

## City of Vancouver Small Business Development Strategy

### **Summary**

There's no question that small businesses are an important contribution to Vancouver's economy, the question is how best to respond when resources are limited and the need is so great. Based on best practice recommendations from the National League of Cities, the City of Vancouver created a Business Assistance Program to Streamline, Connect and Grow small business.

### **Background**

In Vancouver, 95% of our businesses qualify as small businesses, with 50 employees or less. From restaurants to retail to services, our 7,329 small businesses are mostly local lifestyle businesses—the Mom and Pop businesses that are spread throughout the city, from historic downtown Main Street to the East Side and numerous small shopping centers and business districts in between. With its historic roots in fur trading at the Hudson's Bay Company, Vancouver has a 200 year history of entrepreneurship, and we have seen first-hand how small business growth has led to a vibrant local economy.

Based on the National League of Cities' best practice recommendations, we created the Vancouver Business Assistance program, with three goals to achieve small business growth: Streamline, Connect and Grow.

For greatest efficiency, we concentrate in two geographic areas: the Vancouver City Center Vision subarea and the Fourth Plain Corridor. These are commercial areas located in or directly adjacent to residential development, with nearby public amenities and/or infrastructure investments, and historic land uses that support the development of dense commercial corridors.

### **The Vancouver Small Business Development Strategy**

The program is working. Small businesses have grown from 4,150 to 4,690 over three years, and created 1,400 new jobs.

The three goals of the Vancouver Business Assistance program: **Streamline**, **Connect** and **Grow**.

### **-Streamline-**

Goal: streamline processes and reduce red tape so that small businesses can more quickly navigate through permitting processes.

How we met the goal:

1. The **Pre Lease Program** removes obstacles for business owners. The program sends city staff out to walk through a building prior to a business signing a lease, such as Building, Fire, Engineering, Planning, Permitting, and Economic Development as well as public agencies such as County Public Health, Washington State Liquor Control Board and Washington State Labor & Industries. Typically, customers that utilize the pre-lease get information on zoning, use and occupancy classifications and the permitting process. This service is free of charge, and participation has more than doubled in the past three years.
2. **SDC Assistance Program** lets eligible tenants lease sewer capacity on a monthly basis rather than purchase it up front, saving, for example, \$10,000 in up-front costs for a brew pub. Lease payments are attached to a monthly utility bill and are calculated as a percentage of the total SDC assessment.

### **-Connect-**

Goal: connect businesses and customers and assistance programs so that help is more accessible to small business owners.

How we met the goal:

- 1) The SBA celebrates Small Business Week, but Vancouver designates the entire month of May as **Small Business Month**. Once a year, the city invites service providers, lenders and higher education to all offer trainings in May, which are then promoted through the city's web page. The program includes a mayoral proclamation, a city web page with a calendar of events, and quarterly coordinating meetings of small business assistance providers. Creative outreach methods have included: Facebook Live posts, short video clips prepared by interns, and targeted Spanish language workshops for food entrepreneurs. Service providers have seen a marked increase in participation due to cross promotion.
- 2) **Startup in a Day** is a national program that challenges cities to put all of the information needed to start a business online, with the goal that any entrepreneur can apply for the basic permits to start a business within one day. Startup in A Day was launched by the [United States Small Business Administration](#) in 2014, and cities across the U.S. have joined, pledging to make the startup process easier. Vancouver was the first city in the region to join the Startup in a Day Initiative.

### **-Grow-**

Goal: expand the amount of affordable space available to small businesses.

How we met the goal:

1. The **Adaptive Reuse Program** removes obstacles for property owners. City staff help property owners connect with incentives and reduce red tape for vacant and underutilized properties. This program provides targeted assistance to property owners of existing buildings that present significant challenges to redevelopment. This includes historic buildings, buildings located on brownfield sites, and long-vacant buildings that are out of compliance with existing code. This program supports small businesses by helping to spur improvement of owner-occupied spaces,

where the building owner is also the business owner and helps spur improvements to existing commercial spaces, creating more ready-to-lease commercial space and decreasing the need for substantial upfront tenant improvements from the business owner.

2. The **Food Truck Pilot Program** recognizes that mobile food vending offers a unique economic opportunity for local entrepreneurs, because it combines lower startup costs with increased flexibility to test a variety of locations and products. We offer a mobile vending-specific version of our pre-lease program for mobile operators, and have developed partnerships with public health and labor & industries to help facilitate information sharing. In addition, we have initiated two pilot projects that allow mobile food vendors to locate in underutilized public spaces in our downtown core.

### **The Keys to Implementation of the Vancouver Business Development Strategy**

1. The Vancouver Business Assistance Program makes full use of available resources. All of our programs are inexpensively promoted online, through the City's web site and Facebook. Partner organizations also use social media at the Hispanic Chamber, Vancouver Chamber, SBDC, Clark College, and WSUV.
2. People power provides the majority of our resources. By providing clear direction that our goal is to create a better environment for small businesses to succeed, we find that city staff and service providers are eager to connect with similar organizations. We celebrate our successes every May during Small Business Month, and tell personal stories of small business success with photographs and quotes from the businesses.
3. The current community value of Vancouver Business Assistance is that assistance programs are customized to meet the needs of Vancouver businesses. For example, through our assistance the Hispanic Metropolitan Chamber opened a Vancouver office to serve the Hispanic community.
4. The evidence of long term community impact of Vancouver Business Assistance is an increase in the number of small (fewer than 50) and micro (fewer than 5) businesses: from 4,150 to 4,700 in three years.
5. The demonstration of the community support is demonstrated in the increase in participation in our programs and events. For example, in 2016, the Food Startup Business Workshop drew 65 attendees, the majority of whom were Spanish speaking and were attending a workshop for the first time.
6. All of Vancouver's Small Business Assistance programs are low budget and rely on existing partnerships rather than new funding. Other cities can learn from the Vancouver Business Assistance program and adapt ideas to their community by reviewing the best practices research from the National League of Cities and customizing the recommendations to their own communities.