

West Vancouver least friendly city to open a small business, report finds

High cost of housing, limited transit contribute to low ranking

Maria Spitale-Leisk / North Shore News June 21, 2015 12:00 AM



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Café Ca Va owner Amin Leo Sabounchi said that among the challenges he has faced as a small-business owner in West Vancouver is attracting and keeping staff due to the municipality's high housing costs and a lengthy commute from the rest of Metro Vancouver. Photo Mike Wakefeld

North Vancouver district, recently named one of this country's Top 10 places to live, has now earned an unfavourable distinction, along with West Vancouver: the least friendly cities in the Lower Mainland in which to open a small business.

West Van placed last, with North Van district two spots above, in the rankings for Vancity credit union's small business report. The report considered several factors including a thriving market, reliable transportation, cost of doing business and a culture of entrepreneurialism.

North Van district scored low for housing affordability, transit access and population density, which North Vancouver Chamber of Commerce CEO Louise Ranger says isn't surprising.

"I think it (the report) sort of highlights some of the challenges that we do have in North Vancouver and some of the things we need to be working on," said Ranger.

The high cost of housing and limited transit options are challenges Ranger believes North Van district is attempting to address through its growth strategies and the introduction of town centres in Lynn Valley, Lower Lynn, Lower Capilano, Edgemont Village and Maplewood.

"People want that walkable community," said Ranger, adding the new town centres will be conducive for small businesses.

The North Shore, as a whole, scored second to lowest in the office vacancy rate category, after Vancouver's Broadway corridor. Again Ranger isn't surprised and points to Lonsdale, for example, where she says old buildings sat dilapidated for decades until a recent revitalization.

"A lot of stuff on Lonsdale ... they look charming and they are nice, but they are literally falling down," said Ranger. "Those are not good, safe spaces for those businesses to thrive."

All three local municipalities, meanwhile, placed at the bottom of the pack for retail, office and industrial vacancy, but found themselves in the middle of the rankings when it comes to business licence fees and owners getting good value in terms of square footage.

Looking at business licences in the fast food category, in North Van city it costs \$121 for 750 square feet of retail space, compared to Coquitlam where the rate is \$85 for 322 square feet.

Erick Kauko, co-owner of InGrain Pastificio, said with all the hoops the district put him through recently before he opened his new restaurant at Parkgate Village — he wouldn't open another business in the area again.

"No, I don't think that we would," said Kauko, who also co-owns Arms Reach Bistro in Deep Cove.

Kauko said he was required to pay a North Van district-endorsed engineer \$1,500 to inspect the restaurant's plumbing and gas fittings. "Two weeks after we opened there's glaring violations that one of my pipes is melting," said Kauko. "Well, what did that inspection do for me?"

Over in West Vancouver, Amin Leo Sabounchi tells a similar story about the roadblocks he encountered when opening his restaurant Café Ca Va in Ambleside last fall.

"From construction, to permits to inspection — every single hurdle was like something unheard of," said Sabounchi.

Now that the cafe is up and running, Sabounchi is facing another hurdle: trying to retain staff because they can't rely on transit to get them to work in West Van in a reasonable amount of time. Sabounchi said he has been forced to pay higher wages to keep his staff.

North Van district, with a 3.3 per cent increase, brought in the most new small businesses last year in the Lower Mainland, while North Van city and West Vancouver also experienced small business growth. The North Shore communities also scored high for having a culture of entrepreneurialism.

Lack of housing affordability, fewer transit stops and residents not having as much access to personal family support to start a small business were factors that contributed to West Van's dismal ranking in the report.

West Vancouver Chamber of Commerce executive director Leagh Gabriel is not surprised the district fared so low for small business friendliness.

"It's (West Van) not an easy place to be in business, but I know we are working on it — the chamber, the district and the different business organizations...." said Gabriel.

Gabriel suggested bringing in some more restaurants to liven up West Van and shed it of its sleepy image. "A cool little brewery would be awesome," said Gabriel. "I mean they are popping up all over the place, but not here."

District of West Vancouver spokesman Jeff McDonald said the municipality doesn't see a lot of value in the Vancity report, adding it's like comparing apples and oranges. "We would be much more interested to see a comparison of groups ... based on demographics and size and land use mix," said McDonald.

The Top 3 places for starting a small business were Surrey, Richmond and New Westminster, according to the report.

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