

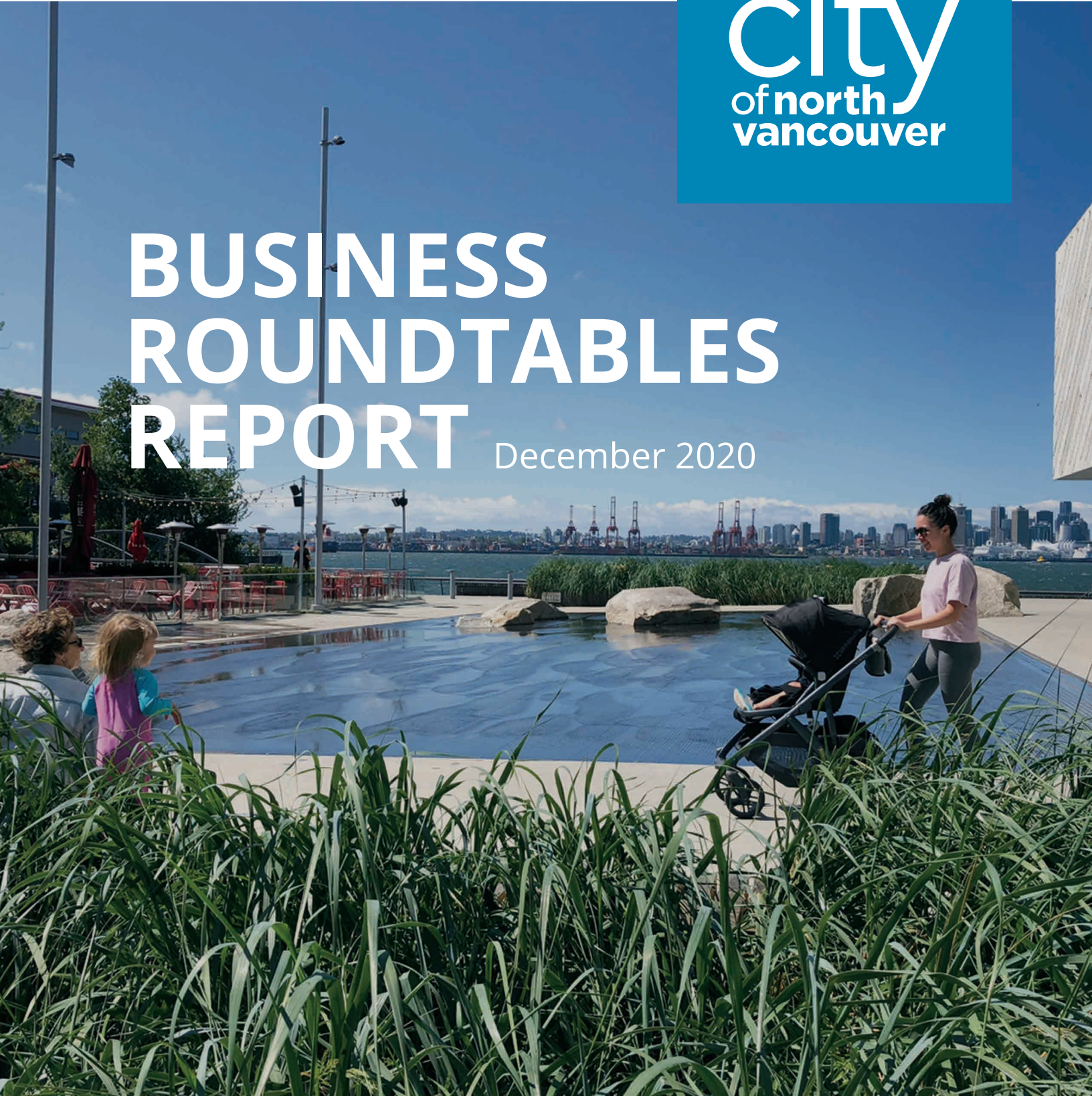
MAYOR'S BUSINESS ADVISORY
WORKING GROUP

ECONOMIC RESPONSE
TO COVID-19

city
of north
vancouver

BUSINESS ROUNDTABLES REPORT

December 2020





As Seaspan balances the health and safety of workers with the need to keep our shipyards and vessels operational, we are grateful to have the City of North Vancouver's strong support for our industry. We are proud to contribute to this vibrant community and look forward to working further with Mayor Buchanan and her team on economic recovery."

Frank Butzelaar, CEO, Seaspan Marine Transportation

ABOUT THIS DOCUMENT

This document provides a summary of the process, objectives and outcomes of the Business Roundtables that were conducted under the guidance of the Mayor's Business Advisory Working Group in response to the COVID-19 pandemic. The document includes recommendations for Council's consideration regarding potential next steps to support business recovery post COVID-19. The findings of the Business Roundtables are supplemented with information collected from recent research on the impact of COVID-19 on businesses, and interviews with commercial real estate professionals.

The Working Group believes its activities, including the engagement of and partnership with the business community undertaken by this initiative, are not only relevant in response to the initial pandemic and second wave but also post-pandemic.



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MESSAGE FROM THE MAYOR

Today we find ourselves tackling new and previously unimaginable challenges. The COVID-19 pandemic has changed the way we connect, work, shop, and so much more. Prior to this pandemic, Council adopted its first ever strategic plan with a vision to become the “Healthiest Small City in the World”, a vision that couldn’t be more appropriate given today’s context. That vision included our commitment to making the City of North Vancouver a place where all residents and businesses have an opportunity to prosper.

While this pandemic has created new hurdles, the City has many strengths, and there are new opportunities we can leverage to create long-lasting resiliency within our business community. I believe this moment presents a unique opportunity to collaborate in new ways as we work towards common goals.

Establishing the Mayor’s Business Advisory Working Group in April 2020 was just one step forward in our community’s journey to economic recovery. To ensure our deliberations and planning accurately reflects the needs of the overall business community, we also hosted 12 roundtable discussions with businesses of all sizes in a wide range of industry sectors. While the pandemic will affect our local economy in many ways for years to come, through meaningful engagement we can transform our local economy and recover ahead of other markets across the globe.

I’d like to thank the members of our local business community, as well as Councillor Holly Back, for the time, commitment, passion, and energy they brought to this process. Their expertise and insights were integral to the overall process of this Working Group. Learning about their unique responses to the pandemic, industry changes, concerns, needs, and restarts has shaped the areas of action and advocacy for both the City of North Vancouver as well as the Office of the Mayor.

As we look at the recommendations detailed in this report, I look forward to engaging with our business community further on how we can work together to build a better and more prosperous City of North Vancouver.

Sincerely,

A handwritten signature in black ink that reads "Linda C. Buchanan". The signature is written in a cursive, flowing style.

Linda Buchanan

Mayor of the City of North Vancouver



MESSAGE FROM THE CHAIR OF THE MAYOR'S BUSINESS ADVISORY WORKING GROUP

The COVID-19 pandemic is a crisis unparalleled in our modern world. Thankfully, the City of North Vancouver was quick to take the actions necessary to minimize the impacts of the pandemic on the community, set a foundation for recovery, and emerge as a more resilient and prosperous city for all people.

I was honoured to chair the Mayor's Business Advisory Working Group through the early stages of this pandemic. As Chair, I facilitated conversations with business leaders in a variety of sectors to determine their priorities for a safe economic restart, as well as identify areas of action and advocacy for the City of North Vancouver.

Overwhelmingly, the response to this engagement process has been positive. With representation from local small business, shipping, film, port-related operations, education, and many other industries, a broad conversation on how our local economy was changing and addressing new challenges proved to be an informative exercise for all. I'm pleased to see this report come forward as it will provide direction for our community through the next stage of this pandemic.

Finally, I extend my thanks to Her Worship Mayor Linda Buchanan, Council, and staff of the City of North Vancouver for their leadership and commitment to meeting today's challenges head on, while refusing to waver from their goal of making the City of North Vancouver the "Healthiest Small City in the World."

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Mooney".

Bill Mooney

Chair, Mayor's Business Advisory Working Group

A person with dark hair, wearing a green surgical mask and a grey sweater, is holding a white sign with both hands. The background is a blurred outdoor setting with green foliage.

OPEN

ONLY FOR PICK UP DELIVERY

OR

TO GO ONLY

EXECUTIVE SUMMARY

REPORT BACKGROUND

In May and June 2020, the City of North Vancouver's Mayor's Business Advisory Working Group conducted 12 roundtable discussions with 61 City businesses representing 12 key business sectors. A priority for the Working Group is to better understand the impacts of the pandemic on local businesses and develop recommendations for the City. The findings of the roundtables were supplemented with additional research, as well as interviews with commercial real estate professionals.

EFFECTS OF COVID-19 PANDEMIC ON CITY OF NORTH VANCOUVER BUSINESSES

The impacts of the COVID-19 pandemic have been devastating. The hardest hit sectors have been food & beverage, retail, personal services, tourism, the film industry, the hospitality industry, and arts and culture, which collectively makes up a significant proportion of the City of North Vancouver's economy. Public-serving businesses have faced unprecedented operational restrictions and health and safety requirements. This has led to reduced business, business closures, reduced hours, increased operating costs, staff layoffs and financial liquidity concerns, making long-term resiliency a significant challenge. The top three support measures recommended by surveyed business were rent subsidies, property tax relief and clear information on re-opening.

ACTIONS TAKEN BY THE CITY TO SUPPORT LOCAL BUSINESSES

Over the summer, business conditions improved thanks to effective City programs, lower rates of virus transmission within the country and an easing of restrictions on business operations. They have included, among others: a COVID-19 Business Bulletin; coordination meetings with the three North Shore municipalities, local Chambers of Commerce, business improvement areas (BIAs), and Vancouver Coastal Health; A COVID-19 Hotline; Open Streets Action Plan; Temporary Patio Program; Parklet Program; Alcohol Consumption bylaw revision; enhanced and targeted placemaking initiatives; a program to support business use of public spaces; Healthiest Small City Social Resiliency Collective; virtual Council and public meetings; and business support advocacy with provincial and federal ministers.

SUMMER 2020

The effectiveness of the City programs, along with slowing COVID-19 infection rates and subsequent relaxation of some restrictions on business operations, resulted in improved business conditions for many businesses over the summer months. Business community optimism in the City was reflected in the rate of new business applications in North Vancouver rebounding to 2019 levels following an initial dip at the onset of the pandemic. Additionally, reactions to the pandemic led to some positive changes within the business community, including: greater use of technology to generate online sales and support remote working; improved business connection to the community; greater support for buying locally; and increased cooperation between businesses and government.

CURRENT OUTLOOK (DECEMBER 2020)

The predicted “second wave” of the pandemic has led to higher COVID-19 transmission rates and greater restrictions on business operations and public activities. Many businesses in the City are also faced with fewer cash reserves, disrupted supply chains, higher operating costs to address sanitation and social distancing, and ongoing liquidity issues. As the province begins to implement its vaccination plan, for City businesses to survive and recover from the pandemic, the City of North Vancouver requires a robust business recovery plan in the first quarter of 2021, and until restrictions ease again.

KEY RECOMMENDATIONS

The following are abridged versions of some of the recommendations designed to:

1. help the City support local business through to the end of the pandemic;
 2. help create business resiliency; and
 3. build an even more inclusive, vibrant, healthier and resilient economy for the future.
- **Economic Investment Strategy/Action Plan:** Develop a new Strategy/Action Plan that reflects current priorities and realities.
 - **Key Industries and Anchor Employers:** Grow the economy around key industries and anchor employers and involve them in decisions, possibly through Economic Partnership North Shore.
 - **Newcomers/Talent:** Collaborate with Capilano University and local industry to attract and retain diverse young professionals and families to build a more inclusive economy.
 - **Communication with Business:** Continue to consult and work cooperatively with the business community to identify potential supports and solutions.
 - **Licenses and Permits:** Streamline business licensing, development applications and permit processes to reduce processing times and costs for business-related services. Continue to perfect the online CityServe permit application.
 - **Commercial Streets and Public Spaces:** Continue and enhance these to support vibrant commercial streets and the resiliency of local storefront businesses. Include provisions for curbside pick-up in City transportation plans.
 - **Technology Infrastructure:** Explore the installation of business-enabling technology such as a 5G network in the City's business areas. Explore ways to support home-based office and home-based business uses through zoning bylaws and business license bylaws.
 - **Filming:** Work with the film industry to identify ways to continue filming safely through the pandemic.
 - **Tourism:** Develop a tourism strategy to attract visitors to the City and support the Staycation Campaign.
 - **Buying Local:** Develop an ongoing campaign to feature local businesses and encourage buying locally.
 - **Affordable Housing:** Identify creative solutions to the community's diverse housing needs.
 - **Child Care:** Within the City's Child Care Action Plan, include specific actions for responding to the specific child care needs of people who work in the community.
 - **Transportation:** Continue to support multi-modal transportation corridors, North Shore east-west transportation networks, and an additional Burrard Inlet rapid transit connection to the North Shore.





INTRODUCTION AND CONTEXT

The COVID-19 crisis has caused tremendous economic hardship around the world. There isn't a business sector that hasn't been impacted. Restaurants, shops and other businesses that initially closed in the spring and then slowly reopened during the summer months are once again dealing with increased operational restrictions in the fall, with many of them unable to pay their rent. Industrial companies are struggling to make payments on their equipment leases and retain employees. Landlords have less income and cannot keep up with their mortgage payments. Supply chains continue to be disrupted, while international tourism is at a standstill. The world is awash in credit risk and the ability to obtain business loans from financial institutions is becoming increasingly more difficult. Across Canada, thousands of employees have lost their jobs and are struggling to pay their credit card bills. Consumer spending is down significantly in many sectors.

MAYOR'S BUSINESS ADVISORY WORKING GROUP

COVID-19 was declared a global pandemic by the World Health Organization on March 11, 2020. Soon thereafter, the Province of B.C. enacted both a public health emergency and a provincial state of emergency. As the Province and Provincial Health Officer continue to guide British Columbia through the pandemic, municipalities, businesses and residents must work together, not just to mitigate the current effects of the pandemic, but to prepare for their future.

Recognizing early on that the pandemic would have a significant economic impact on the City requiring a local evaluation and subsequent action, Mayor Buchanan motioned to convene a financial recovery task force with the purpose of understanding the impact of the pandemic and developing an economic recovery plan. This motion was unanimously approved by the City of North Vancouver Council on March 30th, 2020.

To identify and prepare for the economic opportunities that will arise as the City of North Vancouver recovers from the pandemic, Mayor Buchanan created a Business Advisory Working Group to focus on the City's collective return to prosperity and growth. Every business, industry and educational institution in North Vancouver is vital to its economy and key to the well-being of the City and its residents. After working collaboratively with community organizations and carefully considering their insights, the Working Group has developed North Vancouver-focused recommendations that will complement provincial and federal economic recovery efforts.

“Mayor and Council’s commitment to building healthier communities has never been more important. This pandemic has highlighted the need for access to organic, nutrient-dense, fresh food. The surge in urban gardens we have seen will make us more food secure, resilient and healthier in the long-term.”

Wesley Hooper, Urban Farmer and Co-Founder/CEO, LifeSpace Gardens

TERMS OF REFERENCE

The Terms of Reference for the Mayor's Business Advisory Working Group outlined its purpose, role, outcomes and membership.

Purpose and Role

The Mayor's Business Advisory Working Group will:

4. Act as a forum for sharing information;
5. Identify immediate impacts of the pandemic on the local economy;
6. Identify potential short-, medium- and long-term responses to the issues identified;
7. Consider economic resiliency post-pandemic; and
8. Consider economic opportunities that will arise as we recover from the pandemic.

Outcomes

The Working Group will guide the City's economic recovery with a focus on outcomes. Potential outcomes are identified as:

Short-term Outcomes: A healthy business sector and stabilization of the economy

- Business opportunities to keep employees and clientele safe
- Ensure supply chain integrity and access to labour
- Short-term regulatory support
- Information-sharing with each other and the provincial and federal governments

Medium-term Outcomes: Resiliency

- Ensure supply chain integrity and availability of human resources
- Identify barriers to resilience
- Coordinate tools and strategies for SMEs
- Prepare for opportunities arising from federal and provincial stimulus packages

Long-term Outcomes: Restructuring systems and new future state (working with other stakeholders)

- For City, region, province, country
- Resilient supply chains and access to labour
- Opportunities for innovation
- Technology
- Attracting capital
- Differentiated opportunities to create a diversified economy

Members of the Mayor's Business Advisory Working Group

Linda Buchanan, *Mayor, City of North Vancouver, Convener of the Working Group*
Bill Mooney, *VP & GM (Retired), G3 Terminal Vancouver, Chair of the Working Group*
Frank Butzelaar, *CEO, Seaspan Marine Transportation*
Lisa Dooling, *Director, Community and Stakeholder Engagement, Neptune Bulk Terminals*
Peter Leitch, *President, North Shore Studios/Mammoth Studios*
Paul Dangerfield, *President, Capilano University*
Mark Pearmain, *Superintendent, North Vancouver School District*
Greg Holmes, *Executive Director, Lower Lonsdale Business Improvement Association*
Patrick Stafford-Smith, *CEO, North Vancouver Chamber of Commerce*
Gary Mathieson, *President, Quay Property Management*
Anna Hardy, *Director, Governance and Legislative Affairs, BlueShore Financial*
Martin Davies, *Senior Vice-President and Partner, Hatfield Consultants*

Staff Support

Dr. Leanne McCarthy, *CAO, City of North Vancouver*
Larry Orr, *Deputy Director, Community and Partner Engagement, City of North Vancouver*
Tamara Connor, *Research and Communications Specialist, Mayor's Office*
Kendra McEachern, *Executive Assistant, Mayor's Office*

Engagement Process

To better understand the ever-expanding impacts of the pandemic on local businesses, Mayor Buchanan hosted 12 roundtable discussions from May 7, 2020 to June 9, 2020.

Invitations to participate were sent to targeted businesses to ensure broad representation. Notification of the opportunity to participate in the roundtables was also posted on the City website and in the COVID-19 Business Bulletin. Participating in the 12 roundtables were 61 North Vancouver businesses representing the following 12 sectors:

- Restaurants
- Pubs and breweries
- Hotels and event planners
- Personal services (Hairstylists, spas, beauticians, etc.)
- Grocery stores
- Tourism, film, high tech, arts & culture
- Logistics/goods movement and manufacturing
- Medical and health services
- Professional services (Engineering, architecture, lawyers and accountants)
- Construction and real estate
- Financial sector
- Port industries

Questions Asked During the Roundtables

1. What general impacts is your business/sector currently facing as a result of the pandemic?
2. What are you or your sector doing to adapt to and/or address these current challenges?
3. What do you see as the major gaps in terms of supports announced by senior levels of government?
4. What are the largest barriers to resiliency for your business or sector over the next 18 months?
5. Are there any positive trends or opportunities you see arising out of this crisis?

“This pandemic could have been devastating for Presentation House Theatre. Thanks to government supports and advocacy from Mayor Buchanan, we were able to pivot and deliver a new program to support artists, transition our seniors’ storytelling program, and introduce livestreaming services.”

Andrea Loewen, Managing Director, Presentation House Theatre



PHOTO: Mayor Linda Buchanan remotely hosting the Business Roundtable discussions along with Larry Orr, Deputy Director, Community and Partner Engagement.

MAJOR FINDINGS

The following is a summary of the feedback that was received during the roundtables. Appendix A provides the highlights of the feedback by business sector.

Pandemic-related Business Impacts and Concerns

Below are some of the most common COVID-19 business impacts and concerns identified by roundtable participants:

- Initial shock to business, staff and customers as restrictions and/or closures changed “business as usual”
- Impact of COVID-19 on the nature and character of personal services: Increasing virtual services making work more transactional and less personal
- Loss of revenue and increasing costs of personal protective equipment and sanitation requirements
- Financial concerns: Making lease and mortgage payments and paying salaries in the face of declining revenue and increasing operational costs
- Regaining consumer and staff confidence
- What is the economic plan for coming out of the pandemic from senior levels of government? What is the role for local government in this?
- Lack of clarity with government information (e.g., on reopening and operating standards, etc.)
- Loss of jobs (permanent and temporary) and increased food and housing insecurity
- Employee health and safety
- Food security: Resiliency of large-scale food production brought into question
- Uncertainty about the future impacts on business resiliency
- Impact of ongoing physical distancing and sanitation requirements on business viability
- Business viability further complicated by ongoing property tax issues and leasing costs
- Impact of international travel restrictions on tourism: Huge impact on hospitality industry, retail, and companies that have business in other countries
- Impact of school and daycare closings on employees
- Observations:
 - Many sectors had to close initially: Food and beverage, personal services, fitness, and arts and culture
 - Sectors of the local economy most significantly impacted were food and beverage; hospitality; tourism; event planning; retail; filming; personal services such as massage, physio, hairstyling, health and beauty etc.; arts and culture; and fitness services. It’s important to note that a significant proportion of the City economy is made up of these sectors.
 - Port industries experienced minimal impact.
 - Businesses with some previous online presence were able to adapt easier.

Summary of Positive Outcomes Identified

Despite the many negative impacts of COVID-19 on businesses, the roundtable discussions revealed a number of positive outcomes as well.

- Businesses were supporting the community in new ways
- Businesses were willing to help each other and share ideas
- Improved community and business sector connections
- Management/staff relationships improved
- Increased care and kindness among staff and customers
- Business reverted back to basics: Attending to customers, conserving assets and reducing costs
- Ability to work from home and remote offices
- More use of technology, such as video conferencing and online ordering
- Support for local shopping
- Creativity in scheduling staff
- More personal responses to customer needs
- Improved staff morale (We are all in it together.)
- Developing partnerships
- Creativity and ability to pivot: Finding new ways of doing the same business and developing new types of business
- Collaboration between government and business
- Businesses committing to moving forward and adapting accordingly

ACTIONS TAKEN BY THE CITY

Since the onset of the pandemic, the City, with leadership from Mayor Buchanan, has undertaken numerous initiatives and programs to respond to the issues and concerns of the business community. They include:

- **Business communications initiatives** were created in the form of: direct commercial business consultation; a COVID-19 Business Bulletin; Business COVID-19 Impact Survey; and coordination meetings with the three North Shore municipalities, Chambers of Commerce, business improvement areas (BIAs), and Vancouver Coastal Health;
- A **COVID-19 Hotline** to provide responses to COVID-19 enquiries;
- An **Open Streets Action Plan** was adopted by Council to provide enhanced public space and additional space for use by businesses on streets until the end of the pandemic;
- A **Temporary Patio Program** was introduced to provide additional service space on public streets for food and beverage and retail businesses (since extended to the end of the pandemic, with opportunities to winterize);
- A **Parklet Program** to provide on-street seating areas in areas where there was a gap in restaurant patios. This provided additional seating areas for the public, areas for consumption of takeout food and beverages from area businesses and contributed to the ambiance of commercial streets;

- A **Partnership Program** with businesses in the City to co-sponsor parklets with the City;
- **Alcohol consumption in designated public places** was approved by bylaw to support takeout services for food & beverage businesses (Extended indefinitely);
- **Enhanced and targeted placemaking** initiatives were launched to support vibrant streets supporting commercial areas;
- A **Program to support business use of public spaces** such as parks and The Shipyards for fitness-related businesses (Extended to the end of the pandemic);
- A **Healthiest Small City Social Resiliency Collective** was created to support and strengthen the City's social resiliency and connectivity during and beyond the pandemic. Includes representation from local government, citizens and non-profit, health, arts and culture, education, faith, business, and labour organizations;
- **Virtual Council and Public Meetings**; and
- **Advocacy letters from the Mayor's Office** to:
 - The Honourable David Eby (Attorney General) re: Temporary change to liquor licenses for expanded patios
 - The Honourable Lisa Beare (Former Minister of Tourism, Arts and Culture) re: Supporting local arts and culture during COVID-19
 - The Honourable Selina Robinson (Former Minister of Municipal Affairs and Housing), The Honourable John Horgan (Premier of B.C.) and The Honourable Carole James (Former Minister of Finance) re:
 - Expand the Provincial Property Tax Deferment Program (PPTDP) to include all property owners, including residential, business and non-profits
 - Standardize and extend the due date for other tax authority levies
 - Provide support to all renters and landlords
 - Provide direct, unconditional grants to cover revenue losses
 - Implement split assessment through a new commercial sub-class
 - Follow up to request inclusion of a "hardship program" to the PPTDP
 - The Honourable Bill Morneau (Former federal Minister of Finance) re: Expanding the Emergency Commercial Rent Assistance Program

“We opened BridgeDeck days before the pandemic shut down in-person dining. As we reopened, the City of North Vancouver was quick to support us. Thanks to Mayor Buchanan's leadership, the City was the first in B.C. to allow safe consumption of alcohol in parks and plazas, which helped us transition to take-out where our guests enjoyed craft beer and a great meal outside.”

Leigh Stratton, *Director Consumption and Owner, Lonsdale BridgeDeck*

COVID-19 BUSINESS IMPACT SURVEY

To supplement the information collected during the roundtables, staff conducted an e-mail survey of registered businesses in the City to gather additional information on the impact of COVID-19. The survey closed May 10, 2020 with 171 responses from companies in 14 business sectors. Company sizes ranged from sole proprietorships with no employees to companies with 500+ employees. Appendix B provides a summary of the responses to three questions from the survey. Below are the key findings:

Most common impacts of COVID-19 identified by respondents:

- Significantly reduced business
- Business closures and reduced hours
- Staff layoffs
- Financial liquidity concerns

Top three measures recommended by respondents to address impacts of COVID-19:

- Rent subsidy
- Property tax relief
- Clear information on reopening

Awareness of senior government supports among respondents:

- 90% of respondents were aware of senior government support
- 40% thought these programs would be beneficial to them
- 34% thought the support programs would be of no help to them

SNAPSHOT OF CURRENT COVID-19 RESEARCH – BUSINESS IMPACTS

To supplement what was learned from local businesses concerning the impact of COVID-19 on their businesses, below we have included a snapshot of current research regarding COVID-19 business impacts, as well as input from local commercial real estate professionals.

Statistics Canada reported 34,465 business closures in B.C. in the three-month period from March to May 2020 compared to 20,040 closures in the same period in 2019. Across Canada 90,000 businesses had closed in April 2020. The Greater Vancouver Board of Trade reported that 8,000 businesses closed in the Lower Mainland between February 2020 and August 2020.

In May 2020, a Statistics Canada survey of business owners regarding business conditions¹ reported the following key findings:

- 32.6% reported that 10% or more of their workforce were working remotely

¹ Statistics Canada, July 14, 2020, The Daily-Canadian Survey on Business Conditions: Impact of COVID-19 on business in Canada, Survey #5318

- 22.5% expected 10% or more of their workforce to continue working remotely once the pandemic is over
- 63.7% of respondents were approved for funding support from government programs or credit from other sources
- 23.6% had their rent or mortgage payments deferred
- 39.9% had reduced staff hours, while 28.4% had laid off staff
- 19.3% of respondents reported they could only continue to operate at their current level of revenue and expenses for less than six months before having to considering further staffing actions, closure or bankruptcy

Impact on Main Street Businesses in Canada

In July 2020, VanCity Community Investment Bank and the Canadian Urban Institute partnered to conduct research on the impact of COVID-19 on main street businesses, based on conversations with BIAs, local business owners and a variety of data points.² The study areas included seven main streets in B.C. and Ontario. Below is a summary of the findings.

- Strong local economies, and connections to the community were helping businesses through COVID-19.
- Main streets and businesses that cater to local residents were seeing advantages.
- Main streets that were struggling with vacancy and rising rents pre-COVID were likely at higher risk.
- Businesses were digging deep and finding innovative ways to adapt, but some were falling behind.
- There was a need for creative ways to finance small businesses and support recovery.
- Filling vacant storefronts and animating main streets would be necessary for main street recovery.
- Local business organizations are critical to the recovery and resilience of main streets.

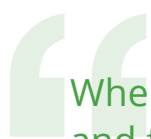
Commercial Retail Market

A recent conversation with commercial real estate professionals at the Colliers International Vancouver office confirmed that the retail market remains in a state of flux. The COVID-19 pandemic has had a devastating effect on it and, as a result, landlords and tenants remain under tremendous pressure. Some key points included:

- Prior to COVID-19, the retail industry had already been in trouble for several years, fighting:
 - Increased costs (e.g., taxes, wages)
 - Reduced demand (fewer retailers)
 - Bankruptcies
 - Closures
 - Consolidation; and,
 - E-commerce vs bricks and mortar.
- Government subsidies are helping some in the industry, but a number of businesses are falling through the cracks. The Canada Emergency Wage Subsidy (CEWS), Canada Emergency Business Account (CEBA) and Canada Emergency Commercial Rent Assistance (CECRA) have become common topics of discussion over the past few months. CECRA was most mentioned in the business roundtables as landlords could choose not to participate.

² Block Reports – Impact of the Pandemic on seven Main Streets in Canada, July 2020, www.canurb.org

- A number of experts say as many as 10% of all stores across the country, including a number of large retail chains, will shutter as a result of the pandemic.
- Some businesses are faring better than others. Management at a number of enclosed malls have indicated their landlords have collected only 20%-30% of gross rent since COVID-19 began, while owners of open-air malls estimate rent collection rates of 55%-85%, which is better.
- Most retailers state that sales have improved since April 2020, the height of the pandemic, but are still insufficient to maintain their businesses in the manner they were prior to COVID.
- Low interest rates have made it easier to take on debt. Unfortunately, much of the debt incurred is being used to address bad debts rather than business growth.
- Vacancies throughout Metro Vancouver are increasing quickly. However, there is demand and some agents throughout Metro Vancouver have indicated that with concessions, they are leasing more space this year than last.
- More retailers are re-opening every day but complain of the additional safety, sanitation and other costs of operating in a pandemic (e.g., Safety personnel, additional cleaning, decals, barriers, sanitizers, etc.) Other retailers, such as those associated with tourism, remain extremely challenged and are expected to remain that way for some time.
- Small businesses also had difficulties hiring and retaining staff. Some businesses reported experiencing strained relationships with staff with evolving restrictions, health and safety concerns, layoff notices, and government support programs.
- A concern for many is the prospect of a second wave of COVID-19. There is a concern that many retailers would not survive further closures or disruptions.
- A majority of retailers are reporting stronger sales in the suburbs compared to downtown Vancouver. Retail needs people to be successful and people are closer to their homes these days. Of note, Lower Lonsdale is significantly busier than the Waterfront District of downtown Vancouver (Burrard Landing, convention centre area and Gastown).



When the pandemic hit we took the time to reassess our business and focus on how we can make Elite a better place to work as well as enhance customer service. One thing we soon realized through this process is how grateful we are to live and work in the City."

Wade Bartok, Owner, CSN Elite Body Shop & Elite Express

Office Market

The 2020 Avison Young Mid-Year Office Market Report for Metro Vancouver noted the pandemic did not affect the office market due to record low office vacancy rates (e.g. 7% on the North Shore and 3.5% in downtown Vancouver)³. The North Shore vacancy rate is the lowest since 2015 due largely to limited new supply. New office development has remained on schedule during the Pandemic. New developments like Hollyburn at 13th and Lonsdale are 95% leased. Avison Young staff do not expect to see any impact of the pandemic showing up in office market data until November of 2020.

A report by Avison Young “CRE Lessons Learned from COVID-19”, highlights what many of Vancouver’s largest institutional landlords learned from the first three months of the pandemic⁴:

- Strong public health and political leadership in B.C. likely resulted in better prospects for a faster economic recovery, compared to the United States and other parts of Canada.
- Transitioning to and adopting work-from-home (WFH) strategies was seamless for many businesses and was generally accomplished very quickly.
- The importance of a strong IT team and investment in flexible IT infrastructure to ensure a functional and secure network that supports WFH initiatives was key to being able to adapt and remaining competitive.
- Many companies’ balance sheets were financially tenuous rendering them unable to withstand even a slight business disruption.
- Many other companies were resilient, with the pandemic not seriously affecting their operations or financial ability to remain an ongoing concern.

Landlords also shared their thoughts on how COVID-19 has changed their approach to business and what the fallout might be for Metro Vancouver’s office market:

- The commercial real estate market in 2020/21 will likely be similar to 2009/10 when there was a sudden surge in sublease space, but just like 2009/10, the sublease space will be absorbed, and the market will recover after a brief lull. As normalcy resumes, demand and interest will as well.
- Reduced space requirements for businesses due to WFH strategies will be offset by tenants who need more space to comply with social distancing measures.
- ‘No-touch’ buildings with better HVAC systems and various technologies in place to reduce physical contact with high-touch points will likely attract more attention from potential tenants.
- Tenants may potentially become more interested in lower floors (or cross-over floors) so employees can avoid elevators by using the stairs. There will also be a renewed interest in parking availability/cost as employees avoid public transit.
- There will be a renewed focus on professional and experienced property management to ensure office spaces are cleaned properly and any tenant concerns are addressed promptly.
- There will be a fundamental shift in when and how office space is used due to staggered employee shifts, rotating days of in-office work and the impact of WFH strategies on flows of people entering or exiting a building.

³ Avison Young, Mid-Year 2020 Office Market Report, www.avisonyoung.ca

⁴ Avison Young, Mid-Year 2020 Office Market Report – CRE Lessons Learned from COVID-19, www.avisonyoung.ca

- Trendsetter companies will get back to the office faster than others and the result of improvements in collaboration, culture and performance will allow them to flourish, which will encourage others to start bringing people back to the office. But it has not all been about the operational side of office leasing. Human relationships will remain paramount.

A recent paper by McKinsey and Company identified a number of general impacts of COVID-19 that are expected to have long-lasting economic effects⁵.

- The loss of service sector jobs and the impact of those losses on the economically vulnerable;
- The impact on small and medium-sized businesses, particularly newer SMEs that have fewer cash reserves. A survey of SMEs conducted by McKinsey and Company in June 2020 found that 25% to 36% of small business said they were at risk of closing permanently;
- There will be less venture capital available to support innovation;
- Accommodation, food services, retail and manufacturing sectors will be the hardest hit and will take the longest to recover; and
- The digital divide will become more apparent in the market. Businesses that have been able to pivot to online sales and remote working will be in a better position to survive the pandemic.

“The City of North Vancouver has been incredibly supportive during this challenging time. The speedy implementation of a temporary patio program kept hundreds of staff employed and provided a safe outdoor dining environment for the community. We feel blessed to be doing business in such a supportive community, from government to citizens.”

Daniel Frankel, CEO, Tap & Barrel Restaurants

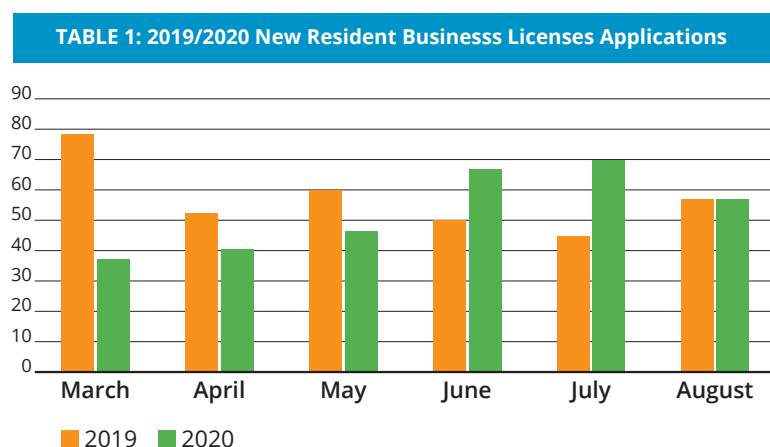


⁵ McKinsey and Company, “Reimagining the Post-pandemic Economic Future” (August 14, 2020) www.mckinsey.com

CITY OF NORTH VANCOUVER BUSINESS LICENSE ACTIVITY

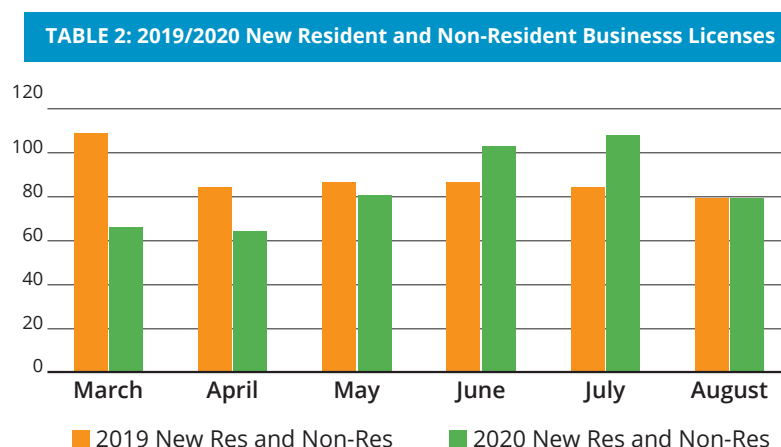
It is not possible to determine the number of business closures mid-year or the reasons for them by looking at the City's business license data. However, that data does provide the number of new licenses issued, which can be compared to previous year.

Table 1, below, shows that while there was a decline in new business license applications at the beginning of the pandemic in March, April and May of 2020 compared to 2019, June, July and August numbers for new license applications were higher or the same in 2020 compared to 2019. This reflects some level of optimism within the business community as the curve of COVID-19 infection rates flattened over the summer months. The new business license applications for March to August included all categories of business types.



**Resident businesses are those that operate from a physical space in the City.*

Table 2, below, compares a combination of new resident and non-resident business license application data for March to August in 2019 and 2020. As with new resident business licenses, there was a decline in new resident and non-resident business license applications from March to May in 2020 vs 2019. June and July 2020 saw an increase in new business license applications compared to the previous year with a slight decline in August compared to 2019.



WHAT WE KNOW NOW

Five months have passed since the Mayors' business roundtables were held in May and June of 2020 and the writing of this report. During the summer months, infection rates declined, provincial health restrictions were reduced, and businesses reopened, albeit with some operational limitations. Businesses such as retail, food and beverage services, personal services, hotels, and tourist attractions saw an increase in customers and generally felt they could "weather the storm". With the fall came increasing infection rates and, in October, a return of more stringent Provincial Health Officer orders affecting social activities and business operations. This has led to growing concerns that some businesses will not survive the second wave of COVID-19.

The fall has also seen extended deadlines for and modifications to business and employee support programs from senior government for wage subsidy, rent subsidy and business loans.

Acknowledging that the rollout of vaccines will take several months to a year, the City of North Vancouver requires a robust business recovery plan in the first quarter of 2021, as the community copes with continued virus transmission and business restrictions. Even once the pandemic is behind us, health and safety issues will continue to impact how businesses and places of employment operate.

The ebb and flow of this pandemic requires all levels of government to rethink programming, services delivery, and much more. The people who keep our economy moving — our bus drivers, our craft brewers, our restaurant servers, our entrepreneurs, and more — all need to be supported by the recovery. Over the course of the roundtables, it became clear that efforts need to be holistic and serve a range of industries and needs.

“The Lower Lonsdale BIA appreciates how City staff as well as Mayor and Council acted swiftly to ensure businesses had a voice and an opportunity to communicate their needs during this difficult and rapidly changing time. Programs and supports from the City have aided in our local recovery efforts greatly.”

*Yavanna Arnold, President,
Lower Lonsdale BIA*





CONCLUSION

The impacts of the COVID-19 pandemic have been devastating. The information collected through the business roundtables, online survey, third-party research and additional interviews have revealed consistent impacts felt by businesses as they adapted. Public-serving businesses have faced unprecedented operational restrictions and health and safety requirements that have significantly reduced revenue and increased costs. The financial burdens on these sectors has made long-term resiliency a significant challenge. The ability to pivot to online sales and use technology to support remote working are proving to be saviors for many business sectors.

A common concern facing all business sectors is the uncertainty of what the future will bring. Many economists are predicting the impact of COVID-19 will continue for years to come. Depending on the length of the pandemic, some of the businesses are not expected to survive. The impact on the international trade and business, development, financial, and professional services sectors is still not fully understood. Early job numbers in B.C. are promising as we've had substantial job growth for seven consecutive months, bringing our total employment to 98.5% of pre-pandemic levels¹. Despite these early positive indicators, we know that our economy is still vulnerable to further shocks and could lose some of this progress.

Despite the negative impacts of COVID-19 there have been a number of positive impacts revealed by the roundtables and research, including: the ability of businesses to pivot to new ways of doing business and new business opportunities; the use of technology to support remote working; an increase in staff teamwork in support of their employer ("we're all in this together" attitude); business sector cooperation; government and business working cooperatively; improved business connections to the community; community support for buying locally; and an increase in community compassion.

The future will require a concerted effort by all levels of government and business to work together to reduce uncertainty and provide support where it is needed most. The pandemic will pass but supporting businesses until the end of the pandemic and beyond through forthcoming strategic investments will be crucial.

Going forward, the City of North Vancouver should monitor economic indicators that provide an indication of economic changes and focus on aspects of the economy that are hardest hit and where the City can have the greatest positive impact. While local government's ability to influence the economy is limited, there are a number of areas where local government can make a difference to support local business through to the end of the pandemic and help create business resiliency. The following includes a list of indicators to inform municipal responses and specific recommendations based on the findings presented in this report.

¹ <https://news.gov.bc.ca/releases/2020JERI0040-002005>

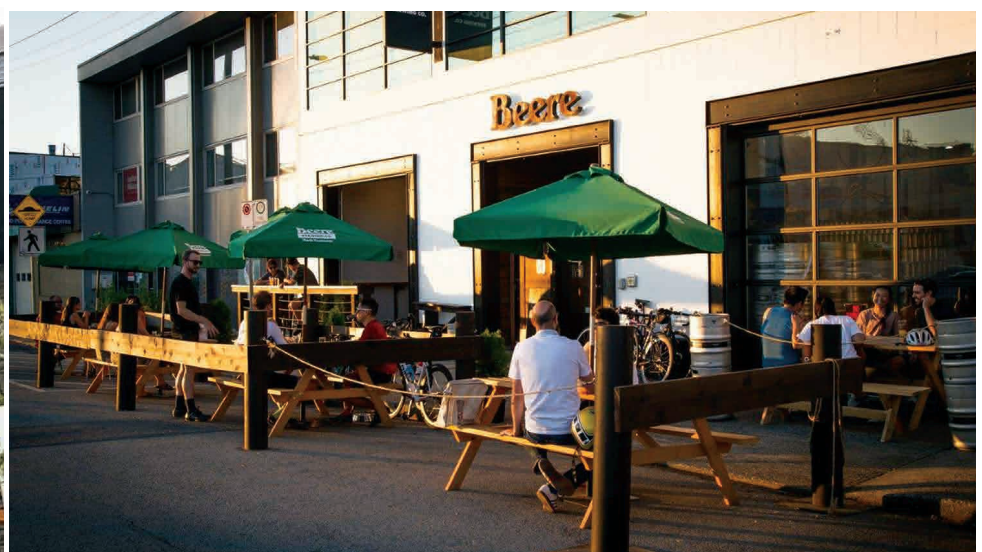
ECONOMIC INDICATORS TO WATCH

There are a number of indicators that should be monitored in the coming year that will provide a sense of the health of the local economy and the ability of businesses to adapt to a new normal.

- Number of businesses closing and rate of new business licence applications
- Home-based office business licence data
- Development application data
 - new residential construction
 - new commercial and office space construction
 - applications for commercial and office space renovations (design for physical distancing)
- Office and commercial space leasing data/vacancy rates
- Business loan data/access to capital
- Extent of telecommuting (% of employees)
- Municipal corporate tax revenue
- Employment numbers

“I feel extremely fortunate to operate within the City of North Vancouver. Sadly we laid off 25 people in the beginning of this pandemic, but thanks to the City of North Vancouver and our supportive patrons, we have brought back 20 of those jobs. Through various initiatives by the City, and their engagement with the business community, we were able to pivot our business model. We still have a challenging path ahead of us but I’m confident together we will get through this together.”

Erik, S’wich Cafe & BLVD Bistro



RECOMMENDED ACTIONS

The following recommendations are based on what was heard from the business roundtables and the additional information presented in this report. The Mayor's Business Advisory Working Group believes they will help position the City for a better recovery from COVID-19 and create the environment necessary for the City to continue building an even more inclusive, vibrant, healthier and resilient economy for the future. The recommendations are organized in two groups: COVID-19 Responses and general Economic Development Responses.

COVID-19 RESPONSES

Communication with Business

Consultation with the business community has proven to be informative and effective in creating supportive and relevant responses by the City to assist business during the pandemic. It has also created a sense that “we are all in this together.”

It is recommended that the City continue to consult and work with the business community throughout the pandemic in order to stay informed about COVID-19-related business issues and work cooperatively to identify potential supportive solutions.

Vibrant Commercial Streets and Public Spaces (Placemaking, Parklet, Public Alcohol Consumption, Patio Program and Open Streets Action Plan)

The City was quick to respond to the challenges faced by retail and service industry businesses by implementing a number of programs to support takeout services, physical distancing on streets and commercial street animation.

It is recommended the City continue and enhance these initiatives on an ongoing basis to support vibrant commercial streets and the resiliency of local storefront businesses.

It is further recommended the City explore ways to create more flexibility in curbside regulations to support contactless curbside pick-up or takeout from restaurants and businesses in the near-term and consider how to make curbside zones more dynamic through other planning efforts.



Support for Small Business and Start-ups

Support for Digitalization

The ability to pivot to online shopping has been a savior for many retail and service industry businesses during COVID-19, but not all businesses had the wherewithal or ability to make this change. Research has identified the digital divide coming out of COVID-19 as being a significant cause for concern for business recovery.

It is recommended that the City, in cooperation with the North Vancouver Chamber of Commerce, Capilano University and local technology companies, explore ways to support local business, particularly how small and medium sized businesses can be served by adding an online presence as part of their business model.

It is further recommended that the City of North Vancouver consider partnering with School District #44 to develop a course or course material for high school students that covers the future of work and the transition from school to work.

Support for Buying Local

The pandemic resulted in significant restrictions on people's ability to travel, resulting in a decline in market areas for many goods and services businesses. Many local businesses have been able to survive this change with the support of local residents buying more locally.

It is recommended the City develop an ongoing campaign to feature local businesses and encourage buying locally.

It is further recommended the City support local business champions who are interested in creating Business Improvement Areas in commercial areas.

Tourism

Tourism was one of the hardest hit sectors of the economy, resulting in the almost complete elimination of tourism spending in the City, negatively impacting a number of business sectors. While tourism supported by international or out-of-province travelers is not about to ramp up anytime soon, efforts by Destination BC to encourage local travel within the province (Staycation Campaign) will help support the industry through the pandemic and provide support for local businesses.

It is recommended the City work with the Districts of North and West Vancouver, the Vancouver North Shore Tourism Association (VNSTA) and the Lower Lonsdale Business Improvement Area to support the Staycation Campaign locally.

It is further recommended that destination areas like The Shipyards continue to partner with local businesses to provide safe outdoor events and activities for residents.

It is further recommended that the City develop a tourism strategy to attract visitors to the City in cooperation with the VNSTA and area hospitality businesses.

Filming

Filming is a significant part of the City's economy, providing a large number of high paying jobs in a variety of specialties and spin-off economic activities to small business.

It is recommended that the City continue to work with the film industry to identify ways to enable filming to continue safely through the pandemic.

Partnerships

The ability of businesses to survive COVID-19 and become more resilient increases when they have supportive partnerships with local government.

It is recommended that the City continue to work cooperatively with the local business community to identify specific strategies to strengthen and create resiliency in the local economy.

It is further recommended that the City develop a more formalized and transparent sponsorship program for local business partnerships for City initiatives that support the business sector.

Continued Advocacy

Two of the major concerns of businesses identified by the roundtables were the uncertainty of what the future holds and the impact of property taxes on business viability. Senior levels of government can play a significant role in helping to direct the economic recovery, help create some level of certainty for business, and address property tax reform. Another issue identified by COVID-19 employment impact research is the need for retraining and skills development for those people whose employment was impacted by the pandemic and to reflect the new normal employment needs.

It is recommended that the City advocate for a comprehensive Economic Recovery Plan at the federal and provincial government levels that include business and local government input.

It is further recommended that Mayor Buchanan, as Vice-Chair of the Metro Vancouver Board, advocate for Metro Vancouver's support for a comprehensive Economic Recovery Plan at the provincial and federal government levels.

It is further recommended that the City continue to advocate for tools to address the property tax burden on small business such as a split assessment through a commercial sub-class and other property tax reform measures.

It is further recommended that the City advocate to the appropriate provincial ministries to support the development of employment retraining and skills development to address post COVID-19 employment needs.



ECONOMIC DEVELOPMENT RESPONSES

Overall Economy

Economic Investment Strategy/Action Plan

The City's Economic Development Strategy was adopted by Council in 2008. While this document has served the City well, there is a need for a new Strategy/Action Plan that reflects current priorities and realities.

It is recommended that a new Economic Investment Strategy/Action Plan be prepared that reflects current priorities and the new normal in a post-COVID-19 world, one that positions the City as “the place to be” for business. The new Economic Investment Strategy/Action Plan should have intentional focus on building upon key strategies and foundational investments that have been made over the past decade, and continue to be made in the City, such as the Asian Pacific Trade Corridor, shipbuilding, transportation, the film industry, and construction, as well as the regional hospital campus. In addition, the Strategy should have at its core Council's vision of becoming the “Healthiest Small City in the World” as people look to be in communities that value and enable them to continue to be healthy. The Strategy should focus on strengthening the City's great sense of place, quality of life, housing diversification, transportation, arts and culture and natural beauty, and use these assets to attract investment.

Specifically the Strategy/Action Plan should address the following key areas: building business resilience; identifying business-enabling infrastructure such as 5G networks; strategies to support business start-ups; small business viability; economic diversification; commercial street renewal (creating a sense of place); investment attraction; economic diversification; Economic Health Cluster; filming; office and industrial use retention and expansion; and climate change and tourism. Consideration should also be given to branding and marketing the City to attract new business investment.

Invest in talent and attract newcomers with a focus on diversity and inclusion

Current demographic data for the City shows that there are an increasing number of young professionals and young families employed in the City. Efforts should be made to attract and retain more of this demographic, which supports both community diversification and a broad spectrum of local businesses.

It is recommended that the City collaborate with Capilano University and local industry to investigate ways to retain and attract this demographic, including skills development and retraining.

Grow the economy around key industries and anchor employers

Larger businesses can and do play a significant part to drive many of the initiatives covered by this document, such as diversity of employment, good jobs, contributing to solutions to reduce traffic, support for the local business community supply chains, and vibrant streets to name a few. The City of North Vancouver has long benefitted from the contributions of a number of large employers (e.g., Port industries, Vancouver Coastal Health, ICBC, film industry, School District #44), who provide secure, well-paying jobs to our residents and contribute to the community and overall health of the economy.

It is recommended that that City continue to involve these large employers in decisions about growing the local economy, possibly through Economic Partnership North Shore.

Improve City Services that may Impact Business

Streamline business licensing, development applications and permit processes

The time required to process business license applications, development applications and permits was identified as having a negative impact on business in the City. Streamlining these processes and reducing costs where possible would send a strong message and create a more welcoming business environment.

It is recommended that staff review business licensing, development and permit application processes with the goal to identifying specific actions/changes to reducing processing times and costs for business-related services.

It is further recommended that the City continue to perfect the online CityServe permit application process to support online business services with the goal of reducing permit processing times while holding the line on permit costs.



General Support for Business

Support for Business-Enabling Infrastructure

Businesses have become highly dependent on fast, reliable and secure internet services for their business operations. The ability to retain and attract businesses and support business resiliency depends on business-enabling infrastructure.

It is recommended the City explore the installation of business-enabling technology such as a 5G network in the City's business areas.

It is recommended the City explore ways to support home-based office and home-based business uses through zoning bylaws and business license bylaws.

Transportation

The efficient and effective movement of people and goods is critical to a strong economy.

It is recommended the City continue to support multi-modal transportation corridors for the safe movement of people and goods.

It is further recommended the City continue to work through the North Shore Integrated Transportation Planning Table (NXSTPP) to support a North Shore region-wide response to creating transportation improvements, including efficient east-west transportation networks.

It is further recommended the City continue to support a Burrard Inlet rapid transit connection to the North Shore to provide an additional alternative public transportation choice to driving.

Affordable Housing

The cost of housing on the North Shore continues to be a major impediment to attracting employees for North Vancouver businesses.

It is recommended that the City continue to explore new and innovative ways to deliver housing solutions that make it possible for middle-income earners at different stages of life to live and work on the North Shore.

Child Care

Employers have expressed the need for more comprehensive child care services to support employees' return to work. The City is currently in the process of preparing a Child Care Action Plan.

It is recommended that the City's Child Care Action Plan include specific actions for responding to the specific child care needs of employees in the City.

NEXT STEPS

The Working Group recommends the following next steps:

- That this report be submitted to Council with a recommendation that it be approved and that a communications strategy be prepared to disseminate its findings and recommendations.
- That the Mayors' Business Advisory Working Group continue to meet regularly (e.g., quarterly) to share information on COVID-19 recovery and identify other potential actions the City should consider.
- That the business sectors included in the roundtables continue to be consulted from time to time in order to inform post-COVID-19 responses.

“The City of North Vancouver’s commitment to supporting the food and beverage industry with the temporary patio program made all the difference over the summer months. This unique dining experience not only beautified our side street, but it created a safe way for families and friends to socialize. The speed and agility of City staff is commendable.”

Derek Archer, Owner, Browns Social House – 18th and Lonsdale



APPENDIX A

HIGHLIGHTS OF
FEEDBACK RECEIVED
AT ROUNDTABLE
DISCUSSIONS

MAKE
IT
COUNT

Restaurants

- Corporate or association affiliated better able to understand, organize, prep and respond to uncertainty, cash and source mitigation materials
- Pivot to takeout has kept most in business, along with creative food offerings
- Family sole proprietor businesses looking for direction and are listening to all sources, but difficulty synthesising input from levels/branches of government as messaging is not clear
- Need for more space — physical distancing requirements impacts viability of the business model
- Sanitation requirements have increased operating costs
- Staff confidence
- Consumer confidence
- Lack of information on opening-up standards
- Financial help for tenants. Rents need to be reduced (during response and recovery phases)
- Significant layoffs and hard to hire back
- Need to promote buy local
- Businesses already struggling likely won't survive
- Property tax will be a watershed moment

Pubs & Breweries

- Need more space — physical distancing requirements impacts viability
- Takeout has kept them in business
- Impact of staff reductions
- Business relief program fit uncertainty
- Tourism decline is a significant impact — will take a long time to recover
- Sourcing PPE material varied by participants initially
- Serious concerns about second wave
- Resiliency of sector a big concern

Hotel and Event Planners

- Significant hit to the industry. Will not improve until tourism, and social gatherings resume — recovery will be slow. Lag time at least one year with full reopening in summer/fall
- Various applicability of government support
- Decline in cruise industry a significant impact
- Pivoting to be creative but there is no business
- Need to promote staycations and buy local; and have access to public spaces for micro weddings

Personal Services

- Complete shut down initially
- Business relief less successful for this sector due to nature of staffing — contractors
- Fitness businesses pivoting to virtual services
- Health and beauty — big staff and customer confidence issues
- Guidelines for opening up were not clear.
- Difficulty accessing PPE
- Can the City provide access to public space for fitness classes?
- City could advocate for help, direction and rebuilding of the sector
- An industry association and regulation of personal services would have been helpful. Low barrier entry to the business means many are least able to adjust
- Impact of legal and counting costs related to government relief

Grocery Stores

- Generally doing well. Initial downturn was dramatic then customers began to return
- Consumer and staff confidence is an issue
- Pivot to more online ordering, delivery and curbside pick-up

Tourism, Film, High Tech, Arts & Culture

- Huge impact overall — had to close
- Industries well connected to all levels of government helped to facilitate understanding of status of all parties
- Government staff support has been helpful
- Requests for filming starting to resume with safety considerations
- Tourism basically shut down overnight. Pivoting to focus on staycations as local travel restrictions are lifted
- Opportunity for the City and local tourism association to promote staycations
- Arts and culture concerned about the future re: recapturing patrons and sustainability of government and private sector funding support
- Pivoted to provide more online classes in arts and culture

Logistics/Goods Movements and Manufacturing

- Mixed group — some benefiting (gardening businesses) and some surviving
- Government programs have helped staff but not the businesses
- Auto repair related — business is way down
- Impact of taxes on business costs with a slow recovery

Medical and Health Services

- Initial closure was a huge impact on businesses
- Sanitation requirements means less patients/day can be served, which means less revenue
- Initial lack of support for physicians – information and lack of PPE
- Maintaining the health of frontline workers has been a significant challenge
- Communication to front-line workers could have been more often and more clear

Professional Services: Engineering, Architecture, Lawyers & Accountants

- Business not significantly impacted as many projects were in process, concerned more about future work
- Accessing government programs
- Management of working from home
- Reduced need for office space but what of the impact on staff and customer connectivity and business culture
- Child care availability and return to work linked
- Old commute — if it reoccurs may cause people to rethink North Shore employers as options to work elsewhere exist (home affordability issue)
- Lack of certainty about the future has a big impact on business planning
- International work significantly impacted by travel restrictions. May have long-term negative impact on international contracts and business viability
- Impact on government environmental objectives — impact on future government spending

Construction and Real Estate

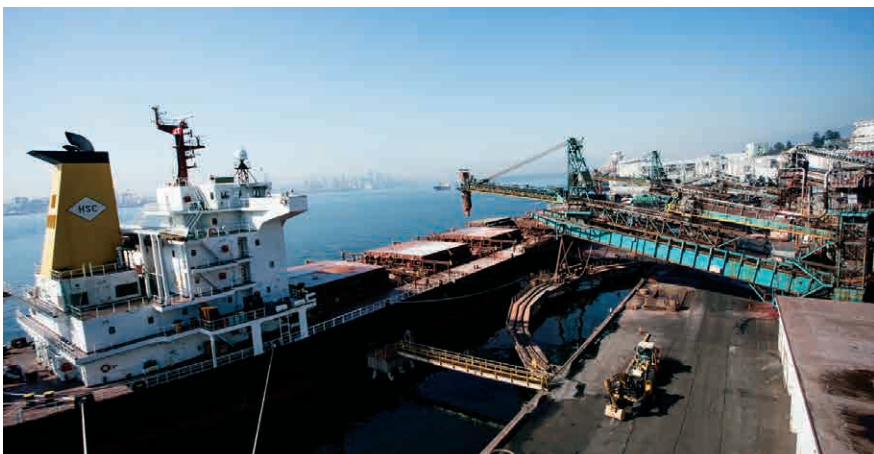
- Construction considered essential service so continued with new safety protocols
- Low interest rates helping
- Majority of larger projects continuing. Concern about future demand
- Construction industry needs certainty
- Political support for development and streamlined development application process
- Meaningful policies to support development like rental housing
- Lack of government support for landlord.
- Need for a strategic initiative for coming out of COVID
- Good time for government to incentivize green renos
- All sectors of the economy need to work together to improve consumer confidence
- Open up RS zones for more creative gentle density

Financial Sector

- Keeping staff safe and confident
- Branch closures
- Reduced opening hours
- Ensure liquidity
- Loan relief
- Staff management has been a challenge
- Access to child care important for returning to work
- Move to more online services
- More innovation/creativity
- Impact of CMHC mortgage insurance limits of \$1M
- Future uncertainty of the impact of mortgage and credit card payment deferrals

Port Industries

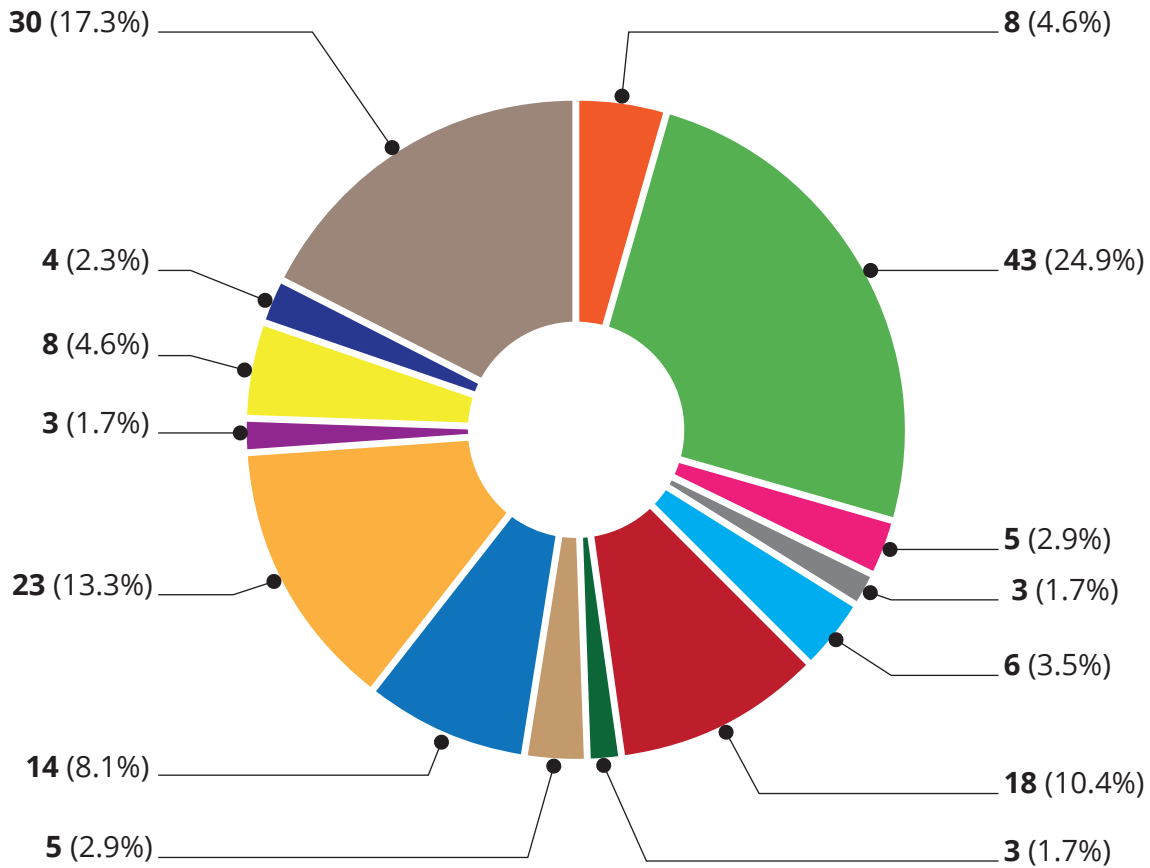
- Business as usual to some extent with enhanced safety protocols. More concerned about competitiveness coming out of COVID than impact on business now
- Concern about an uncertain future
- Potential rail bottlenecks (limitations of rail infrastructure) as the economy opens up
- International travel restrictions have made it challenging to do business
- Government funding support not available for large industries



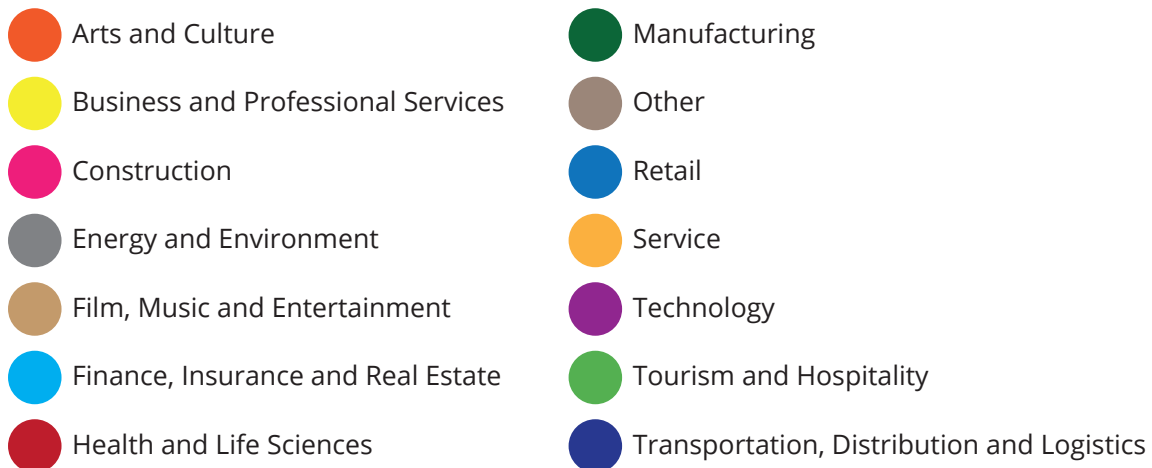
A photograph of a blue wall with large, white, three-dimensional letters spelling out 'LOVE' and 'FEAR'. The letters are arranged in two rows, with 'LOVE' on top and 'FEAR' on the bottom. Several red balloons are scattered around the letters. In the top left corner, there are pink flowers hanging down. A solid blue rectangular box is positioned in the top right corner of the image.

APPENDIX B

COVID-19 BUSINESS
IMPACT SURVEY

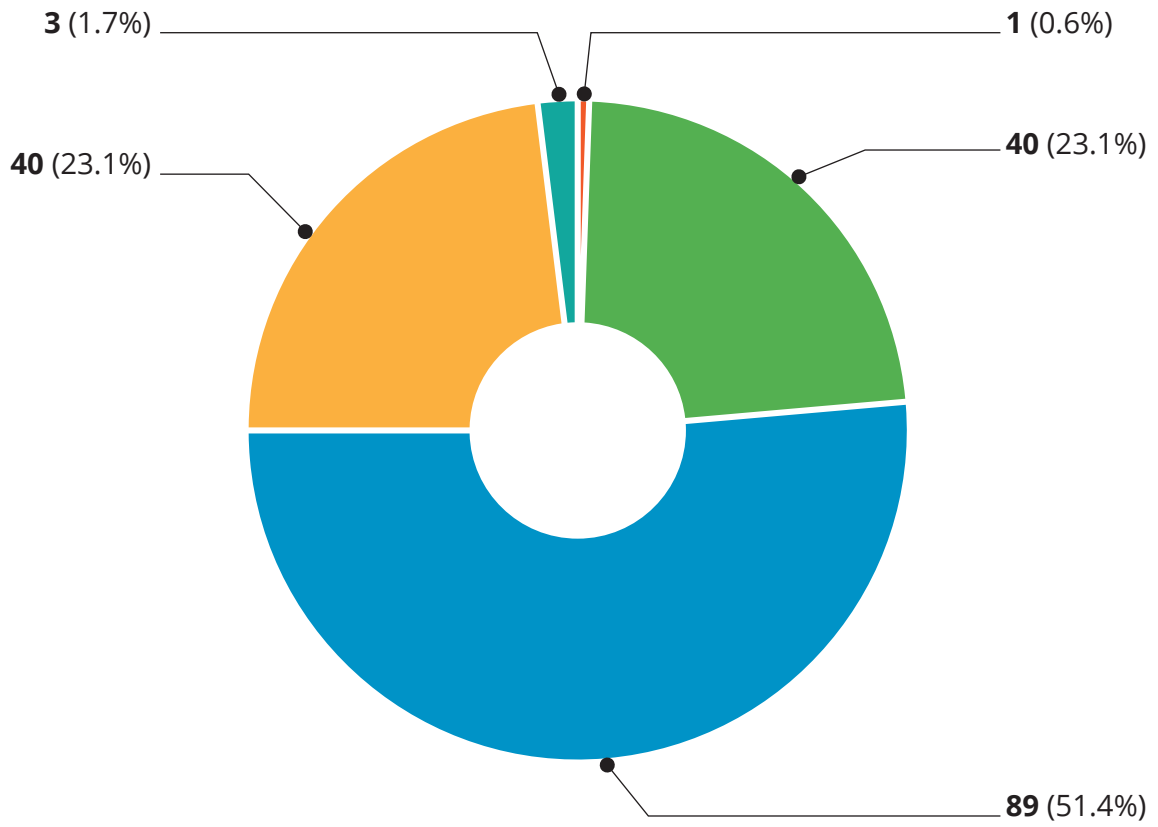


Question Options



Q2

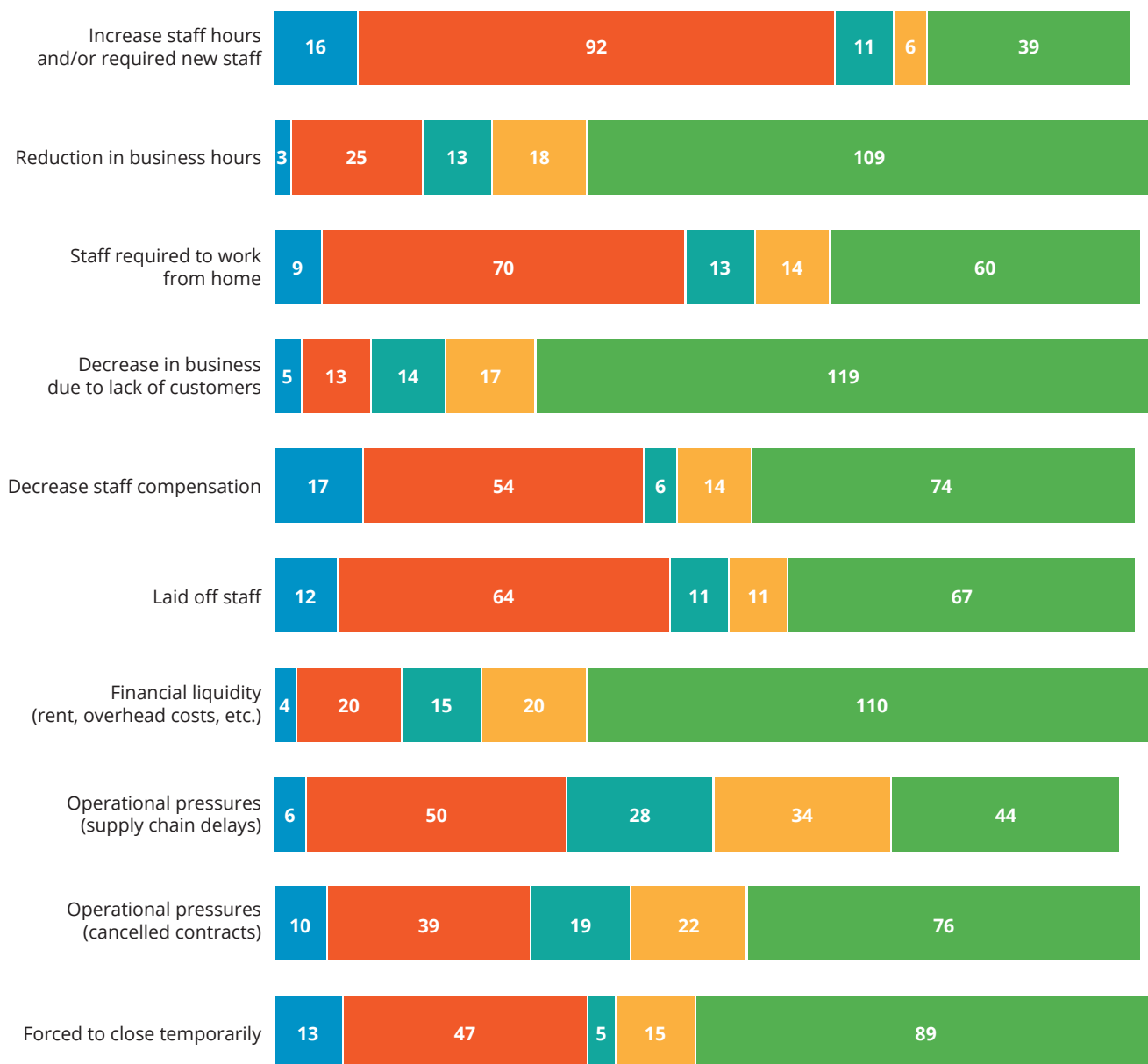
How many employees work for your company?



Question Options



Q3 What impacts are you experiencing as a result of the COVID-19 pandemic?



Question Options



City
STR
ONG



cnv.org

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