

Ethnic Retail Neighbourhoods:

Place Making and Branding

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RCIS Research Brief No. 2016/1

February 2016

SERIES EDITOR

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Series Editor: John Shields

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ISSN: 1929-9907



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Introduction

Urban areas continue to be attractive destinations for migrants. In these urban areas, migrants use their ethnic networks to ease the settlement process and often form residential hubs. The creation of these residential hubs is frequently followed by ethnic retail agglomerations. Many cities, in turn, regard their increasing ethno-cultural diversity as an opportunity for branding.

Toronto hosts the highest percentage of immigrants among all Canadian cities. Its motto, “Diversity our Strength”, and the self-description in its Official Plan, “multiculturalism is celebrated and cultural diversity supported” (City of Toronto, 2010), reflect Toronto’s proactive approach to diversity. This diversity is spatially concentrated along ethnic lines. This being said, little is known about how the City of Toronto deals with ethnic retail in day-to-day practice. How can it address ethnic retail in order to serve both the communities and society at large on the one hand and the city itself on the other hand?

In order to learn about the City of Toronto’s answers to the sketched challenges and opportunities, a panel of experts came together on March 23, 2015 at Ryerson University. In this panel, researchers met planners so as to discuss recent developments in Toronto’s diversity-oriented strategies concerning ethnic retail trends and their impact on city branding and place-making. The panel consisted of Jim Helik, Senior Planner with the City of Toronto, City Planning Division; Ron Nash, Economic Partnership Advisor with the City of Toronto, Economic Development & Culture Division; Dr. Zhixi Cecilia Zhuang, Associate Professor at the School of Urban and Regional Planning, Ryerson University; and Dr. Antonie Schmiz, Postdoctoral Visiting Scholar at the Ryerson Center for Immigration and Settlement (RCIS). The panel was chaired by the Academic Director of RCIS, Dr. Harald Bauder. In this Research Brief, we first frame the Business Improvement Area (BIA) constitution in Toronto in the context of ethnic entrepreneurship and then highlight the main points of the discussion.¹

Ethnic Retailing in the context of Toronto’s planning policies

Retail neighbourhoods that are named after a certain country of origin (e.g., Little Italy or the Gerrard India Bazaar) are visible, spatially restricted destinations, which back the City’s motto. While these inner-city ethnic retail neighbourhoods often lose large parts of their eponymous population over time, they still contribute to migrant place-making practices. The relevance of place-making can be underlined by the 2011 Census, according to which immigrants account for 49 % of the population of the City of Toronto and form a widely diverse group (see Appendix).

¹ We thank the panelists for providing us with their speaking notes. The views of Jim Helik and Ron Nash are their own, and not necessarily those of their employer.

The high number of 2,500 new retail and service establishments in 2014 (restaurants, hair dressers, dry cleaners) shows that Toronto still attracts new retailers, and the strength of retail activity shows the relevance of new programs (Toronto Employment Survey 2014). Jim Helik stresses Toronto City planners' awareness of residential gentrification that often leads to commercial gentrification, which often adversely affects ethnic retail neighbourhoods through rising rents. However, as Helik also states, while the City developed policies and programs to promote small and start-up retailers, the City is ultimately, through existing planning legislation, not able to "zone for ethnicity". Since ethnic retail neighbourhoods take over important social and representational functions for the eponymous ethnic communities, it becomes necessary to moderate this process. Under the given legislation, City planners cannot say "we do, or do not want a Greek bakery here". There is no mandate for planners to coordinate the ethnic mixture of Toronto's ethnic retail neighbourhoods. Residential and commercial gentrification can only be addressed and slightly buffered by other municipal programs, such as the Cultural Hotspot Initiative that aims to foster collaborations between social services and the communities they serve.

Policies to promote retailing are part of the Toronto Official Plan (City of Toronto 2010), which speaks of supporting and enhancing the specialty retail districts found in the downtown area as important regional and tourist destinations (p. 2-9). The Official Plan further celebrates the diversity of Toronto's neighbourhoods in terms of local culture (p. 20-2). Finally, a strong and diverse retail sector is promoted by encouraging traditional retail shopping streets as centers of community activity, improving public amenities, encouraging Business Improvement Areas (BIAs), and by encouraging development that is compatible with both surrounding land use and residential neighbourhoods. The plan supports specialty retailing opportunities that attract tourists and residents (p. 3-34).

Jim Helik argues that Toronto offers great opportunities for a diverse retail landscape, such as a wide variety of space for small-scale retail that is not duplicated in other cities. On Toronto's main streets, the ethnic population is served with old and new space, both big and small, with different landlords and with locations close to their communities. Further, the city comprises many older neighbourhood plazas, built in the 1960s, that have been reinvigorated in the past decades by new ethnic retailers.

Business Improvement Areas as retail policy

Municipal programs with relevance to these policies are administered through the City of Toronto Economic Development & Culture Division. They include BIAs, which operate as associations of commercial property owners, and tenants within a defined area. They work in partnership with the City to create thriving, competitive, and safe business areas that attract shoppers, diners, tourists, and new businesses. As such, local businesses have the organizational and funding

capacity to be catalysts for civic improvement, enhancing the quality of life in their local neighbourhoods and the city as a whole.

Ron Nash interprets Toronto's 81 BIAs as a driving force behind the branding, promotion, and enhancement of Toronto's ethnic retail neighbourhoods. He understands the role of the Economic Development and Culture Division in supporting local BIAs both as business activities and as a place-making practice. He refers to the strong economic performance of BIAs, which is demonstrated by 22.9 % of the city's total tax base (or CAN \$1.3 billion in property taxes), and 34.5 % of the city's employment base. Based on the levy that is paid by each of the 27,000 BIA members, Toronto's BIAs operate with a total annual budget of CAN \$34 million (see also BIA Facts and Figures). This budget is mainly used for street and sidewalk beautification, marketing and promotional campaigns, street festivals, clean street/graffiti-removal campaigns, and crime prevention strategies.

Nash makes the point that the success of retail neighbourhoods requires a clearly identifiable brand to communicate to the greater community that is also supported locally. Today, only seven of the city's BIAs' names address a certain ethnic group, although many of the areas are strongly characterized and managed by certain ethnic groups (e.g., the mainly South Asian Albion Islington Square BIA). Due to the rationality of branding to create a clear and consumer-oriented urban identity, the "ethnic" BIAs' names represent only one group, as neighbourhoods are fractured and diverse in residential and commercial terms. Thus, the question of representation has come up in many BIAs that Nash advises. This is best exemplified by the Little Portugal BIA, established in 2007, which made a deliberate decision to brand the area as such in order to acknowledge the area's recent history and the changes in the area's business profile.

Nash brings forward the argument that the mandate of BIAs does not include a voice in the allocation of vacant stores. Thus, the City can neither influence the ethnic composition of BIAs nor does it provide tools for special support of ethnic businesses. As such, the ethnic composition of a retail neighbourhood relates to broader overall trends, like settlement patterns of ethnic groups, shopping behaviour, and commercial and residential property values.

In order to help local commercial areas create thriving, competitive and safe business areas, Helik highlights the City of Toronto's assistance programs to BIAs. First, the Commercial Façade Improvement Program provides grants to commercial and private property owners within eligible BIAs to redesign, renovate or restore commercial or industrial building façades. This program is complemented by the Mural Program, which offers funding for outdoor mural projects that help promote a local theme and create an attractive and positive identity for commercial areas. Second, The Cultural Hotspot Initiative supports the celebration of local culture, heritage, creativity, business, and community with

special events, festivals and art happenings. Third, the Enterprise Toronto Program provides a source to start and grow a small business through professional advice. Fourth, with regard to place-making activities, the Capital Cost-Share Program is used to develop and define a sense of place through aesthetic improvements in the neighbourhood. The program provides matching funding to BIA partners for streetscape beautification projects. These projects help create a more attractive and marketable image and improve the atmosphere of an area. Regarding non-BIA ethnic neighbourhoods, such as East Chinatown, municipal support can only be provided through general by-laws.

Urban branding policies in the academic debate

Antonie Schmiz links the practitioners' arguments to some broader debates. She states that Toronto's proactive handling of diversity is embedded firstly in city competition at the global scale, secondly in multiculturalism at the national scale, and thirdly in neoliberal urban development at the municipal scale. Schmiz argues that ethno-cultural diversity is increasingly perceived as an asset for city branding, referring to the attribution of characteristics to a city. As mentioned, branding also involves the on-going testing of these characteristics with the aim to create a unique and consumer-oriented version of urban identity. This invention of place-based identities leads to a control of consumer impressions of certain neighbourhoods (Donald et al., 2008).

She suggests that not only cities as a whole, but also ethnic neighbourhoods, possess a wide range of retail activity and potential for branding. Subsequently, ethnically themed BIAs, parades and festivals are now part of a commodification of diversity. The branding of ethnic neighbourhoods targets tourists, a new creative and cosmopolitan urban elite, and international investors. Schmiz argues that branding is a highly contested process whose strategic and rational nature may lead to exclusion, displacement, and may threaten local culture. She interprets BIAs as a powerful tool of intervention into these retail neighbourhoods. As a consequence of these interventions, in many Torontonians neighbourhoods, the eponymous residential population often leaves the areas attributed to them due to rising residential and commercial property values, accompanied by more desirable living conditions in the suburbs. Due to commercial and residential gentrification "mainly, what's left is Little Italy the brand name, the trademark, the logo, the ethnic 'Swoosh'. Very little Italy" (Taylor, 2003).

Schmiz intervenes in the debate by asking, *cui bono?* Who profits from the branding of ethnic retail neighbourhoods? So far, her findings show that neighbourhoods profit very differently from branding through BIA policies. She backs this argument with the branding rationality, according to which certain ethnic groups are more "valuable" for branding purposes than others, which leads to a different marketability of ethno-cultural groups. It is easier to attract tourists or the society at large with a cappuccino and a Mediterranean lifestyle in Little Italy than with a Sari or a Bollywood DVD in the Gerrard India Bazaar.

Hence, she points to the fact that it is the “hip” image of an ethnic destination that is promoted, rather than the destination per se with its eponymous residential and commercial community.

Place-making through inner-city and suburban retail – challenges and possibilities for planners

Zhixi Zhuang’s research has explored typical ethnic business enclaves located in the inner-city of Toronto, such as East Chinatown, Gerrard India Bazaar, and Corso Italia, as well as emerging suburban Chinese and South Asian retail clusters in the Greater Toronto Area. Her work provides snapshots of immigrant settlement patterns and draws attention to the dynamics and complexity of ethnic retailing, the challenges and opportunities ethnic retailing presents, the significant inner-city and suburban differences in terms of business organizations and physical manifestations, and possible implications for municipal planning.

An unexpected finding of her research is that suburban ethnic retail sites are creating new meanings and identities in the stereotypically homogeneous suburban landscapes. Although located in the stereotypically “uniform” suburbs and often thought of as physically unappealing, she argues that many ethnic retail places may provide a sense of community – not only for immigrants, but also for the community at large. They also create innovative and unprecedented shopping strips and centres, making and marking a unique suburban landscape. The dynamics of suburban ethnic retailing generate significant community changes, which present both challenges and opportunities for municipalities. Nevertheless, the rapid expansion of these sites requires more research and municipal attention because the making of these places has the potential for local municipalities to revitalize their local economies, retrofit existing neighbourhoods, and enhance community life.

City planners are facing unprecedented challenges in addressing ethnic commercial activity and urban development. This is because the planning system is legislatively bound and it is the mandate of the planning profession to follow set rules and policies within legislative boundaries. There are no specific planning policies or guidelines as to how planners can support and facilitate ethnic retail development other than the overarching Official Plan and Zoning By-laws. Planners are in an awkward position, as they cannot initiate ethnic retailing, which is up to ethnic retailers, nor can they decide when and to what degree they should become involved. Other players, such as ethnic entrepreneurs, community agencies, and developers, have demonstrated much greater determination and leadership in shaping ethnic retail neighbourhoods.

This said, Zhuang argues that municipalities should explore creative ways to support the development of ethnic retail neighbourhoods as it allows immigrant groups to express their cultures and lifestyles and to create a sense of place in the existing neighbourhood. City-wide policies, such as official plans, urban design guidelines, and cultural plans should explicitly recognize the ethno-

cultural diversity manifested in urban landscapes. Additionally, site-specific policies should be developed in ethnic retail areas, which will allow ethnic communities to work with city officials to incorporate cultural expressions on design and planning matters including. This would widen limitations of effective policies, which focus on streetscapes, architectural facades, storefront decorations, sidewalk spaces, signage, street vending, public arts, and community events. Possible policy outcomes could be secondary plans, special area studies, strategic plans, streetscape design guidelines, or comprehensive community improvement plans. These could provide city officials with explicit guidance in maintaining and enhancing ethnic landscapes and supporting ethnic retail activity.

In summary, ethnic retail places make important contributions to the community at large, and there is untapped social and economic potential to recreate these places as community hubs; existing neighbourhoods can be retrofitted by providing variety and diversity in community life. However, Zhuang highlights that more empirical research is needed to inform municipalities about how ethnic retail space is shaped, how cultural identity is expressed through ethnic retail activities, and how these processes create meaning for a place. Lastly, municipalities need advice on how to help nurture and sustain the emerging ethnic market, which in turn can be a lucrative tool for the larger economy and contribute to community-building.

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Appendix

Table 1: Toronto's Immigrant Population by Country of Birth (2011)

Top Ten	Total number	% of City population
China	132,145	5.1
Philippines	102,520	4.0
India	78,870	3.1
Sri Lanka	59,225	2.3
Italy	53,485	2.1
Jamaica	45,665	1.8
United Kingdom	45,255	1.8
Portugal	39,525	1.5
Hong Kong S.A.R.	39,340	1.5
Guyana	36,995	1.4
All Others**	619,190	24.0