

**RPSC Project #2 Final Report**

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# I. Executive Summary

Riley Park South Cambie is a rapidly growing area of Vancouver. The redevelopment of this area plays a critical role in the future of Vancouver. For our community partner RPSC, this renovation is essential to the area's sustainability, and it will make RPSC a thriving, livable area. The renovation of the area will improve the living environment of residents and make their lives more convenient. The area will also attract small companies and retailers that will generate income for the community while bringing prosperity to the area. Our project focuses on a specific area of the community: small and medium-sized businesses. We provide particular prescriptions and insights related to retail point-of-service center projects now and into the future through relevant policy analysis and case studies.

# II. Issue Statement

Through the news and the research on the official website, we are glad to see that the government is very active in assisting SMEs. However, we still found many problems. These problems will result in SMEs' inability to resist the global trend and be struck shortly. Due to the epidemic, people are going out shopping and travelling less often, according to epidemic prevention and control rules. The number of people considered safe to gather in one place has been reduced from thousands to hundreds and down to ten. As the city's lockdown status has become more severe and urgent, unnecessary businesses have been ordered to close. Many roadside restaurants, shopping malls, movie theatres and gyms are closing, leaving small and medium-sized companies with a loss of customers. The revenue of these businesses cannot cover the operating costs of the stores. Reconstruction projects have also stalled due to the epidemic, as no workers are willing to risk their lives to work outdoors, and it will be a long time before the

entire area fully recovers. Secondly, during this isolated and uncertain period of time, customers were affected by the epidemic, and their shopping behavior changed dramatically overnight, gradually adopting and becoming accustomed to online shopping. At the same time, online shopping and e-commerce have become the mainstream trend today. The operation of brick-and-mortar stores has become more complex and dangerous. Besides, when redeveloping large shopping malls in the region, the government tends to bring large corporations or multinational companies. Oakridge Mall will attract more than 20 international luxury retailers such as Harry Rosen, Apple and Tiffany because these big global brands can boost the regional economy in the short term and attract many visitors in the future. Furthermore, the government's assistance framework is too broad and vague, making it more difficult and confusing for small and medium-sized entrepreneurs to get started. For novice entrepreneurs, they need a meticulous and detailed manual to move their businesses forward. Besides, the limited resources provided cannot cover every small, medium and large company in the rebuilding areas, which may cause a series of problems such as unequal distribution of social resources.

Finally, when we tried to link the whole research project to sustainable economic development, we found that what we had studied was only the tip of the iceberg. Sustainable development emphasizes that in action, we must balance social, economic and environmental sustainability. But our study only looked at economic development in one redevelopment area. It did not extend the entire scope to the whole Vancouver region or even to Canada as a whole. We did not consider environmental factors, such as the impact of redevelopment on the neighborhood's greenery. The main focus of our study remains on the development of small and medium-sized enterprises in Riley Park South Cambie.

### III. Summary Evidence

We have established a database for the project. It contains 60 cases, including 50 commercial/retail buildings and 10 residential buildings. The source of most of the information is government websites and documents issued by them. We also got some details from the official website of the developer. For some information that is difficult to find on the Internet, we contacted the developer's employees and the relevant person in charge of the government department and learned some additional information. In this database, we mainly count the location, area, cost, developer, etc. of the development project. Through the database, we have made some interesting findings.

Of the 60 projects that have been counted, 54 projects have been approved. However, many of them have been approved for a long time but there is still no date to start construction, and many projects have been postponed due to the COVID19 pandemic. This reflects that the development of the RPSC area is being affected by COVID19. COVID19 has caused a shortage of manpower and many developers are short of funds. In addition, the outbreak of the epidemic has caused many developers to hold pessimistic predictions about economic development in the next few years. This makes them have to postpone the project or reduce project funds.

Of the 50 development projects undertaken by developers, 33 buildings contained commercial space. We have noticed that most of the projects contain commercial space, and many commercial spaces occupy a large area. For example:

5812 - 5844 Cambie: 110,908 sq. ft.

949 - 5255 Heather and 657 W. 37th: 62,994 sq. ft

339 E 1st Avenue: 133,594sq.ft

These large commercial buildings will attract more small businesses to enter the RPSC area, and the larger office area can ensure that they get enough space. In addition, the gathering of small companies will help the development of the region, will create a lot of job opportunities for the region, and promote the development of other industries.

We also noticed that many projects under development have planned a lot of retail space.

949 - 5255 Heather and 657 W. 37th: 62,287 sq. ft

1506 West 68th Avenue & 8405-8465 Granville Street : 12,603.4 sq.ft

339 E 1st Avenue: 10622sq.ft

Many projects have planned a large amount of retail space. This may exceed the retailer's needs.

Online shopping is occupying the retail market, and the size and number of physical retailers may decrease. The planned retail space may exceed demand.

We are also concerned about the impact of the government meeting on small businesses. The CoV has approved a 2% tax-shift from non-residential to residential property classes in order to provide savings for business property owners. The government has taken some measures to encourage local small businesses, but these measures are considered to alleviate the current Dilemma. In addition to this, there is not much in the way of tangible policy prescriptions. The city states that it actively strives to promote small businesses through its small-business guide for example, but these seem to be quite limited in their effectiveness, especially in light of changing global trends and shocks.

## IV. Theoretical Framework

RPSC is an asset-based community development. This is a method of resource integration.

ABCD integrates the resources of the community and distributes the created value to community members. Mathie and Cunningham (2003) argues that: “the appeal of ABCD lies in its premise that people in communities can organise to drive the development process themselves by identifying and mobilising existing (but often unrecognised) assets, thereby responding to and creating local economic opportunity.” For the community, the reconstruction of RPSC integrates the resources of the community, can bring residents a better living environment, and can also generate income for the community.

If you combine our research program with our sustainability experience, I think we are missing a lot of components. In his article, Barbier states that sustainability can be analyzed using three dimensions, biological (and other resource) systems (BS), economic systems (ES), and social systems (SS ). Our study is only a small part of the economic system and does not provide a very comprehensive analysis of the sustainable economic development of the region. I think that government support for small businesses is not only economically beneficial, but Vancouver is a diverse city with different styles and types of small businesses that accent the cultural diversity of Vancouver.

## V. Case Study Analysis

### The Need For A Case Study

Prior to introducing the candidates that have been selected for our case study, it is imperative that we elaborate upon why it is important to embark upon a case study in the first place. Seeing as our project aims to help uncover the underlying problems that small businesses in the RPSC currently face, or are likely to face in the future, it is useful to examine similar redevelopments and projects in other jurisdictions to better understand the root causes of such problems. Case studies provide researchers with the opportunity to assess projects and their subsequent impacts on communities across time periods. This is to say, through a case study, we are better able to extrapolate causal relationships when examining projects that have already taken place, as the impact metrics have already been determined. Moreover, a case study is particularly relevant in the case of our project, as the project seeks to prescribe concrete policy recommendations. Seeing as our group was unable to conduct extensive due diligence, and collect the right primary data due to the ongoing COVID-19 pandemic and time zone differences, case studies provided the best alternative as policy implementations in other jurisdictions with similar traits to Vancouver might be easily transplantable to the case of Vancouver.

Furthermore, case studies provide a sound foundation from which a research project can capture a holistic picture of the situation at hand. Unlike, standalone research techniques such as surveys and interviews, case studies allow for the application of multiple research tools simultaneously. This means that the final product presents a case which is inevitably more compelling than what would be produced by primary research alone. Furthermore, case studies help minimize bias in studies. A project of this scope and scale would ideally require the presence and input of a large number of small businesses and other associated stakeholders in order to arrive at a conclusion that was accurate. However, seeing as we were limited in this area, any conclusion that we

arrived at from primary research alone would be prone to bias. Case studies on the other hand make use of studies by other academics with many more resources than those available to us. This means that we are able to reduce bias and present a paper which may reflect the actual situation more closely.

There exists an obvious challenge with case studies which is that they study cases that are different from your primary focus of research. In our example, though the examination of Seattle and San Francisco's redevelopments is useful, the findings are not holistically transplantable to the case of Vancouver. This is an important disclaimer to present to the readers of this report, as we do not want to give off the impression that all findings and the subsequent policy recommendations will apply to the case of the RPSC project. It is likely that the findings need to be reexamined in the context of Vancouver's unique circumstances, and we hope that this case study and the subsequent policy recommendations help facilitate that conversation.

## The Candidate Cities

This case study will specifically examine the case of Seattle, Washington. Specifically, the project will consider redevelopments in the Rainier Beach area in Seattle. Seattle was chosen as the city of relevance due to the similarities it shares with Vancouver across a host of different factors. Moreover, it was imperative that we made use of a North American example in our analysis due to the shared culture and municipal framework between Canadian and American cities.

For instance, when comparing Seattle with Vancouver, we find that the population of both cities is very similar, with only a difference of 200,000 people between the two cities (Fox, 2010). Moreover, the cities share many important traits between them, such as the median age of the population, the population density, the unemployment rate, GDP per capita, as well as the general distribution of resources such as universities and museums between the two cities. Both cities are also politically very similar. Both cities lean towards the liberal parties in their respective jurisdictions, and as such, market and regulatory policies in the cities are sometimes looked at as being unfavorable for business growth and development (Fox, 2010). Despite this however, the favorable living conditions and educated populations of the cities have made these cities hubs for technology companies in Western North America, and several prominent multinationals like Microsoft and Amazon have established their regional and global headquarters in the cities. Moreover, as mentioned, Seattle leans heavily towards a more liberal form of politics, and as such, it has also implemented many policies which reflect those seen in Vancouver. Amongst these include a high rate of tax (both personal and corporate), strict environmental regulations and the prevalence of bureaucratic red tape across corporate affairs. Both cities have also served as hosts of major regional redevelopments over the course of the last few decades. These redevelopments reflect the redevelopments ongoing in the RPSC area, and this made the cities suitable candidates for a case study.

## The Case of Seattle

### Introduction

Seattle's Rainier Beach area consists of a set of neighbourhoods, most of which are residential. It is located in the Southeastern Corner of the city, and is a diverse neighbourhood with a substantial population of ethnic minorities inhabiting the area. Redevelopments in the area began with the construction of a light rail line in 2010, and this year saw the institution of a major

redevelopment plan which will see an influx of businesses and commercial properties into the area as a result of rising housing and commercial prices in downtown Seattle (Lehner, 2010). As such, the Rainier Beach area can be characterized as one of Seattle's 'upzones'.

Since the onset of the first glimmers of redevelopment, i.e., the light rail line, residents of the Rainier Beach area have voiced their concern over displacement of minority and immigrant groups that may come with the proposed redevelopments. The City itself has also stated that it wishes to preserve the diversity in Rainier Beach and seeks to discover ways to help minority and immigrant- owned businesses stay and prosper in Rainier Beach (Lehner, 2010).

Subsequently, Seattle's Office of Economic Development commissioned a retail study that determined that businesses in Rainier Valley need technical assistance in marketing, visual merchandising, inventory management, accounting, and strategic planning for growth (Gill & Shader, 2020).

When examining Seattle's case in more depth, we find some useful insights which are relevant to the developments taking place in the RPSC. On a macroeconomic level, we find that in the American context, small businesses are absolutely essential for the vitality and growth of the American economy. According to a census study, the nation's 30+ million small businesses constitute almost 99% of all employers, employ nearly 50% of the private workforce, and account for 51% of all national sales (Ayandibu & Houghton, 2017). Small businesses are also important in that they provide employment to more vulnerable segments of the population - younger workers, older workers and women. In fact, 67% of all first jobs are at small businesses (Lehner, 2010). In the context of the Rainier Beach area, it was found that small businesses (classified as micro enterprises by the city) were disproportionately owned and operated by

immigrants and minorities. These organizations allowed these groups to sustainably raise their incomes over the course of 5 years, in order to robustly establish themselves into the middle class (Ayandibu & Houghton, 2017). Moreover, Small businesses and micro-enterprises as economic drivers are especially important in an ethnically diverse community like Rainier Beach. Research indicates that minority-owned small businesses are more likely to employ minorities and are more likely to provide goods and services for minorities that are ignored by larger chains. In addition to this, it was found that many minority-owned businesses did not move out of the area when they became more successful. Instead, they continued to operate out of the area and hire more workers, thus further boosting aggregate welfare (Lehner, 2010). However, redevelopments in the area threaten to bring about gentrification. This is to say, the building of infrastructure, especially the building of transit-related and commercial properties may lead to the displacement of the culturally diverse, and economically vulnerable segments of the population (Gill & Shader, 2020).

## **Issues Faced by Small Businesses**

As was mentioned earlier, the Rainier Beach area has historically served as a central hub for incoming immigrant populations. As such, it is imperative that we better understand the nature of such businesses. Immigrants typically decide where to settle based on the presence of informal social networks in a given area that may help them acclimate, find employment, and have access to familiar food and cultural traditions (Lee, 2018). Immigrants are also more likely to start their own businesses as compared to the native population. While these businesses do contribute towards revitalizing the community, in the presence of external shocks and internal inefficiencies, the employment experience of these small business owners is dominated by working poverty (Lehner, 2010).

It is true that concentrations of immigrant groups in a neighbourhood initially do provide newcomers with many tangible and intangible benefits, however, these enclaves are usually isolated from the rest of the economy, which limits access to human capital and opportunities that do not exist within the cluster (Bush, 2010). Due to a lack of external networks, enclaves also result in limited employment and mobility, which leads to increased cultural isolation.

Immigrant communities, for example, tend to have higher proportions of businesses in transportation, communications, and utilities sectors, thus limiting employment options and mobility (Hum, 2006, p.177). Similarly, minority-owned businesses are more often focused on low-growth industries such as restaurants, and food stores.

Small business owners, and aspiring entrepreneurs in such marginalized regions also face substantial issues when it comes to access to more lucrative, niche markets. This partially stems from the tendency of aspiring entrepreneurs to start businesses that have low barriers to access.

However, what makes this particularly relevant in the context of community-led businesses is that these small businesses are usually confined to their immediate surroundings. As such, they lack access to capital, specific skill-sets, and knowledge about how specific market niches function. This inevitably leads to over saturated markets, which leads to diminished profits for all businesses in the area (Bush, 2010).

| <b>Rainier Beach's Most Common Businesses and 2008 Earnings<sup>47</sup></b> |                             |                              |                                 |                                  |
|--|-----------------------------|------------------------------|---------------------------------|----------------------------------|
| <b>Type of Business</b>  | <b>Number of Businesses</b> | <b>% of Total Businesses</b> | <b>Combined Revenue in 2008</b> | <b>Avg Earnings per Business</b> |
| Limited Service Restaurants  | 13                          | 11%                          | 6,313,152                       | 485,627                          |
| Taxi Service   | 13                          | 11%                          | 171,773                         | 13,213                           |
| Automotive Repair  | 7                           | 6%                           | 717,000                         | 102,429                          |
| Supermarkets <sup>48</sup>   | 6                           | 6%                           | 7,751,634                       | 1,291,939                        |
| Miscellaneous Retail   | 5                           | 4%                           | 2,067,512                       | 413,502                          |
| Beauty Salons  | 4                           | 4%                           | 171,773                         | 42,943                           |

*Small Gross Earnings/Business Indicate Market Saturation*

Source: City of Seattle 2008 B&O Data

## Seattle's Solutions

In order to help small businesses in the Rainier Beach area adapt to new redevelopments, and to become more competitive in comparison to native-owned businesses, the Office of Economic Development (OED) has initiated a process through which it is facilitating connections, fostering networks and providing on-the-ground assistance to small businesses in the form of technical and policy assistance (McConnell & McFarland & Common, 2012).

The city created business advocates in its OED to help businesses navigate government processes and connect to resources. Interactions with individual businesses are recorded and

tracked by staff, ensuring proper follow-up and identification of systematic and recurring problems. This information is then used to advocate for policy or services changes to better reflect the on-the-ground needs of local business.

Through partnerships with key stakeholders, such as the Downtown Seattle Association, Environmental Coalition of South Seattle, enterpriseSeattle, Manufacturing Industrial Council and Washington Biotechnology and Biomedical Association, OED communicates directly with the local business community and responds to its needs. Over the past two years, OED conducted 1219 such business visits and provided 671 businesses with resources and assistance.

Additionally, OED hosts a well-attended, informal monthly networking event so the local business community can connect with key political, departmental and economic development stakeholders (McConnell, et al., 2012).

Moreover, there has been an increase in coordination between the city's economic brand - the OED and the private sector. This has been done to ensure that development in marginalized communities such as the Rainier Beach area does not overtly harm small businesses and diminish the community's heritage and presence. A specific example of how this coordination has manifested is the recent announcement of the development of social housing in the area at a cost of \$110 million (Gill & Shader, 2020).

**Relevance to Vancouver and the RPSC**

Though the case study above explores the case of a more marginalized section of Seattle, which does not relate directly to the more established Cambie Corridor area, it nonetheless exhibits some important findings which are relevant to the RPSC project in a more macro-sense. In the research that we conducted on the RPSC project, and the general policy framework in Vancouver that applies to small businesses, we found many points of concern. Moreover, in a conversation with the Mt. Pleasant business association, we were able to get a better understanding of the issues faced by small businesses across Vancouver.

Firstly, Vancouver, like Seattle has undergone rapid housing inflation over the course of the last 20 years. Much of this inflation has stemmed from speculative housing purchases by investors, which has been further catalyzed by the influx of foreign buyers and investors into the area (Gordon, 2020). As a result, Vancouver currently faces a severe housing crisis, which impacts all of its districts, including the developments in the Cambie Corridor area. This is akin to the signs of gentrification that we saw in the Seattle example, and how this can lead to significant problems when it comes to retaining the heritage and presence of a community. Though the RPSC project has a provision to address the housing crisis through a 20% allotment of social housing, it is argued that this falls short in that it is not extensive enough to cover the needs of the population seeing as the median household income in the region is slightly above CA\$80,000 which falls into the eligibility criteria of the provision (Seifi, Adeli & Holden, 2020). Moreover, the city has also emphasized upon the development of single-family housing, which also seems to be counterintuitive in that it is likely to cause shortages in supply, thus leading to community displacement (Seifi, Adeli & Holden, 2020).

The impacts of these housing problems are likely to spillover to small businesses in the form of decreased foot traffic, and increased housing prices as a result of the ongoing and proposed

luxury commercial and residential developments. Furthermore, in a conversation with the Mt. Pleasant Business Association, we were informed that many businesses in the area also face network access issues. Though these issues may not be as extensive and significant as those seen in the case of the Rainier Beach area, they still affect the bottom-line of local businesses, especially as large chains and incoming commercial developments lead to further market consolidation. Moreover, we learned that the businesses in the area have found it quite difficult to adapt to trends such as the rise of online shopping, as well as exogenous shocks such as the COVID-19 pandemic. Many businesses found that they were left “rudderless” as a result of the pandemic, and without the technical know-how of establishing an effective, online presence, they found their revenues to decrease substantially.

As the city of Seattle showed, it is imperative that the city provides hands-on assistance to small businesses when it comes to technical and network assistance, so that they are better able to withstand future shocks.

## VI. Policy Recommendations

Having learned more about the experiences of small businesses in Seattle in the face of rapid redevelopment, and seeing similarities between the two cities, we prescribe four specific recommendations. These are the following: 1) the establishment of a dedicated technical assistance body, 2) a focus on asset-based community development, 3) revamped city planning principles to emphasize upon livability and 4) performance-based grants as opposed to needs-based grants.

## Dedicated Technical Assistance Body

Firstly, we recommend that the city of Vancouver establish a dedicated technical assistance body. As we saw with the case of small businesses in the Rainier Beach area, small businesses often have self-imposed barriers to entry in the form of lacking expertise. This ‘expertise’ has changed definition over the course of decades, but today, it is most relevant in the context of online expertise. In our conversations with the Mt. Pleasant Business Association, they too reiterated the very same concerns that were raised by small businesses in Seattle that small businesses often find it difficult to effectively establish an online presence which can allow them to reach their target customers in a cost-effective manner. Though platforms such as Amazon and Uber Eats have made it easy for small businesses to engage in ecommerce, these platforms only help businesses when it comes to distribution. The more important aspect of establishing an online presence in order to attract and communicate with your customers remains a difficult undertaking for many small businesses.

We believe that the City of Vancouver could leverage the talented technology labor force, and community in the city to help small businesses engage with their audiences more effectively through an online medium. Like Seattle, Vancouver’s technical assistance body can link small businesses with providers of digital marketing solutions in order to foster a mutually beneficial relationship. Moreover, this dedicated technical assistance body can hold bootcamps and seminars to help educate current and aspiring entrepreneurs on how to best leverage technology in their specific use-cases. This would not only help entrepreneurs build expertise, it would also contribute towards the expansion of networks for local entrepreneurs and small businesses.

Though such events are already organized by NGOs and community organizations, there is merit in a government-led effort which would allow for a wider variety of small businesses to gain

exposure to such expertise, as there is an inherent bias when such events are organized in a private capacity as those likely to attend are already a part of extended networks.

## **A Focus on Asset-Based Community Development**

In addition to establishing bodies that can directly help small businesses attain greater success, this report also recommends that the City and other stakeholders involved in the development of the RPSC area adopt tenets of Asset-Based Community Development (ABCD) as part of the planning process behind the project. An ABCD approach contrasts with a more traditional needs-based approach in that instead of the presence of government and corporate bodies that lead, administer and institute developmental policies, the community itself takes a much more active part in facilitating the developmental process. The approach emphasizes upon what is to be gained from realizing previously unrecognized social capital or value in developing communities, thereby empowering a community's unique and intrinsic advantages to fuel development (Mathie & Cunningham, 2003). In this way, ABCD propagates the ideals of a free-market where unique, competitive advantages drive growth and prosperity. A key distinction that naturally arises in this case is that, instead of relying on external support that lacks nuanced understanding of the particular strengths and desires of a community, the ABCD approach supports accountable governance and self-organization at the local level as the driving forces of progress.

ABCD begins with a process of appreciative inquiry in which the hopes, strengths and potential of members of the community are systematically extrapolated in order to better understand the traits of the community as a whole (Mathie & Cunningham, 2003). This process requires carefully thought out questions, and resources, as well as background research. A wide array of online resources, combined with academic experts available in the Vancouver area can help

facilitate and craft this process for application to the RPSC area. Once ideas have been extrapolated, a shared community vision is formed that reflects the hopes and successes of the community as a whole (Haines, 2009). It is with this vision that the process of accounting for the community's assets begins. These assets can take a multitude of different forms. They may be physical in nature or might be the extensive network of a member of the community. As long as something contributes towards the community's vision, it can be counted as an asset.

Throughout the ABCD process, it is prudent that participants are continuously undergoing individual growth. Therefore, capacity building through inter-community engagement as well as through engagement with external agencies such as NGOs is key in ensuring that the community is able to effectively utilize their assets. Capacity building can take the form of helping communities establish organizational structures, or could even take the form of individual skill-building. In order to allow for sustained growth which multiplies in its scope and breadth, it is also important for communities to form bridges with the external world. This will allow for a 'snowball' effect and thus, the process of sustainable development will be well underway (Haines, 2009). This is in reference to the case seen in Seattle where the lack of a network that extended beyond the enclave resulted in a natural ceiling for community development (Lehner, 2010). As such, it is imperative that an implementation of this model in the RPSC is designed such that it enables interactions with the greater Vancouver community and beyond. These interactions might even take the form of capability-building sessions as outlined in the last recommendation.

Lastly, we believe that NGOs like the RPSC Visions group would play an important role here in facilitating the process of ABCD. Without engaged citizens, such a process is unlikely to succeed.

## Revamped City Planning Principles

Third, we believe that the city needs to revamp its city planning principles to bring them in accordance with the macro-level trends currently on display across the city. Specifically, we believe that the proposed expansion in retail spaces in the RPSC area is unwarranted seeing as the rising prevalence of ecommerce, along with the COVID-19 pandemic means that retail vacancies are likely (Seifi, et al., 2020). A study on Seattle showed that retail vacancies can have disastrous effects on a community and its economy, as vacancies can lead to a decrease in community morale, as well as the perception of failure which can in turn reduce traffic in the region (Lee, 2018).

Instead of investing heavily in retail spaces, we believe that investments into affordable housing initiatives are more suitable to help small businesses in the area. An influx of middle-class residents would mean that small businesses would see a significant rise in their revenues as studies find that those in the middle-class spend a disproportionate amount of their disposable income within their vicinity as compared to other economic segments of the population (Seifi, et al., 2020). Moreover, housing initiatives would lead to a greater sense of community in the RPSC area which would make the region more livable, and dynamic for its inhabitants. These positive externalities could further the creation of more robust, and positive networks which can eventually lead to greater economic and social prosperity for the region.

A proposal is to expand the subsidized social housing allocation to 50%, instead of the current 20. We believe that such an effort would retain the current community, while also allowing for those who are marginally more wealthy than the current demographic group to move in, thus alleviating concerns of gentrification in the area (Gordon, 2020).

## Performance-Based Grants

Lastly, we propose that the city shift away from a policy of handing out need-based grants, i.e., those which are assigned purely to help address a public concern, to a policy in which the government reviews grant applications in the context of performance. This would greatly reduce inefficiencies with the current system, and might encourage more entrepreneurial behavior from residents of the community (Haines, 2009).

In the context of small businesses, funding opportunities should focus on rewarding the effectiveness of the services delivered, not the number of businesses served, while encouraging experimentation. The diversity in RPSC businesses poses an interesting challenge for technical assistance providers to adapt their services and delivery approaches in order to serve the vast array of businesses appropriately (Mt. Pleasant B.A. Interview). Each group has different needs and relies on different methods of learning and communication for those needs to be effectively met. Because there is no panacea to meet those needs, providers need to be able to experiment with different models and delivery methods to find out what works. With Seattle for example, it was found that Seattle's technical assistance system already lacks long term evaluations to see how effective the services truly are, and evaluation becomes even more important when experimenting with new methods. The city should encourage both experimentation and evaluations through current funding streams. Vancouver should implement these feedback loops as soon as possible in order to ensure optimal effectiveness and returns.

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