

## **COUNCIL MEMBERS' MOTION**

*For consideration at the Standing Committee meeting of City Council on July 9, 2025*

### **2. From Vacancy to Vitality: Launching a Temporary Use Pilot for Empty Storefronts in the Downtown Eastside**

Submitted by: Councillor Klassen

#### **WHEREAS**

1. The Downtown Eastside is a culturally rich but economically challenged area facing persistently high commercial vacancy rates where the number of storefronts sitting empty hover at levels as high as 32%. This level is well above the 5% to 7% vacancy range considered healthy for urban neighbourhood (City of Vancouver Storefront Report, 2023);
2. Empty storefronts, including those in surrounding neighbourhoods such as Hastings Crossing and Strathcona, not only represent lost economic potential, they also contribute to perceptions of decline and disorder, especially in areas already impacted by poverty, open drug use, and visible mental health crises;
3. The Downtown Eastside has a strong history of fostering arts and culture, including work by celebrated street artists, indigenous artists, and providing the foundations for an emerging arts district;
4. Despite demand from prospective tenants, including artists, small business owners, social enterprises, and community organizations, barriers such as complex City permitting processes and rigid zoning classifications make it difficult to occupy these spaces, even on a temporary basis;
5. Business Improvement Associations (BIAs) have expressed strong support for a collaborative, community-led pilot that would enable safe, short-term activation of ground-floor vacancies for public benefit;
6. A Temporary Occupancy Pilot could unlock affordable, space for pop-up shops, new entrepreneurs, artist studios, cultural production, and community uses, all of which would bring new life to these neighbourhoods while supporting economic inclusion and innovation;
7. There is also strong interest in expanding allowed temporary uses to include pop-up restaurants and kitchens, peer support hubs, and light creative manufacturing, all of which align well with the social fabric and mixed-use character of these neighbourhoods;
8. The City of Vancouver has successfully implemented flexible permitting frameworks in the past, such as the Arts Event Licence and the Special Inspection process, which strike a balance between streamlined access and health and life safety requirements; and

9. These past flexible permitting frameworks demonstrate that the City can enable activation of underused space without compromising public safety, provided that inspection and oversight are focused and responsive.

THEREFORE BE IT RESOLVED

- A. THAT Council direct staff to report back in Q4 2025 with a proposed Temporary Occupancy Pilot Program in the Downtown Eastside to allow vacant ground-floor commercial spaces to be used for up to 12 months without rezoning or change of use provided life safety standards are met;

FURTHER THAT the proposed pilot program design should:

- Prioritize uses that benefit the community, such as art studios, small retail, cultural spaces, and enterprises that align well with the social fabric and mixed-use character of these neighbourhoods
- Consider expanding the program to also include temporary food uses (e.g. commissary kitchens, pop-up dining), community services (e.g. counselling or peer support), and light creative manufacturing activities
- Incorporate any other recommendations that that staff consider would advance the intended outcomes of the motion.

- B. THAT staff be directed to report back by Q3 2026 on the pilot outcomes including business activity, community engagement, and space occupancy, with recommendations for improvements or possible city-wide expansion should the pilot be successful.

- C. THAT Council direct staff to explore creating a Temporary Retail, Business, and Creative Use Event Licence, similar to the Arts Event Licence, to support future short-term activations, in coordination with relevant City departments and consultation with BIAs, non-profits, property owners, and other stakeholders, and report back on a draft implementation strategy as a part of the upcoming DTES Plan update.

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