage

- Number of ground floor retail vacancies has increased recently; current vacancy rate ~14% an increase of 5% since 2008
- Number of ground floor CRUs (commercial retail units) has decreased from 80 to 73 units between 2008 and 2017, due partly to consolidation of some CRUs
- No correlation between frontage size & vacancy rate (most frontages ~17.5 ft.)

Assessed Property Values

- 84% increase in assessed value from \$225/ft² to \$415/ft² between 2008-2017
- Average assessed value of commercial properties varies greatly – assumed to be mainly a reflection of the size of the property and amount of floor space
- Most properties pay \$12.44/ \$1,000 of assessed value, the standard City of Vancouver business rate. However, some pay lower rates and are assumed to be buildings that contain residential units.

Retail Considerations

Retail Demand

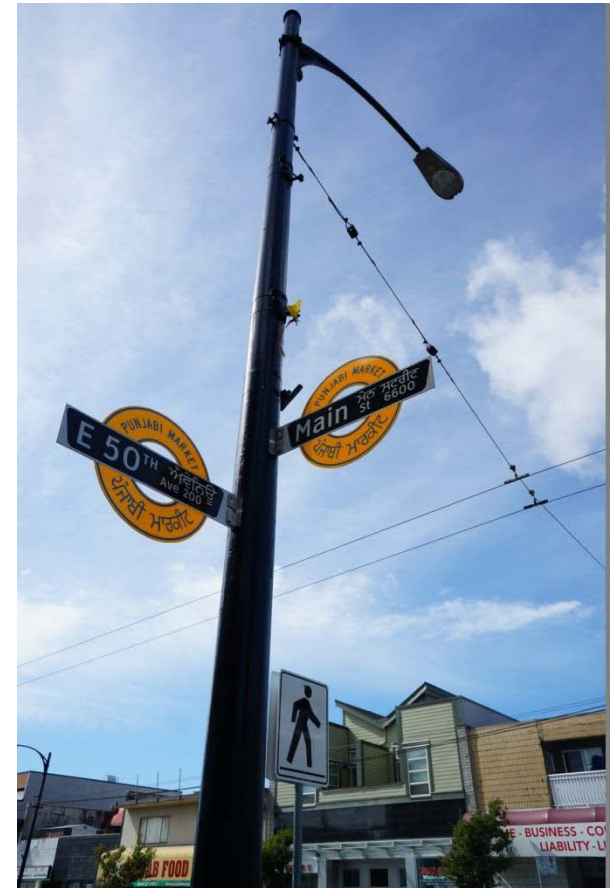
- Punjabi Market area has insufficient population and growth in the trade area and average income levels to sustain the commercial area
- Current retail mix is insufficient to create a draw for locals, visitors, or tourists as similar retailers and products can be found elsewhere
- Apart from residents, daytime population most likely to visit the market includes local business staff, students from Langara College and local/foreign tourists:
 - Students are predominantly a low-spending population, most likely interested in retail and services such as fast food, cell and tech repair, convenience stores, ATMs, banks and pubs
 - There is limited workplace population which includes staff and faculty at Langara, and the immediate area including medical offices
 - Tourists are expected to have relatively low retail demand for the area



Retail Considerations

Retail Concerns

- Foot traffic has fallen 50% between 1998 and 2014 at the Main St and 49th Ave intersection
- Significant competition from nearby South Hill Business Association area (Fraser St between E. 41st & E. 50th Ave) providing a mix of compelling retail & food
- Competition for South Asian-focused businesses from Surrey and Delta areas – major rethinking of commercial mix in area would be necessary to create a destination draw
- Broader changes in retail sector means many retailers will need to adapt to online shopping/presence to remain competitive
- Independent retail continues to be relatively easy to launch but difficult to sustain without regular investment in business model, not just inventory/space



Retail Considerations

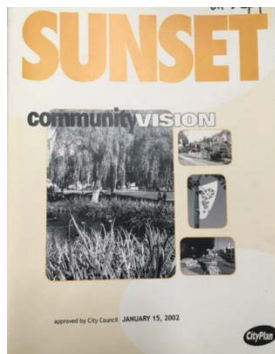
Retail Opportunities

- Demographics of the area suggest opportunities in:
 - Businesses likely to attract more frequent weekly purchases (e.g. groceries, pharmacies)
 - Family-friendly establishments & children's related product/services
 - Medical services for seniors and children
 - Businesses with products/services aimed at students (e.g. economical food, pubs, ATMs)
 - Food businesses with unique offerings for adventurous foodies and home cooks, especially ethnic food experiences or a 'food attraction'
- Retail that contributes to a vibrancy in the broader market will feature a mix of:
 - In-demand, recognizable chains proficient at strong omni-channel offerings of in-stock, attractive, appropriately priced items
 - Strong and knowledgeable independent retailers & restaurant/food concepts (established and emerging)
 - Mix of categories reflecting a range of basics, weekly items through to specialists
 - Strong and growing focus on food (grocery, and especially dining)
 - Themed and complimentary retail nodes serving convenience or destination
- Future retail vision for area needs to consider whether the area should be designed to serve the needs of local resident shoppers or destination shoppers with an interest in Punjabi products and foods.

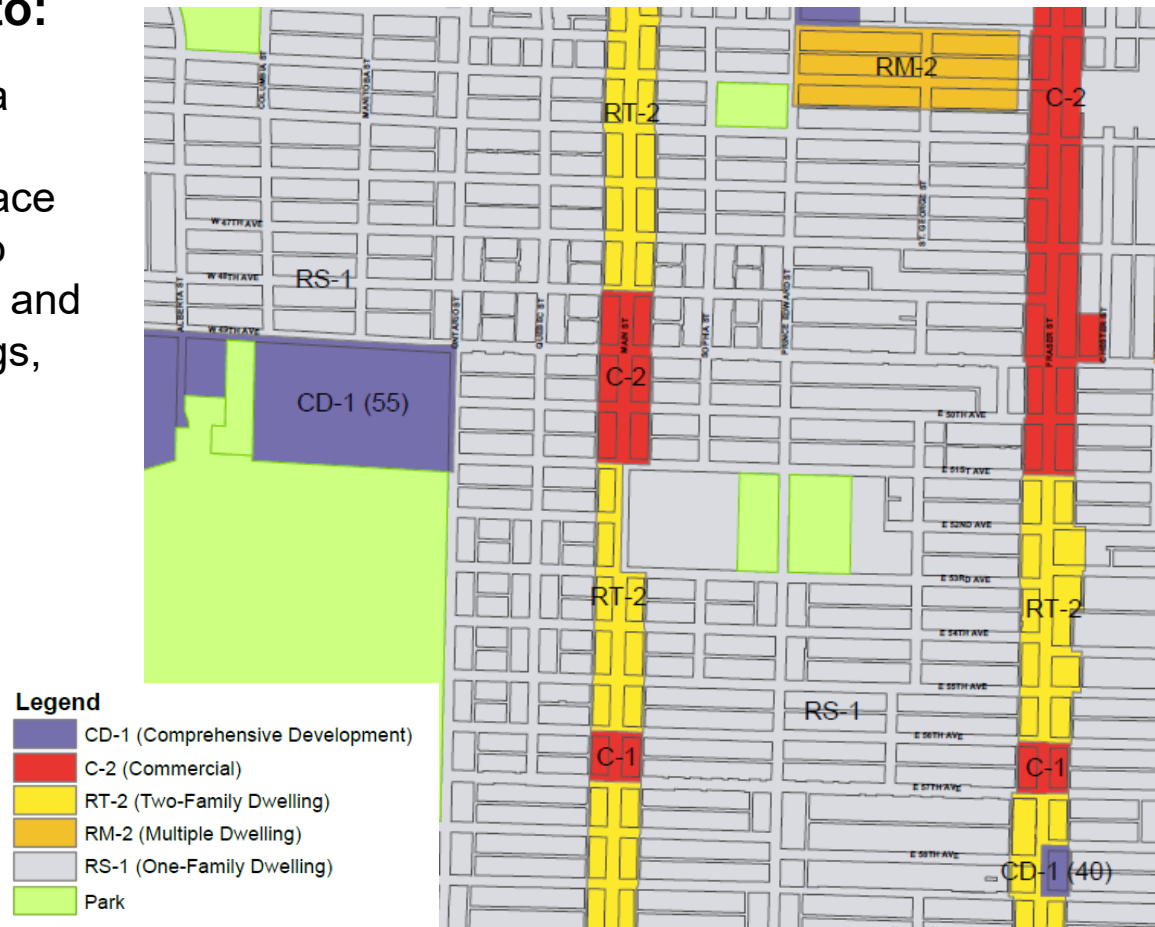
Planning Considerations

Sunset Community Vision (2001), existing direction to:

Strengthen Punjabi Market as a major neighbourhood shopping area and special community place and improve the public realm to improve the area's appearance and usability (e.g. benches, plantings, banners, art, wider sidewalks, weather protection etc.)



Existing Zoning:

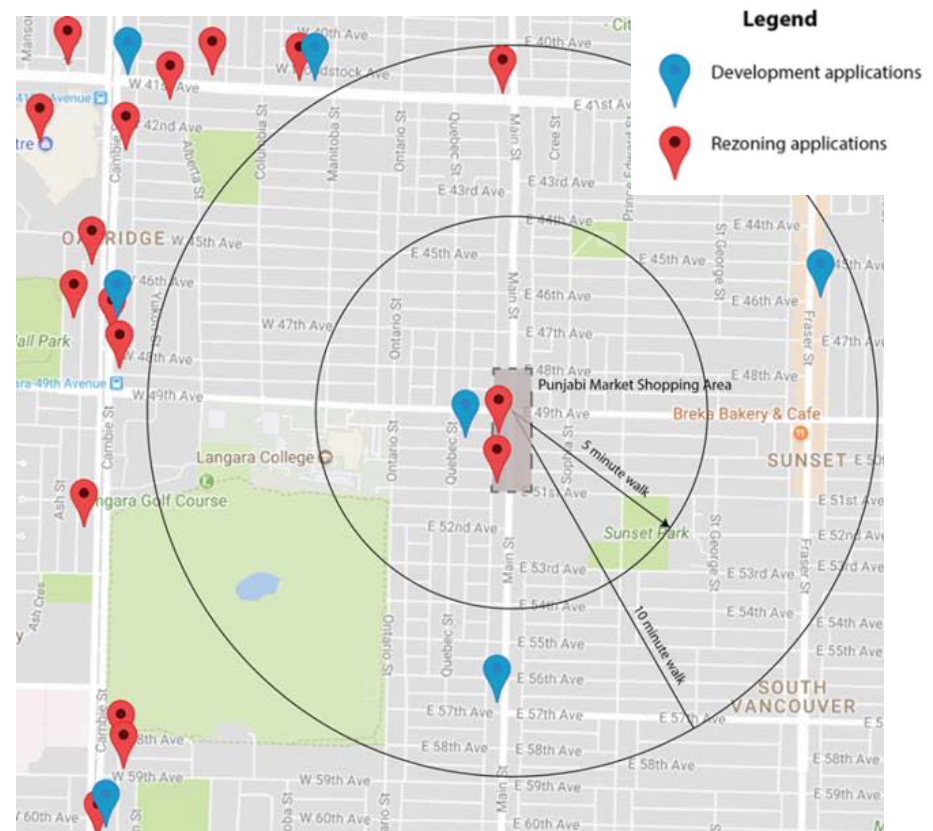


Planning Considerations

Proximate Plans & Major Redevelopments

- Sunset Park upgrades (Spring 2018)
- Council approval to seek funding for future seniors' centre adjacent to existing Sunset Community Centre
- Draft Cambie Corridor Plan proposes mixed-use buildings up to 4 storeys along W. 49th Ave from Alberta St to Ontario St with required active commercial at grade
- Oakridge Centre Redevelopment (2014), Little Mountain (2013), Pearson Dogwood (2017), and Langara Gardens (ongoing) expected to deliver additional residential units and commercial space

Development & Rezoning Applications

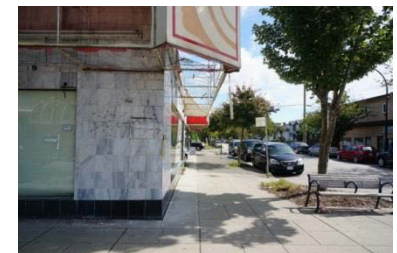


Source: City of Vancouver data (accessed January 2018)

Planning Considerations

Review of area conditions and commercial spaces (June 2017) found:

- Buildings mainly older (1950s) one and two storeys with some newer three storey buildings
- A number of blank storefront windows and worn awnings not inviting to passersby
- Large vacant lot which deadens the north end of the Market
- On street parking on both side of Main Street for all three blocks



Planning Considerations

- “Punjabi Village” signed visible at every intersection in good repair
- One signalized crosswalk at 49th Ave through the Market
- Sidewalks slightly worn but not unsafe, few awnings extend far over sidewalk for weather protection, minimal seating and street trees



Stakeholder Engagement

Targeted engagement with a working group and an online survey for local residents, businesses, property owners and shoppers were completed to better understand local strengths and challenges and future aspirations for the area. The consultant team also engaged in discussions with local businesses during site visits.

- 2 workshops (November 1 & 2, 2017): 17 participants
- Online survey (open October 3 - November 16, 2017): 23 responses

Highlights from Stakeholders:

- There is a deep emotional connection to the Market and a desire to maintain current connections, tell its story and highlight the contributions of early immigrants
- There is a need to strike a balance between history and the future, and the need to attract new businesses to revive the area while respecting the intangible heritage of the area – further engagement needed to develop this future vision
- The area is well positioned in terms of transit and amenities however further work is needed to improve the public realm and streetscape to make the Market more aesthetically pleasing and welcoming

Stakeholder Engagement

Area Strengths

- Well-served by transit (SkyTrain, bikeway and future B-line on 41st Ave)
- Close to neighbourhood hubs (Sunset Community Centre & future co-located seniors' centre, Langara College)
- Denser than other single-family areas due to multigenerational families
- Caring community where business owners know each other, many customers of long-standing businesses and where residents look out for one another
- Served by a volunteer business association (Punjabi Market Association)
- Special because of its cultural history, festivals and parades

Area Challenges

- Lack of vibrancy and excitement on the street to attract shoppers and visitors
- Increasing costs from rising property taxes are working against affordability and putting pressure on small business owners struggling to make a living
- Commercial rents are too high for the commensurate amount of foot traffic and sales potential in the area
- Lack of visibility and promotion with very little online presence to draw visitors and potential shoppers
- Lack of distinctive architectural features and public art that celebrates the area as a cultural hub
- Desire for public space improvements (better lighting, sidewalks, outdoor seating etc.)
- Concern over safety issues including break-ins, and a recent shooting

Stakeholder Engagement

Future of Punjabi Market – what's your vision?

- Implement community economic development projects and public realm interventions (e.g. temporary patios, larger web presence)
- Beautification and public realm improvements (e.g. street furniture, activation of vacant lots, improved parking options, improved lighting)
- Building community connections and capacity amongst residents and businesses to get people to invest in the area
- Ensuring new development demonstrates Punjabi heritage and acknowledges history, increases rental housing and density to bring new residents
- Developing the area into a cultural and heritage hub for authentic Punjabi experiences, telling the founders' stories through public art and/or cultural spaces
- Strengthen existing Market Association to undertake local business improvement initiatives (e.g. new business incubation, marketing strategy)

City-wide Challenges

Since the launch of the Punjabi Market Retail Business Study, city-wide concerns over the viability and vibrancy of small businesses has come to the forefront of public discussion.

VANCOUVERCOURIER ≡ MENU

Taxed to death: How Vancouver's small businesses are falling victim to soaring property tax

Chocolate Mousse Kitchenware faces closure after a 92-per-cent rate increase, the latest in a line of long-established businesses set to shut shop

Jan Zeschky / Westender
DECEMBER 14, 2017 08:30 AM



Owners Jane (left) and Karen Tennant outside Chocolate Mousse Kitchenware. Photograph By DAN TOULGOET



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News / Vancouver

Vancouver Chinatown's cultural food businesses struggle to survive: report

More than half of green grocers, butchers, and Cantonese restaurants in Chinatown have closed since 2009, according to a new report from the Hua Foundation

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JENNIFER GAUTHIER / FOR METRO

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Canada BC

Small businesses struggle to stay afloat in Vancouver amid rising rents

Empty store tax, rent control protection and a voice at the table — small businesses look for solutions

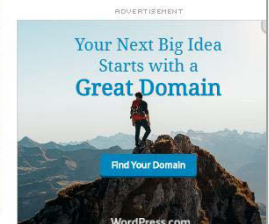
CBC News Posted: Jan 05, 2018 12:35 PM PT Last Updated: Jan 05, 2018 12:50 PM PT



much & little is facing an almost 80 per cent rent increase. (Sarah Savoy/Much and Little)

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VANCOUVERCOURIER ≡ MENU

Vancouver's small businesses struggle amid tax, property crunch

As commercial and industrial properties skyrocket, owners are passing down costs to lease holders

John Kurucz / Vancouver Courier
JANUARY 18, 2018 10:24 AM

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City-wide Challenges

Challenges facing small businesses city-wide reflect some of the concerns raised by Punjabi Market stakeholder including:

- **Affordability/Space** - escalating rents, lease insecurity, property tax download from landlords to tenants, cost of living for employees
- **City Processes** – permits & licensing, difficult to find information, regulatory and fee burden
- **Engagement/Support** – insufficient City support for small business, no single City point of contact

These shared challenges have resulted in initiatives that address the concerns of small businesses across the city AND in the Punjabi Market...

City-wide Related Initiatives

Provincial Property Assessment & Tax Reform

Working with provincial government to establish a Province-led intergovernmental working group (Province, BC Assessment, City of Vancouver) to engage key partners and stakeholders to develop assessment & tax policy options to support small businesses.

Commercial District Small Business Study

Evaluation of the current state of the small business and retail landscape in a selection of Vancouver's commercial districts, and making recommendations re: how the City can best support ongoing viability/success of these businesses.

Small Business Commercial Renovation Centre

Adding resources and undertaking continuous improvement initiative to streamline processes, reduce wait times and improve customer service.

Small Business Guide Web Portal

Creating a small business portal on the City website that connects small business owners/operators to all relevant City services and requirements, as well as to outside agencies, organizations and resources.

City-wide Related Initiatives

2018 workplan, City support to small business

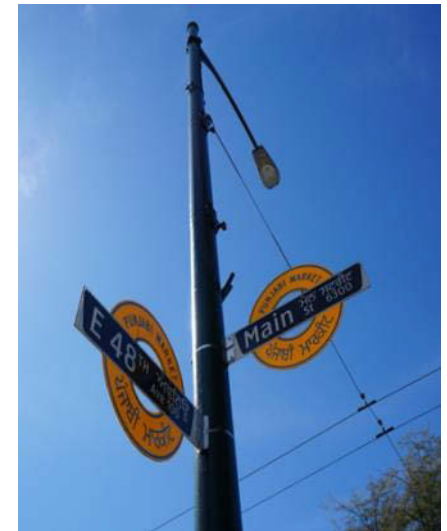
(Presented to Council on February 20, 2018: <http://council.vancouver.ca/20180220/regu20180220ag.htm>)



Coordinating Next Steps

While this work is addressing challenges facing small businesses in general, it was clearly identified through this study that the Punjabi Market is not only a commercial/retail area but also an important cultural district with intangible heritage that should be preserved and supported for enjoyment by future generations.

Proposed next steps for Punjabi Market addresses this gap through the development of an area management plan which will engage community members to identify strategies and tools for community-led regeneration and heritage preservation specific to the area.



Coordinating Next Steps

Area Management Plan for Punjabi Market

Initial outline of work to be completed:

1. Form community working group (CWG)
2. Complete Historical Context Statement for Punjabi Market
 - Drawing on written sources & oral histories
3. Identify historic features to retain into the future
 - Includes both physical (buildings) and non-physical (festivals & events)
4. Develop an area Statement of Significance (SOS)
 - Draws on Historical Context Statement & identified historic features to lay out a baseline of the key heritage values and a list of principal character-defining elements
5. Identify strategies and actions for regeneration based on the SOS

Coordinating Next Steps

Work on an Area Management Plan for Punjabi Market will be coordinated with an updated Heritage Strategy & Action Plan which is a citywide framework for value-based approaches to heritage (targeted completion: September 2018).

To see examples of a completed Statement of Significance:

- Eastern Core SOS (2013): <http://vancouver.ca/files/cov/statement-of-significance-false-creek-flats-2013-april.pdf>
- Cambie Street Corridor SOS (2005): <http://vancouver.ca/docs/cambie-corridor/Cambie%20Corridor%20-%20Statement%20of%20Significant%20report-March%202005.pdf>

Coordinating Next Steps

City staff will continue work to scope this project and engage community members for form a working group and design a community process to support these next steps.

Project Contact (for more information & to express interest being a part of this work going forward):

Josh Cairns, Planning Analyst

joshua.cairns@vancouver.ca

The background of the slide is a collage of various colorful patterned fabrics, including paisley, floral, and geometric designs in shades of blue, green, yellow, red, and white. A semi-transparent purple rectangle is overlaid on the top half of the image, containing the text.

Additional City resources for small businesses:

- Small Business Commercial Renovation Centre
<http://vancouver.ca/home-property-development/commercial-renovation-centre.aspx>
- Business Improvement Areas (BIAs) – contacts and initiatives
<http://vancouver.ca/doing-business/business-improvement-areas-bias.aspx>
- City of Vancouver Support to Small Business and Retail Council Presentation (February 2018)
<http://council.vancouver.ca/20180220/documents/rr2presentation.pdf>
- Parklet Program (privately-sponsored public spaces to enhance customer experience)
<http://vancouver.ca/streets-transportation/parklets.aspx>

City Grant Programs:

- Arts & Culture Grants - <http://vancouver.ca/people-programs/arts-and-culture-grants.aspx>