ABBOTSFORD

Sector Roundtable

RETAIL

Summary Report

May 22, 2025

Produced for the City of Abbotsford and the Economic Development Table

Sector Roundtable **RETAIL**

Background

The Sectoral Roundtable initiative is a research project managed by the City's Economic Development department in partnership with the Economic Development Table. The goal of the Sectoral Roundtable initiative is to gain a better understanding of the challenges and opportunities in key sectors of the Abbotsford economy. The Economic Development Table meets quarterly to select sectors to research and to review research findings.

This research initiative supports both *Principle 3: Vibrant and Growing Economy (Invest in Building Relationships that Facilitate Alignment)* of Council's 2022-26 Strategic Plan and the Business Retention and Expansion Strategy's *Goal 3: Strengthen Relationships and Communication with the Business Community.*

As part of its mandate, the City's Economic Development Department is responsible for supporting business retention and expansion as a key contributor to the vibrancy and resiliency of the community, providing employment opportunities, and generating revenues that allow the community to continue to grow and prosper.

The City of Abbotsford and Economic Development Table's member organizations are seeking insights into the retail industry in the current economy and looking for feedback on how their organizations can best support and attract new businesses to strengthen Abbotsford's retail sector. Abbotsford's retail sector is the second highest employment sector with over 10,000 jobs in the local economy.

Abbotsford's retail sector was the second sector selected for this series. Senior-level business representatives from seven businesses within Abbotsford's retail community participated in the facilitated roundtable at Abbotsford City Hall on May 22, 2025. The roundtable was moderated by a third-party consultant and included dot voting exercises and question-based facilitated discussion.

Roundtable Composition and Framework

Each sectoral roundtable will be sector-specific in discussion orientation. The format of each of the four roundtables will remain consistent. Each roundtable will have the capacity to host up to 15 participants which will be secured through sector outreach and invitation. At the retail sector roundtable, representatives attended from the following industries: grocery, home décor, floral, thrift retail, and shopping centre management companies. In addition, a faculty member from the University of the Fraser Valley's Business Faculty specializing in Retail Management attended the roundtable as an observer.

The objectives of the session were to:

- Share insights from businesses within Abbotsford's retail industry
- Discuss industry challenges and opportunities in Abbotsford
- Identify specific actions needed for tangible outcomes to occur in Abbotsford
- Suggest ways in which the City's Economic Development Department and Economic Development Table can best support Abbotsford's retail industry

A discussion guide was developed which formed the basis for the development of roundtable activities that promoted participant engagement and dialogue.

Key Insights Shared

From both the dot voting exercise and questions-based roundtable discussion, the following items emerged as key insights shared that resonated across participants:

Abbotsford Strengths

- Location – accessibility to markets, airport, border advantage, highway proximity and accessibility
- Land availability for additional, potential retail developments
- Sense of community
- Community offers 'Eat - Live - Play' experiences
- Population is growing in Abbotsford and the region which attracts new / additional retail
- Diverse population, younger consumers, and household income
- Consumers value in-person shopping experiences
- Consumer loyalty: Abbotsford consumers are often repeat consumers

Challenges in Abbotsford

- Disconnect between City Hall's business services and retail sector in Abbotsford
- Need for City Hall to diversify permissible uses to support changing retail environment (i.e.: pop-up playground in retail parking lot, daycare space in malls, etc.)
- Losing new retail to neighboring municipalities that guarantee in-writing permit issuance within weeks as opposed to months (6+) wait in Abbotsford. Need for City Hall process automation and timeline improvements for business
- Lack of incentives to promote small and/or retail business opportunities
- Lack of known/branded shopping districts in Abbotsford
- Need to review the value of permitting additional plazas/strip malls, this scatters retail
- Repetitive cycle of vandalism/homeless issues coupled with lack of action that promotes cessation. Malls now incur annual security costs of $500,000-$1,000,000 which becomes another cost factor for tenants. Need local solutions to address relentless community safety and security issues
- Some degree of (i) lack of retail type diversity [not enough], and (ii) retail type saturation [too many] - in both retail and in food and beverage
- Some level of competition with online shopping / direct ship to consumer retail
- Ongoing, long-term highway construction is impacting consumer retail behavior
- Unpredictability of tariffs and trade situation has caused business to pause expansion plans

Opportunities | Ideal Retail Landscape for Abbotsford

- Develop collaborative relationships with tourism to mobilize retail experiences and opportunities
- Identify potential locations for new, larger-scale, branded retail districts / destinations in Abbotsford
- Attract small retailers by fast tracking City approval processes and permits
- Better parking and transit options for retail employees and consumers
- Better integration of retail and tourism to build Abbotsford's retail brand
- Need for greater inclusion of Abbotsford's existing retail community to inform growing the community's retail economy

Participant-Identified Recommendations for City and Economic Development Table

- Get to know Abbotsford's retail sector in Abbotsford better
- Conduct a retail strengths and gaps analysis to better understand Abbotsford's true retail landscape and to consider potential viable opportunities
- Make it easier to start a retail business in Abbotsford
- Attract new retail by being more amenable in zoning / occupancy / parking stall requirements flexibility
- Help retail community develop relationships with business organizations for greater collaboration opportunities
- Share information on initiatives business associations are working on that support retail economy

- Learn from successes of other shopping destinations (i.e.: Chilliwack's District 1881, Langley's Willowbrook Mall upgrade), and densified/walkable destinations (i.e.: Burnaby's Brentwood Town Centre – live, work, shop, play)
- Create community events (two annually) focused on Abbotsford's businesses to increase public awareness of how retail is an integral part of the economy, and that provides businesses with the opportunity to be involved / more connected with the community

Key Observations

Throughout the roundtable, participants spoke openly and consistently about issues and opportunities regardless of the industry the business was in within retail. Today's retail landscape is ever-changing, and more so as a result of COVID that shifted retail. Global trade wars are also adding another level of complexity to the retail sector where consumer behavior is changing, and supply chain issues impose constraints.

Based on the insights shared, participants are looking to the City to:

- gain a better understanding and appreciation of Abbotsford's retail composition
- support initiatives that establish and brand Abbotsford as a retail destination
- be more amenable in zoning / occupancy / parking stall requirement flexibility to attract new retail
- more proactively advocate for the sector and what it contributes to the economy
- implement measures that reduce municipal barriers on business.