

A photograph of a covered walkway, likely a transit station or public building. The ceiling is white with recessed lighting. The walls are covered in a large mural. The mural features a central figure of an angel with large, golden, feathered wings, wearing a white lab coat and a face mask. To the right, there are several smaller figures of healthcare workers in white protective suits and masks. The background of the mural has a blue and red striped pattern. The walkway is paved with light-colored tiles. A dark, perforated metal structure is visible on the right side of the ceiling.

# City of Vancouver COVID-19 Economic Recovery Committee

LOCO BC

June 17, 2020



*A world is possible where resilient communities are based on shared economic prosperity.*

*LOCO builds stronger communities with applied research of the policies & practices of a fair & just economy.*

# Our Work

## Research

- **Economic Impacts of Independent Business**
  - Power of Purchasing (2013)
  - *Economic Impact of Local Business (2019)*
- **Impact of Buy Local Campaigns & Challenges for B.C. Businesses**
  - Annual Independent Business Survey
  - E-commerce & Local Retail (Dec 2015)
  - Empty Storefronts, Affordable Leasing
  - *The High Cost of Permitting Delays in the City of Vancouver (2020)*

## Education & Advocacy

- #BCBuyLocal campaign
- #Reopenwithcare #Supportlocaltohelpout



# “Recovery”

## Economy that is Local, Green & Just



“

We will not go back to normal. **Normal never was.** Our pre-corona existence was not normal other than we normalized greed, inequity, exhaustion, depletion, extraction, disconnection, rage, hoarding, hate and lack. We should not long to return, my friends. We are being given the opportunity to stitch a new garment. One that fits all of humanity and nature.

Sonya Renee Taylor



# Local is Key in Economic Recovery

Compared to Multinationals, B.C. Businesses:

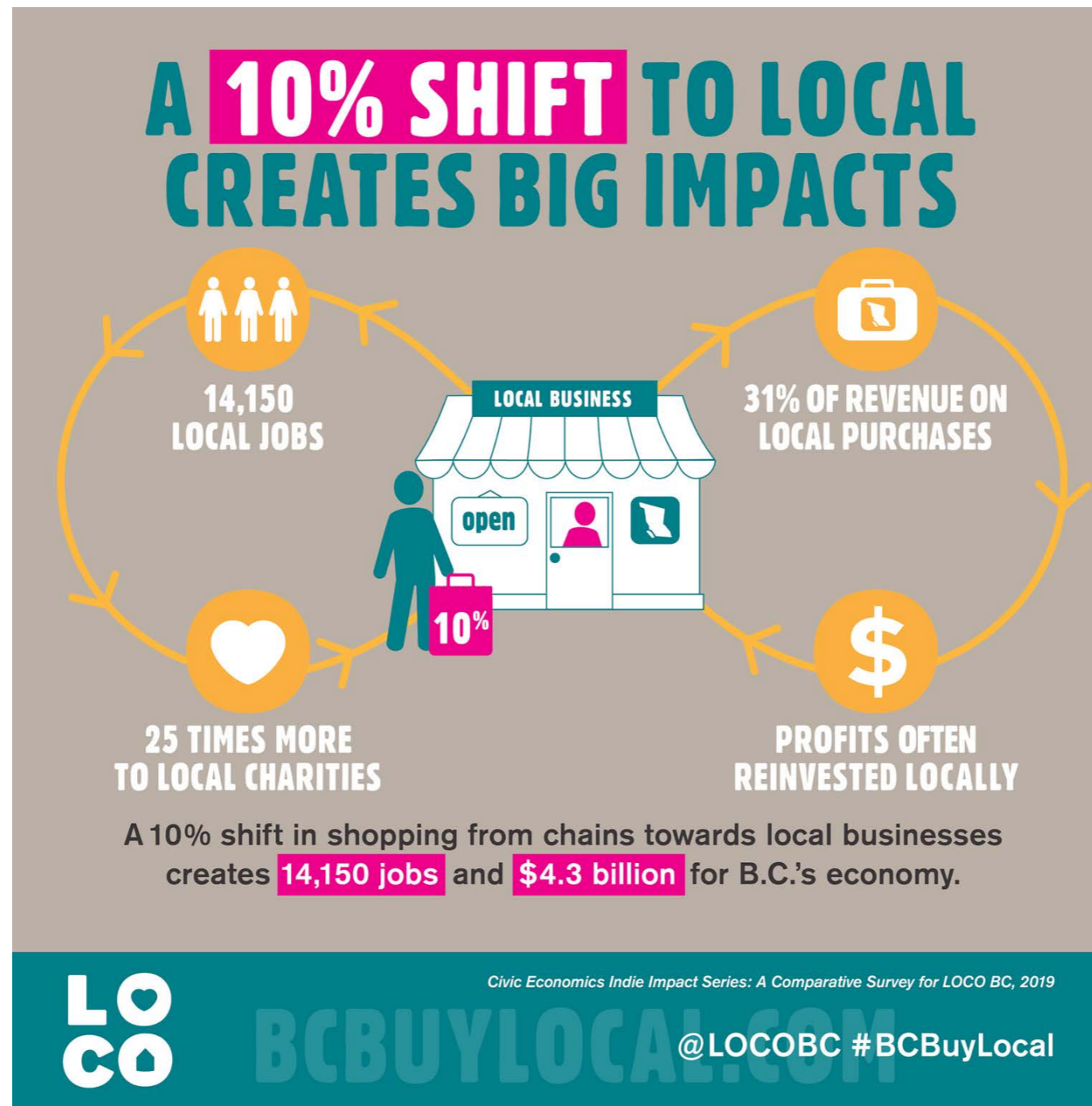
- Recirculate up to 4.6 times more revenue in the local economy
- Keep 63% of revenue local (compared to 14%)



# Local is Key in Economic Recovery

Compared to Multinationals, B.C. Businesses:

- Spend 31.4% of revenue on B.C. products & services
- Donate 25 times more per dollar of revenue

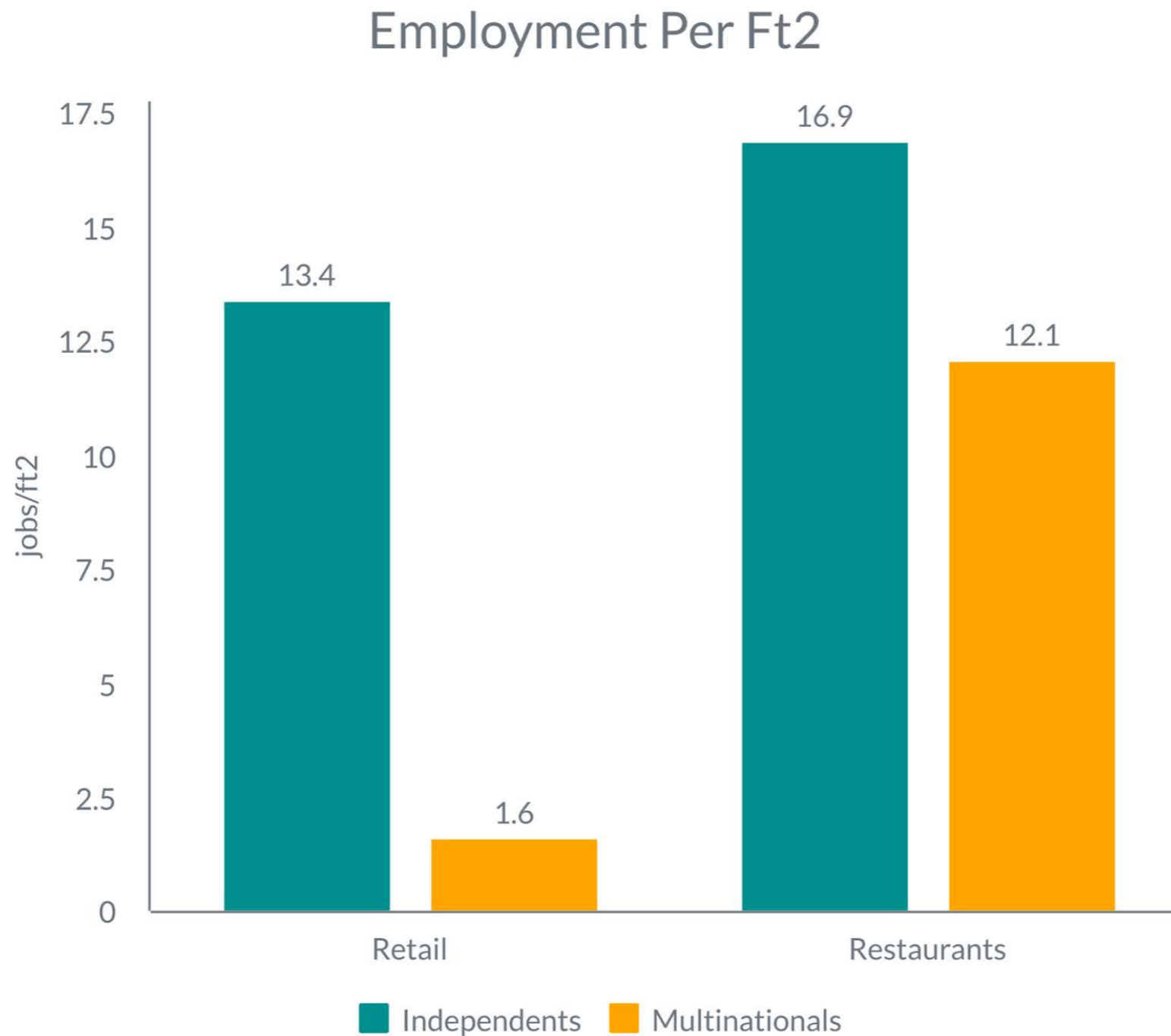


A 10% local spending shift = 14,150 jobs & \$4.3 billion in the B.C. economy



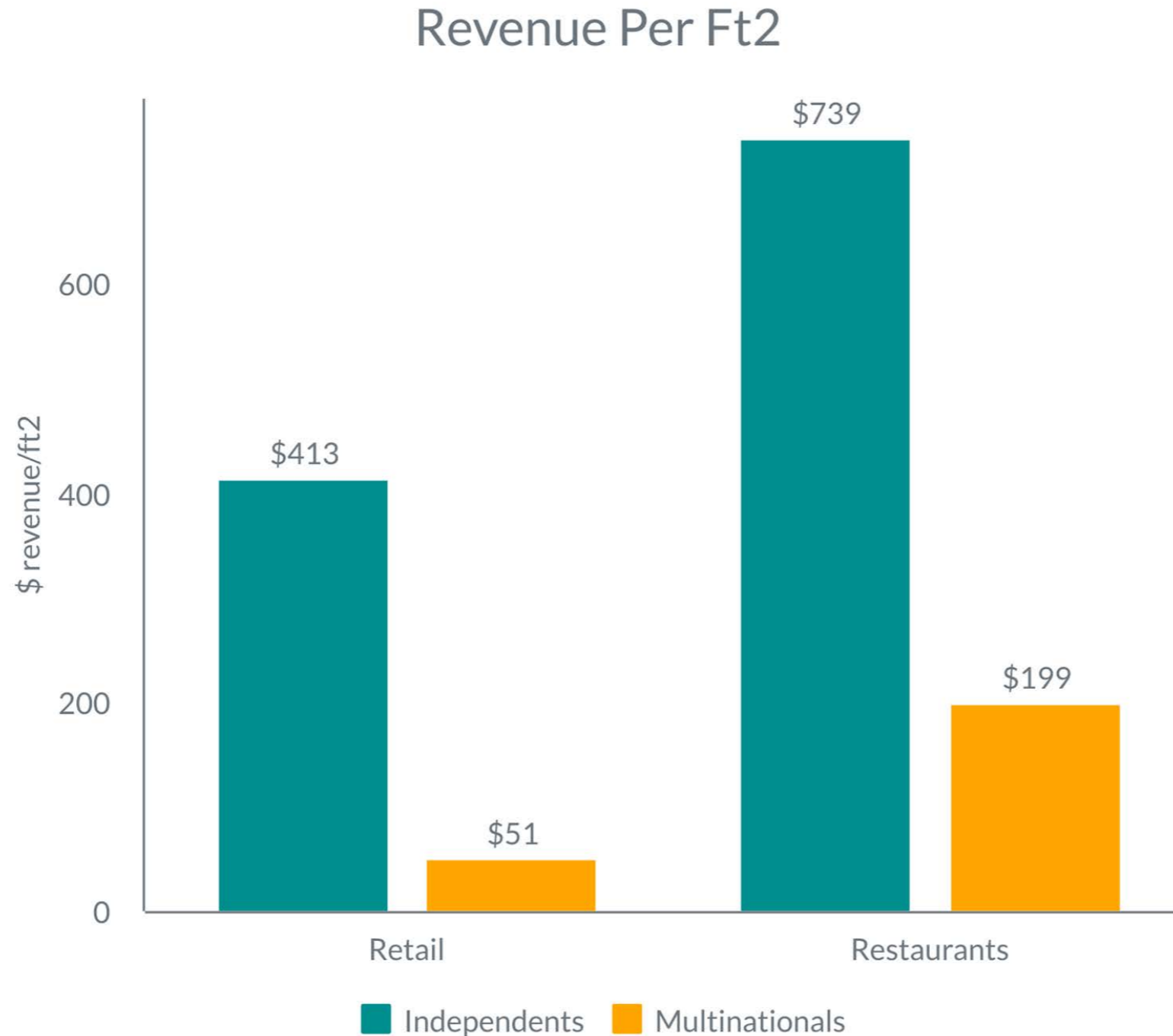
# Local is Key in Economic Recovery

Independent businesses produce up to 8.4 times more jobs/ft<sup>2</sup> than multinationals



# Local is Key in Economic Recovery

Independent businesses produce up to 8.1 times more revenue/ft<sup>2</sup> than multinationals





# Measuring Local Impact



## Profits

- Ownership
- Investment



## Payroll

- Employees
- Benefits



## Purchasing

- Goods
- Services



## Philanthropy

- Charities
- Local causes



## Practices

- Social
- Environmental



# Measuring Local Impact

## MILLS OFFICE PRODUCTIVITY BY THE NUMBERS

107 employees; 12 % annual job growth; now in 6 BC locations.



15% inventory suppliers are B.C.-based; 75% are Canadian.

80% of accounting, transportation & other service suppliers are B.C.-based; 10% are Canadian.



90% of consumables (ex. fuel, cleaning supplies) are from Canadian & B.C.-based suppliers.





# Land Use for Complete Communities

## Local Businesses

- Retailers
- Restaurants
- Services

## Local Manufacturing

- Food processing
- Apparel
- Clean tech
- Biotech
- Digital entertainment

# Land Use for Complete Communities

## Current Industrial Direction

- **Loss of 565 hectares of industrial space to other uses in last 30 years**
- **Future threat:**
  - 10% industrial businesses leave the City of Vancouver in the next two years, \$700M in revenues, 6000 jobs, and \$250M in wages will go with them
  - If the nearly 50% of businesses that are considering relocating end up leaving the city, Vancouver stands to lose approximately 30,000 full time jobs, \$3.6B in revenues, and \$1.2B in wages



# Land Use for Complete Communities

## Current Retail Direction

- **Impacts of Mixed-Use Development Main Street Retail 2017**
  - Between 2007 and 2016 chain/formula stores increased 74%, indies shrunk 6.4%
  - Chains occupy new mixed use development at more than double the rate of independents
- **Retail Report CoV 2020**
  - Empty storefronts above “healthy” limit in most areas
  - Move from independent to chains

# Land Use for Complete Communities

## **Municipal Strategies for Affordable Commercial Space (ILSR.org)**

- **Broaden Ownership:**
  - Create a “Buy Your Building” Plan for Local Businesses
  - Foster Community Ownership of Commercial Spaces
- **Zone for a Local Business Environment**
  - Prioritize Historic Preservation
  - Preserve and Increase the Supply of Smaller Spaces
  - Encourage Commercial Diversity
- **Set Aside Space for Local Business in New Development**
- **Create a Preference for Local Businesses in Publicly Owned Buildings**

# Land Use for Complete Communities

## **Boulder Affordable Commercial Pilot**

- RFP for City-owned property asked proponents to include ideas for affordable commercial space for local businesses or NPOs
- City Goals:
  - Mitigate impact of rising rents on local businesses
  - Protect city's distinct character
  - Ensure affordable housing focus builds neighborhoods around that housing are affordable too, which includes affordable retail
- **Likely to be considered as part of Community Benefits Agreement (CBA) process in future**
- 30Pearl Development broke ground this year
  - Half the 9300 ft<sup>2</sup> commercial space
    - 75% market rent ket rents
    - Annual rent increases of no more than rate of inflation

# Land Use for Complete Communities

## Portland

- Affordable Commercial Tenanting Program
- Businesses owned by underrepresented groups and that meet certain neighborhood needs can lease space at two locations for below market rents
- Goals: address skyrocketing rents and build a more equitable economy
- Run by Prosper Portland (City's economic development agency)



# Land Use for Complete Communities

## New York City

- Neighborhood Retail Preservation (piloting in East New York rezoning area)
  - Set asides for local businesses at below-market rates for projects that includes 10,000+ ft<sup>2</sup> ground floor retail space & \$2 million+ city subsidy
  - **June 2017**-developers had set aside 20% of ground floor retail space or 5,000 ft<sup>2</sup> total space, whichever is lesser, initial rents 30% below market-rate
  - Moving ahead at one site with retail & food incubator
- Business tax breaks (Commercial Rent Tax (CRT)) for long-term leases to small business in Manhattan

# Land Use for Complete Communities

## Phoenix

- Adaptive Reuse Program helps adapt older buildings for new business uses
- Development guidance, streamlined processes, reduced timeframe, cost savings, \$7000 in fee incentives
- Results:
  - Has fostered the start of many new businesses and jobs
  - First nine developers to use the program saved an average of 4.5 months and \$16,000 each
  - From 2008 (pilot) to 2015 the program:
    - Saved and transformed 100 buildings
- Helped foster 80 new businesses

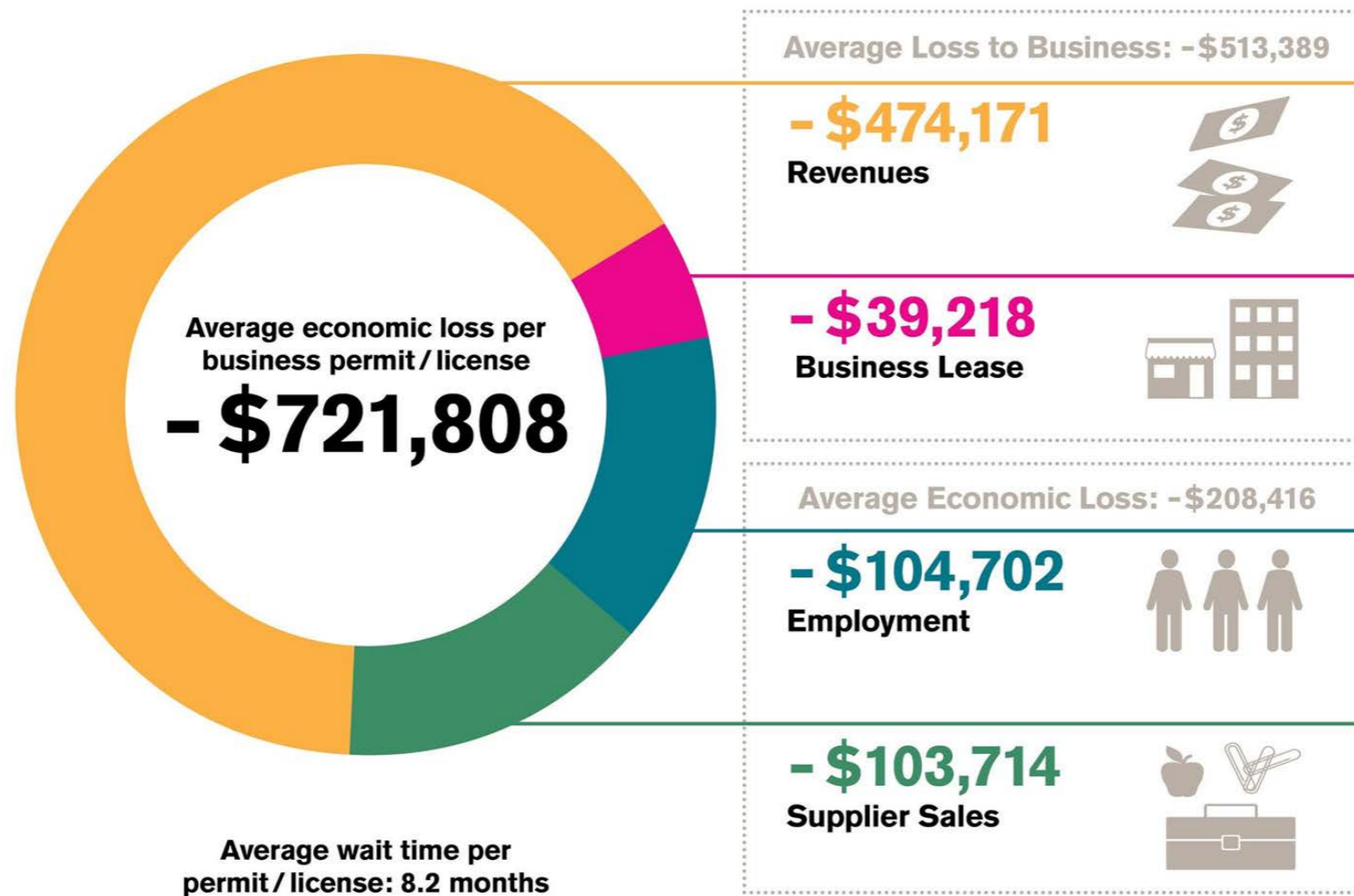
# Remove Red Tape

## **Flexibility in Zoning, Permit/Licensing**

- Reduce time of existing permitting/licensing process
- Flexibility
- Responsiveness to business and community needs

# Remove Red Tape

## COST OF COMMERCIAL PERMIT/LICENSE DELAYS IN THE CITY OF VANCOUVER

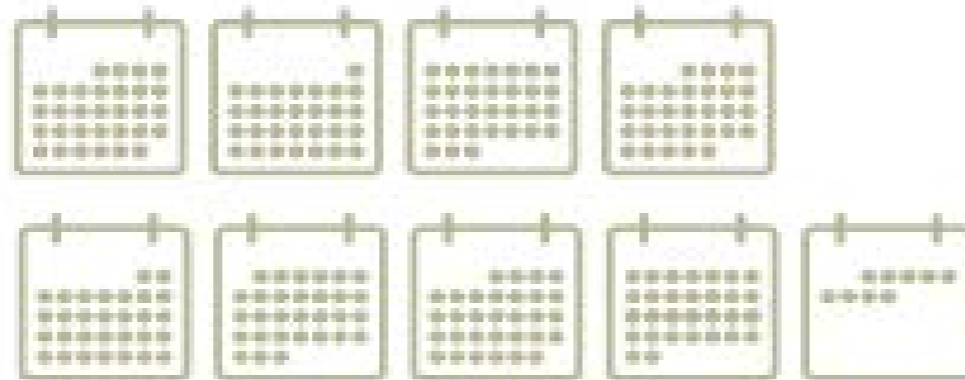




# Remove Red Tape

Average wait time per permit/license:

# 8.2 months



# Remove Red Tape

**Revenues**

**+\$ 18,903**

**Supplier Sales**

**+\$ 5,395**

**Employment**

**+\$ 5,044**

**Business Lease**

**+\$ 1818**

**Average  
potential reduction  
+\$31,160  
per week / permit**

# Remove Red Tape

## Make Doing Sustainable Business Easier

- Remove disincentives
- Provide incentives



SERVICES ▾

PROGRAMS & INITIATIVES

NEWS & EVENTS

PUBLICATIO

COVID-19 information: Philadelphia is in the [yellow phase of reopening](#). For the latest information, visit [phila.gov/COVIDPHL](#) to 888-777 to receive updates to your phone.

Services / Payments, assistance & taxes / Tax credits / Sustainable Business Tax Credit

### Payments, assistance & taxes

Appeal a property assessment

Appeal a water bill or water service decision

Business taxes +

File and/or make payments +

Get a property tax abatement

Get a tax account

Get Real Estate Tax relief +

Get tax clearance

Income taxes +

Income-based assistance programs +

### Sustainable Business Tax Credit

The Sustainable Business Tax Credit is offered to companies whose business practices support environmental and human well-being. The Office of Sustainability reviews applications and determines whether a business meets all eligibility criteria. Companies that receive the credit can apply it against the Business Income and Receipts Tax (BIRT).

#### Eligibility

To prove eligibility for the Sustainable Business Tax Credit, you must either:

1. Show current certification by [B Lab Company](#) indicating that your business is a B Corporation.
2. Submit evidence that your business conducts itself as a "sustainable business." To be considered a sustainable business, a business must give substantial consideration to employee, community, and environmental interests in its practices, products, and services.

#### What qualifies as a sustainable business

The Office of Sustainability looks at the following factors when determining whether an applicant has or represents a "sustainable business:"



# Remove Red Tape

## Current

- **COVID-19-CoV has made progress on:**
  - Electronic submission
  - Reduced time for intake
  - Expedited patio permits

## Future

- **Sprinkler permits**
- **Demising walls**
- **Digitizing City records**