

BLOCK REPORT: 137th STREET, NEWTON - SURREY, B.C.

This is one of a series of seven Block Reports developed by Canadian Urban Institute, Vancouver City Savings credit union (Vancity), Vancity Community Investment Bank, as part of <u>Bring Back Main Street</u>. Block Reports are hyper-local portraits of the impact of the pandemic that combine storytelling with data. This report was prepared during the week of July 6th based on conversations with the Newton BIA and local business owners. It will be updated in September 2020 with new data.



Photo credit: Google Street View

Summary

- The Newton neighborhood is located along 137th Street in Surrey. The street plays host to an active community of entrepreneurs and is made up of a variety of businesses, 76 percent of which are independently run.
- Many businesses in Newton are minority-owned or operated, representing the cultural diversity of the area.
- Only 39 out of 110 businesses report any online presence, with the costs associated with delivery platforms and lack of digital commerce skills as common barriers to making this transition.
- Two businesses have permanently closed: Case World, a cell phone accessory shop, and Greenfield, a small produce store. More closures are anticipated.
- Local businesses will be developing plans to add patios on the street and in parking spaces, to meet the requirements of the City's Parking to Patios and Sidewalk Queuing Space initiatives.



About This Block

Newton is an ethnically-diverse neighbourhood, located in Surrey, British Columbia. It serves as the town centre for the City of Surrey and is home to a mix of educational, recreational and cultural facilities, including the Bell Centre for Performing Arts and the Newton Cultural Centre. It is a gateway community for new immigrants, with almost 50 percent of the population speaking Punjabi.

While Newton itself contains a mix of big box stores, medium-sized and small businesses, this block has a large presence of independent businesses (76 percent) including a well-loved Shawarma shop, sushi restaurant and multiple coffee shops. 137th Street also includes a few light manufacturing businesses, such as the Cloverdale paint store and a poultry processing plant.

The areas surrounding 137th Street are mostly commercial. There are few residential buildings, although apartment buildings are currently being built. Nearby, there is a community centre with an arena, a few parks, and a senior's centre.

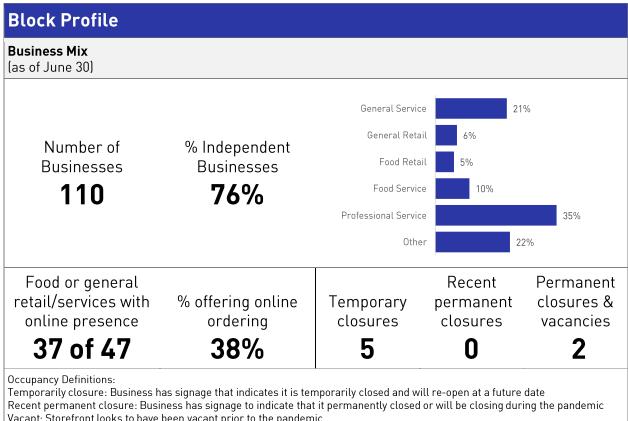
Newton is a transit hub for the City of Surrey. Prior to COVID, the City had plans to invest in a \$1.7 billion rapid transit line running through the neighbourhood. That investment has been delayed.

The BIA promotes Newton as an event hub with an emphasis on culture and art. Mural alley, located off 137th Street, is home to 11 murals that were created to showcase the diversity of the area and give life to the darker corners of the community



Photo credit: Newton BIA





Vacant: Storefront looks to have been vacant prior to the pandemic

167,532	-36%	-23%
Estimated number of visits to block in April 2019	Estimated change from April 2019 to April 2019	Estimated change from April 2020 to June 2020

Estimated visits data provided by Environics Analytics MobileScapes, a privacy-compliant database that estimates population-level travel patterns based on location-enabled mobile devices.

Socio-Economic Profile (2016 Census)	Within 800m of Block	City of Surrey
Population	10,096	517,890
Population Growth	5.8%	10.6%
Est. median age	40.4	38.7
Est. median household income	\$56,042	\$77,587
Proportion visible minority	51%	58%
Proportion immigrants	39%	43%
Top 3 immigrant places of birth	India Philippines United Kingdom	India Philippines China



Block Profile (continued)		
Real Estate Profile (as of June 21)	Newton BIA	City of Surrey
Market rent per square foot	Current: \$27.43 YoY Change: +8.5%	Current: \$27.77 YoY Change: +8.6%
24-month lease renewal rate	92.4%	88.2%
Market sale price per square foot	Current: \$630 YoY Change: +4.5%	Current: \$630 YoY Change: +4.5%

Provincial COVID Context

British Columbia has fared best among Canadian provinces, with 13 percent of Canada's national population and only 2 percent of Canada's national COVID-19 case count. Beginning March 18th, the provincial government declared a public health emergency and required non-essential businesses to shut down, while requiring the safe operation of a broad range of businesses designated as essential services. As of June 24th, B.C. moved into Phase 3 of the government's Restart Plan, which allows a broader range of businesses to reopen, including hotels and resorts, and select entertainment venue, providing that they develop provincially mandated COVID-19 Safe Plans. People can take part in 'smart, safe and respectful' travel within B.C.

Newton During COVID-19

Key Impacts:

- Many of the businesses on this block were struggling pre-COVID. The newer businesses that opened right before the pandemic started have been especially impacted.
- Two businesses have permanently closed: Case World, a cell phone accessory shop, and Greenfield, a small produce store.
- Small businesses on this block have been hesitant to apply for any form of government support. Many were not eligible for the Canada Emergency Wage Subsidy because they are family-run without employees. Others, unwilling to take on extra debt, have chosen not to apply for emergency loan programs.
- The high fees of platforms such as Uber Eats and Skip the Dishes have acted as a barrier to entry for businesses that are considering moving to online ordering and delivery. Overall, only 37 out of 47 businesses have some sort of an online presence.
- Since businesses have reopened, some employees have chosen not to return to work, partly due to fears for safety around the pandemic.
- The \$1.7 billion rapid transit project has been postponed due to financial pressures on the City of Surrey resulting from COVID-19.

Bright Spots:

• The City of Surrey approved two street public realm initiatives to support businesses. The first, Parking to Patios, allows restaurants to expand their operations to on-street parking and/or boulevards. The second, the Sidewalk Queuing Space program, allows retail businesses to accommodate regular customer line-ups in outdoor spaces.



 The BIA is hosting events to discuss the impacts of COVID-19 and opportunities in the area. for instance on social infrastructure and homelessness in Surrey.

What's Next:

- Several businesses on this block are looking to increase or improve their online presence. The BIA is exploring the reallocation of its events budget to help businesses move online and help others update and modernize their internet or social media presence.
- Local businesses will be developing plans to use patio, street and parking spaces to meet the requirements of the City's new programs.
- The Newton BIA has expressed the need to collect more information about the block, such as foot traffic data, to inform recovery planning.

Key Takeaways for Main Streets

- Programs to support restaurants with expanding their patios in public spaces are critical to their recovery. There is a need to monitor the uptake of these programs, and to rapidly adapt the parameters to ensure they are meeting the needs of businesses and consumers.
- There is an opportunity for digital app developers, entrepreneurs or even local governments to create new tools that allow local food service businesses to easily adopt online delivery methods while avoiding the high fees related to the apps like Uber Eats and Skip the Dishes.

About Bring Back Main Street

The study is part of Bring Back Main Street (www.bringbackmainstreet.ca) - a nationally coordinated research and action campaign to ensure the people, business and organizations that that call Canada's main streets home can recover and emerge from the crisis more resilient than ever. Bring Back Main Street is developed in the public interest by the Canadian Urban Institute with the support of partners from across the country.

About Vancity

Vancity is a values-based financial cooperative serving the needs of its more than 534,886 memberowners and their communities in the Coast Salish and Kwakwaka'wakw territories, with 59 branches in Metro Vancouver, the Fraser Valley, Victoria, Squamish and Alert Bay. Van City is the funding partner for the Block Study.

About VCIB

Vancity Community Investment Bank (VCIB) is a subsidiary of Vancouver City Savings Credit Union (Vancity). As Canada's first and only values-driven bank, VCIB is committed to driving positive social and environmental change within the communities in which it operates.

About Newton BIA

The Newton Business Improvement Association consists of property and business owners working towards the revitalization of the Newton Town Centre and the development of business opportunities in the area. It contains more than 350 members located along King George Boulevard.





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