NORTH COAST INNOVATION LAB

SUMMER COHORT FINDINGS: ENHANCING COWORKING, INFORMATION SHARING, & RESOURCE SHARING IN PRINCE RUPERT

Researched and prepared by Kara Herbert, Cohort 1 Project Coordinator, North Coast Innovation Lab (May-September 2018)

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ACKNOWLEDGEMENTS

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EXECUTIVE SUMMARY

"How might we enhance coworking, information sharing, and resource sharing in Prince Rupert?"

PROJECT OVERVIEW

▸ Prince Rupert operates under financial and human capital constraints that limit the capacity and effectiveness of community builders, **especially small-scale organizations and entrepreneurs**.

▸ While some organizations flourish and bring many benefits to Prince Rupert, **it remains a challenge to access the information, resources and capital** to get ideas off the ground and bring innovative projects to fruition.

Within this project scope, **coworking focuses on the entrepreneurial community, information sharing includes entrepreneurs and the broader community, and resource sharing is in relation to organizational resources**.

As the project progressed, three distinct gaps were identified:

1. Many entrepreneurs feel like they are "doing it all on their own"

2. The need for more coordination and communication between organizations

3. The need for more follow-up support for program participants after completion of entrepreneurial related training and programs

Refining these gaps helped to form the objectives of the project (visualized below):

1.   Increasing interaction and cohesion within entrepreneur communities

2.   Increasing access to available organizational resources

3.   Increasing support after entrepreneurial related training and programs

STAGES OF ENTREPRENEURSHIP

The research findings indicated that **there exist many different stages of entrepreneurship, with varying needs** in terms of program support, mentorship, and access to markets. These varying stages are categorized and visualized below.
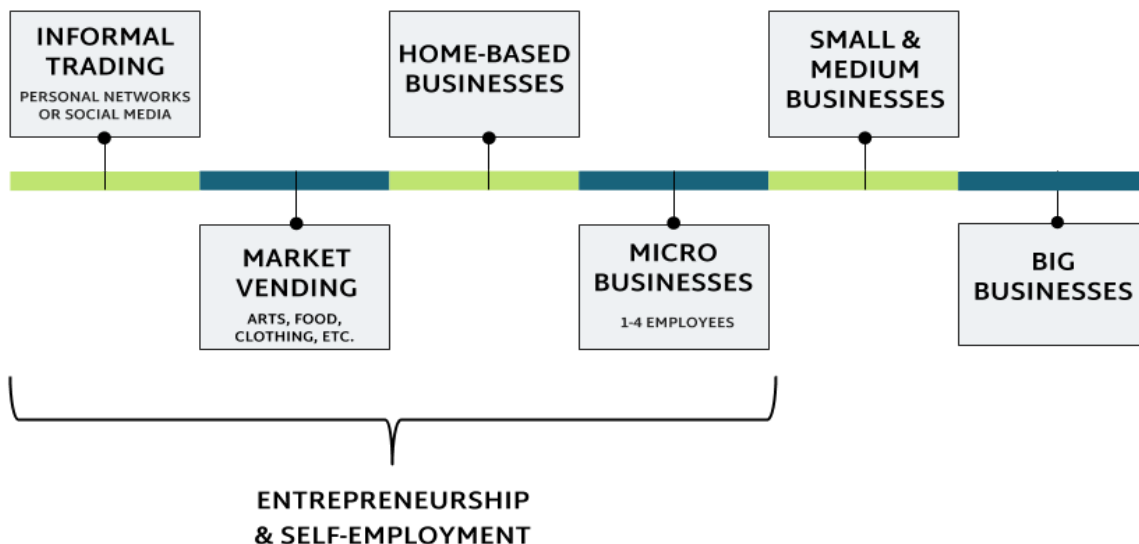
This project focused on better understanding the needs and supports for the following entrepreneurial groups of focus: **informal trading, market vending, home-based businesses, and micro businesses**.

CURRENT ENTREPRENEURIAL ECOSYSTEM

▸ **Micro-entrepreneurs in the informal economy are incredibly active** and have found success through their personal networks and through social media platforms such as Facebook. This additional income stream provides more flexibility for those looking for other earnings, or for those facing barriers to accessing mainstream employment.

▸ From 2011-2016, there was a **22% increase** in the number of self-employed people in Prince Rupert, now comprising roughly **8%** of the total labour force.

ENTREPRENEURIAL NEEDS

Community interviews with entrepreneurs and program service providers was undertaken to **assess the needs of entrepreneurs in Prince Rupert**. Given the wide variety of entrepreneur business categories, **this needs assessment focused on the professional services, online services and artist/maker communities** which collectively account for 43% of all business licenses in Prince Rupert.

PROFESSIONAL & ONLINE SERVICES COMMUNITY
- OPPORTUNITIES FOR NETWORKING
- GUEST SPEAKERS
- SOCIAL EVENTS
- EVENT & MEETING SPACE
- SEPARATION FROM WORK & HOME LIFE
- LEGAL SERVICES

(overlap)
- MENTORSHIP
- BUSINESS PLANNING
- SOCIAL MEDIA & ONLINE MARKETING
- SHARED WORK SPACE
- WORKSHOPS & EVENTS
- CONNECTIONS TO GROWTH RESOURCES
- WEBSITE & GRAPHIC DESIGN
- ACCOUNTING

ARTIST & MAKER COMMUNITY
- BUSINESS LICENSING
- INVENTORY MANAGEMENT
- PRICING & SHIPPING PRODUCTS
- MERCHANDISING PRODUCTS
- CUSTOMER SERVICE
- SHARED TOOLS OR EQUIPMENT
- CONNECTIONS TO EXPAND INTO OTHER MARKETS

Other broader entrepreneurial needs from the interviews also emerged:

▸ Space and resources desired to connect with after training and education programs

▸ Enhancing the entrepreneurial mindset and culture in the community

▸ Coordinating across the spectrum of services provided by all community organizations

▸ A revitalized and small entrepreneur-friendly downtown

▸ Staff and youth recruitment & retention for growing small businesses

MAPPING THE CURRENT ENTREPRENEURIAL JOURNEY

▸ Many individuals emphasized how even though they were supported by one or more organizations, they otherwise felt that they were **"doing it on their own"** and learning by trial and error.

▸ An individual looking to access resources must do so in an ad-hoc fashion – **reaching out to various organizations, friends and family, and mentors without professional guidance**.

▸ **Most small-scale entrepreneurs work from home, a coffee shop, or private office – having little or no interaction with others that are on the same journey**.
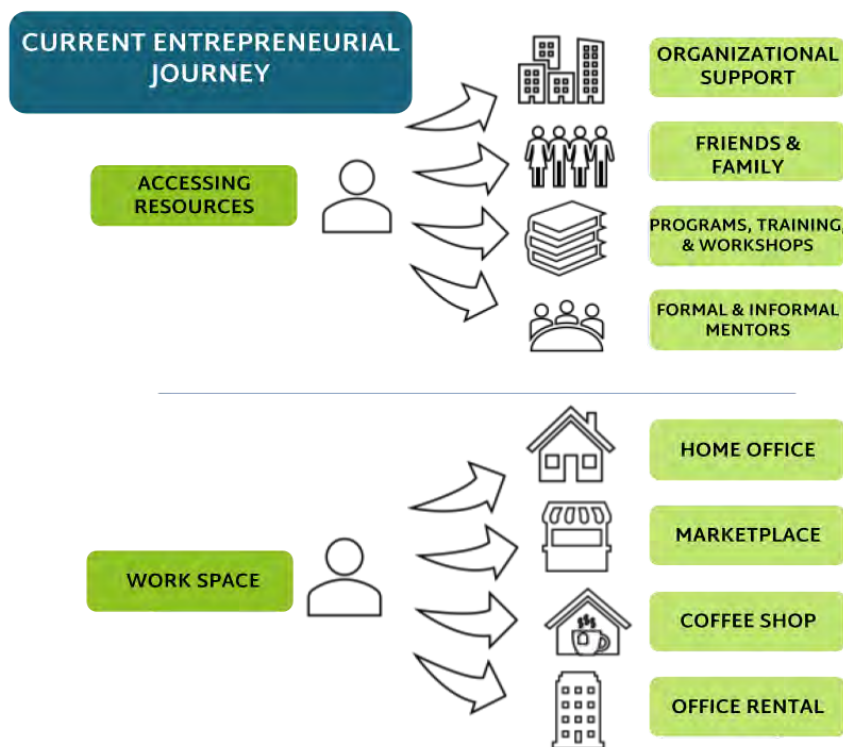
ENTREPRENEURSHIP SUPPORT SOLUTIONS

In the short term, a **skill-building mini-conference**, hosted and facilitated in partnership by multiple entrepreneur-support organizations, could provide an opportunity to meet with entrepreneurs at all stages, share best practices, raise awareness of programs and services, and build solidarity for the entrepreneur community.

In addition, a **pilot outdoor market** surfaced as an opportunity to "test the appetite" of both locals and tourists for a larger-scale event of formal and informal vending. This pilot would serve

as a feasibility test of a large, periodic market, similar to that of the Skeena Valley Farmers' Market in Terrace.

In the longer term, a **shared workspace** is an opportunity to bring together the broader entrepreneurial community to accommodate overlapping needs. Additional benefits include sharing and accessing resources conveniently, learning from each other through proximity and collaboration, and enhancing social cohesion.

SHARED WORK SPACES

There were 4 main types of shared work spaces identified for this research project: **coworking spaces, incubators/accelerators, makerspaces, and innovation centres**. Although these spaces have key themes, they are **all flexible in design**. The operational models, services offered, sizes, and financial models vary to adapt to local needs.

KEY SHARED WORK SPACE BENEFITS

▸ Providing a "third space" blending professional, social and volunteer meeting and working needs

▸ Enhancing communication and knowledge transfer across organizations and within community

▸ Increasing access to entrepreneurial resources through available information and service provider presence

▸ Sparking new business, collaboration, and staffing opportunities through enterprise incubation and networking

▸ Providing affordable access to shared professional resources (printing, internet, information, professional services)

▸ Revitalization and re-energization from a shared space location (ie. Downtown)

▸ Social cohesion and inclusion for those using the space
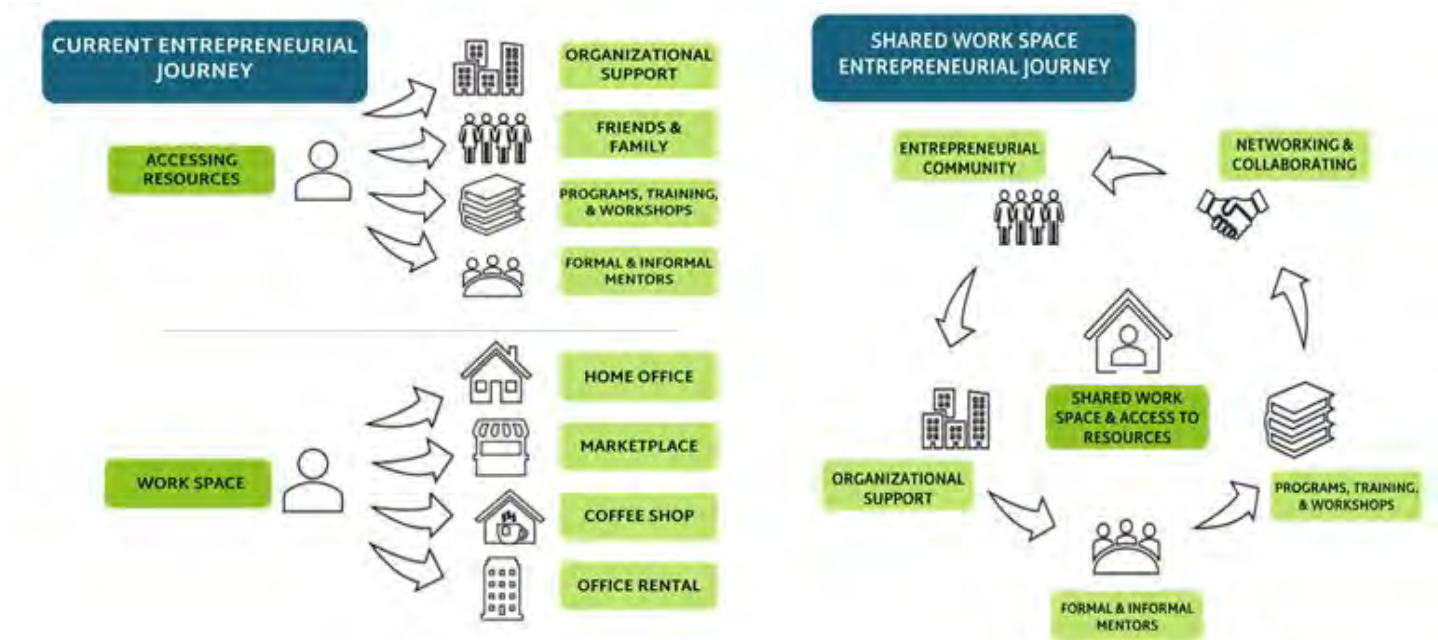
COMMON CHALLENGES

Not all shared work spaces are successful: according to an online source, **one in every nine coworking spaces closes its doors**. Many **remain in concept level** and are not realized due to a variety of reasons – limited community buy-in, poor governmental support, lack of financial sustainability, location/landlord issues, or lack of leadership.

Many shared work spaces **struggle financially** for several reasons:

▸　　Assuming that "if we build it, they will come", but failing to attract sufficient members and tenants

▸　　Those who would most benefit from the space may not be willing or able to pay

▸　　"**Dreaming too big**" – creating a space that is too ambitious for the realities of the setting

Other shared spaces open, have tenants, and are financially self-sustaining – but **lack the vital collaborative and interactive culture** that a shared work space aims to foster. This is often due to design or because the space lacks full-time management.

SHARED SPACE RECOMMENDATION

A COWORKING + INCUBATOR SPACE is recommended as the best model of a shared space for Prince Rupert. This type of space would address many of the social and professional needs of entrepreneurs identified in our research (especially for entrepreneurs in professional services, online services, and artists/makers).

■ The incubator aspect would allow for design and participation of entrepreneur support organizations within the space, bringing them closer to their clients in a neutral space while providing organizational and financial support to the space.

■ Such a space would have more broad appeal, and would require less upfront capital costs and oversight, than more specialized options such as a makerspace.
○ Makerspaces, although a popular concept in Prince Rupert, are less universal in design and value offering than coworking/incubator spaces, and were therefore not explored in depth.

NEXT STEPS FOR A SHARED WORK SPACE

SHORT TERM

▸ Begin a thorough consultation with all entrepreneur-and employment organizations and support institutions to co-develop an inclusive and relevant model for a shared space that resonates and fits within the current entrepreneurial ecosystem

  ▸ Explore and engage with First Nations organizations for partnership opportunities in the co-designing of a business plan and value proposition for a coworking/incubator space, to ensure it is inclusive and beneficial for Indigenous entrepreneurs, and complementary of organizational programs and initiatives

  ▸ Ensure that government and academic institutions are included in relationship building and formation of a vision for an inclusive, collaborative workspace

▸ Reach out to more individual entrepreneurs, especially those outside the professional, online services, or artist community on overall input, needs, and design of a space

▸ In addition to the locations explored within this report, conduct an analysis of all available spaces that might suit a coworking/incubator workspace

▸ Build upon this research and the input from community to develop a detailed business case for a coworking + incubator space, to determine how the space can be financially self-sustaining

▸ Identify an initiative champion, host organization, or group of host organizations to spearhead this initiative

MEDIUM TERM

▸ Further building the entrepreneurial community within: helping to organize regular meetups to determine need and suitability of a shared space

▸ Conduct a detailed survey to demonstrate the need, collect insight on design details, and find individuals who may be interested in forming a board or committee for the space

▸	Ongoing engagement with key entrepreneurial service providers to further determine how best to structure the space for relevance, inclusivity, collaboration and multi-organizational participation

▸	Explore potential funding options, via community organizations, philanthropic and government grants, business revenue modeling, and more

▸	Raise community awareness leading up to project implementation through presentations, sharing plans with City Council and First Nations governments, and visiting various organizations and community groups

LONG TERM

▸	In partnership with multiple organizations, and incorporating the research findings and feedbacks from the entrepreneurial community, launch the shared space

▸	Continually evaluate the space by getting feedback from users of the space, participating organizations/program administrators, and those who are not yet participating, to determine how to improve the relevance and offerings of the coworking/incubator space

■	Gather external feedback as well, to determine the space's impact on entrepreneurship, organizational collaboration, downtown vibrancy, and more

▸	Consider a similar exploratory process for developing a makerspace with built-in pop-up shop

■	This space would cater mainly to the artist community, but nonetheless is an important piece of the local socio-economic development and downtown revitalization puzzles

PART 1

METHODOLOGY

APPROACH

RESEARCH & DATA COLLECTION

ADVISORY COMMITTEE MEETINGS

ONGOING EVALUATION & CO-CREATION

REVIEW OF FINDINGS & FINAL REPORT

SEMI-STRUCTURED INTERVIEWS

RESEARCH METRICS BY THE NUMBERS:

31 INTERVIEWS

4 CASE STUDIES EXPLORED

3 ADVISORY COMMITTEE MEETINGS

3 PARTNERSHIPS EXPLORED

2 TANGIBLE PILOT OUTCOMES

4 DEVELOPMENTAL EVALUATION SESSIONS

2 ACADEMIC WORKSHOPS ATTENDED

20 LOCAL ORGANIZATIONS ENGAGED

1 COMMUNITY PRESENTATION

ADVISORY COMMITTEE

ADVISORY COMMITTEE MEMBERS	
Simone Clark	*Tourism Prince Rupert*
John Farrell	*Pacific Northwest Community Futures*
Blair Mirau	*Gitmaxmak'ay Nisga'a Society*
Cory Stephens	*Community Member and Entrepreneurship Training Provider*
Shauna Wouters	*Hecate Strait Employment Development Society*
Ladan Zahrai	*North Coast Immigration & Multicultural Services Society*

WHAT WORKED?

- Developing a **shared understanding of the issue**, co-creating what future initiatives could be, and further refining the focus area

- Getting insights into current resources, past initiatives, and community members to follow up with

- Exploring both **short term and long term** solutions to the challenges that surfaced

- Focusing the research into shared work spaces – what they can look like, what impacts they achieve, and **what it could be in Prince Rupert**

WHAT WOULD WE DO DIFFERENTLY?

- **Successfully engage with First Nations organizations**, so that they can be better represented in the research and/or sit on the Advisory Committee

- **Create transparency and agreement** among Advisory Committee members around projects resulting from the process (ie. Invitations for partnership, public ownership of ideas, etc.)

- Information was always sent out prior – but find a way to **balance information sharing** during the meeting **and discussing the topic at hand**

- Develop a clear Terms of Reference for future student project coordinators, to focus their tasks ie. piloting projects, research, or both

COMMUNITY PRESENTATION

- A presentation took place **August 22nd at the Coast Mountain College** in Prince Rupert, sharing the project with about 40 engaged community members.

- The presentation focused on the key data findings from the research, as well as recommended projects and next steps.

▶ After the presentation, there were breakout groups for further discussion. The issue **resonated with many** – especially local entrepreneurs who confirmed this had been their experience. One local in particular **felt overwhelmingly inspired** that this was being researched.

Approximately 40 community members attended the presentations presenting the research findings from the summer. (August 22nd, 2018)

>> LIMITATIONS

▶ While many different service provider organizations were engaged during this research and feasibility project, the North Coast Innovation Lab were unsuccessful in engaging with, and learning from, several First Nations organizations that serve entrepreneurs in Prince Rupert. Thus, the results from this summer's research cannot be considered reflective of the needs and opportunities from the entire entrepreneurial ecosystem, as these perspectives are missing.

▶ There is a large and active informal economy within Prince Rupert which includes many small scale entrepreneurs, many of whom are only present and active on social media platforms such as Facebook. There was some success in creating relationships with a small sample of these individuals, but in the end there was not an adequate understanding of the needs of this group and the ways in which to be more inclusive of them. **There is more to be done in terms of researching, understanding and supporting informal income generation**.

▶ A survey was crafted to better understand entrepreneurs' needs. It was distributed by reaching out to individual entrepreneurs via email and Facebook, and an attempted snowballing method. However, there were only a total of (3) responses, rendering the results non-representative. Nonetheless, the collected responses helped to foster more relationships in the community, but **a better survey/method must be developed to accompany the interviews, desk research, and other methods**.

▸ Given a total project time frame of less than 16 weeks, with the main initiative of a shared work space being a longer term project, **many concrete recommendations could not be realized** (ie. financial forecasting).

▸ Connections with individual entrepreneurs were mainly in the professional, online services, and artisan communities. Many insights were gained and similar needs and common challenges can be extended to those in other sectors. However, **the data collected is somewhat limited in understanding the patterns of the full spectrum of local economic entrepreneurial activity.**

BACKGROUND

ABOUT THE North Coast Innovation Lab

▸ The **North Coast Innovation Lab (NCIL)** is a place-based initiative for people who are invested in the future of Prince Rupert to identify, prioritize and work together on tangible projects that **build a resilient economy as a tool for community well-being**.

▸ The NCIL addresses the desire to innovate within constrained conditions by providing human capacity to advance ideas, a safe space for design and experimentation, and a supported process to develop, enrich, and evaluate projects.

▸ The NCIL uses the **social innovation** approach, working with a variety of community groups and organizations to identify, understand and solve the persistent challenges they collectively face.

▸ The NCIL aims to overcome the **systemic** barriers that hold the community back from achieving its fullest potential

PROJECT OVERVIEW

▸ Prince Rupert operates under financial and human capital constraints that limit the capacity and effectiveness of community builders, **especially small-scale organizations and entrepreneurs**.

▸ While some organizations flourish and bring many benefits to Prince Rupert, **it remains a challenge to access the information, resources and capital** to get ideas off the ground and bring innovative projects to fruition.

▸ This context has brought about a focus area for the NCIL – a question which this initiative aimed to answer:

"How might we enhance coworking, information sharing, and resource sharing in Prince Rupert?"

PART 2

►► PROBLEM DEFINITION

"How might we enhance coworking, information sharing, and resource sharing in Prince Rupert?"

In diving in to this broad issue, it is important to note that the project could have unfolded in many different ways. Within this project scope, **coworking focuses on the entrepreneurial community, information sharing includes entrepreneurs and the broader community, and resource sharing is in relation to organizational resources, primarily for business generation and entrepreneurship**.

WHAT?

► As the project progressed, three distinct gaps were identified:

1. **Many entrepreneurs feel like they are "doing it all on their own"**

2. **The need for more coordination and communication between organizations**

3. **The need for more follow-up support for program participants after completion of entrepreneurial related training and programs**

► Refining these gaps helped to form the objectives of the project visualized in **Figure 1**, to help build the entrepreneurial community:

4. **Increasing interaction and cohesion within entrepreneur communities**

5. **Increasing access to available organizational resources**

6. **Increasing support after entrepreneurial related training and programs**

FIGURE 1: OBJECTIVES IN BUILDING THE ENTREPRENEURIAL COMMUNITY

Figure 1 *shows the three activities that can build a more robust and resilient entrepreneurial community in Prince Rupert, based on the gaps identified from the summer's research.*

WHO?

▶ The research findings indicated that **there exist many different stages of entrepreneurship, with varying needs** in terms of program support, mentorship, and access to markets. These varying stages are categorized and visualized in Figure 2 below.

▶ When breaking down this issue, it is valuable to make clear who is being addressed when talking about entrepreneurship and self-employment in Prince Rupert. **Figure 2** details the groups of focus for the project: **informal trading, market vending, home-based businesses, and micro businesses**.

FIGURE 2: GROUPS OF FOCUS IN ENTREPRENEURSHIP
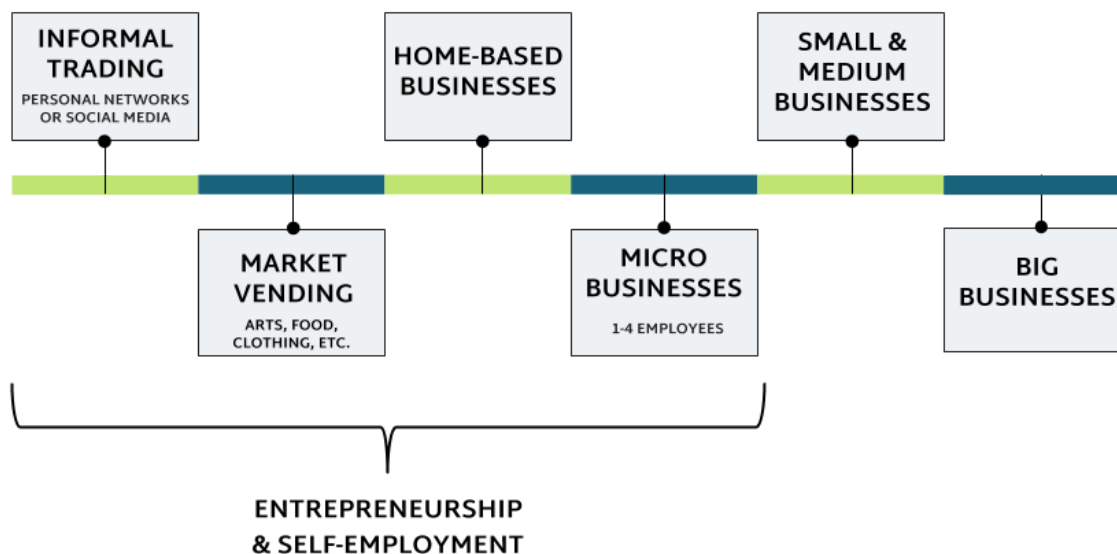
Figure 2 groups together different types of entrepreneurs in Prince Rupert, placing them on a spectrum of formality.

> **"An entrepreneur is simply someone willing to take the risk to start something on their own. Entrepreneurs may innovate and grow faster than more-established businesses not only because they can,** *but often because they must.***"**[1]

PRINCE RUPERT NEEDS ASSESSMENT

CURRENT ENTREPRENEURIAL ECOSYSTEM

▶ An entire ecosystem of services exists to support entrepreneurs in Prince Rupert (see **Table A-6** in the appendix) – but there is a need to connect entrepreneurs of all kinds with these support systems and with each other.

▶ From 2011-2016, there was a **22% increase** in the number of self-employed people in Prince Rupert, now comprising roughly **8%** of the total labour force.

  ■ The BC average of self-employed as a percentage of the population is 18% (BC Stats, 2017), suggesting the trend will continue to grow in Prince Rupert.

▶ **Micro-entrepreneurs in the informal economy are incredibly active** and have found success through their personal networks and through social media platforms such as

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[1] (Willett, 2017) "Rethinking the Entrepreneur". *The Wichita Eagle.*

Facebook. This additional income stream provides more flexibility for those looking for other earnings, or for those facing barriers to accessing mainstream employment.

▶ Of the 1,047 business licences in Prince Rupert in 2018, **121** represent small-scale entrepreneurs (home-based businesses, professionals, and mobile vendors) – representing **12%** of total business licences.

  ■ **Figure 3** represents the breakdown of business licences by category. This data was useful in determining the makeup of business sectors. The professional services, artist, and online service community collectively represent **43%** of the total.

  ■ In the outreach that was done, individuals were mainly from the three sectors mentioned above. Nonetheless, **entrepreneurs of every type face common challenges and many others would also benefit from additional support**.

FIGURE 3: BREAKDOWN OF ENTREPRENEURIAL BUSINESS LICENSES IN PRINCE RUPERT (2018)
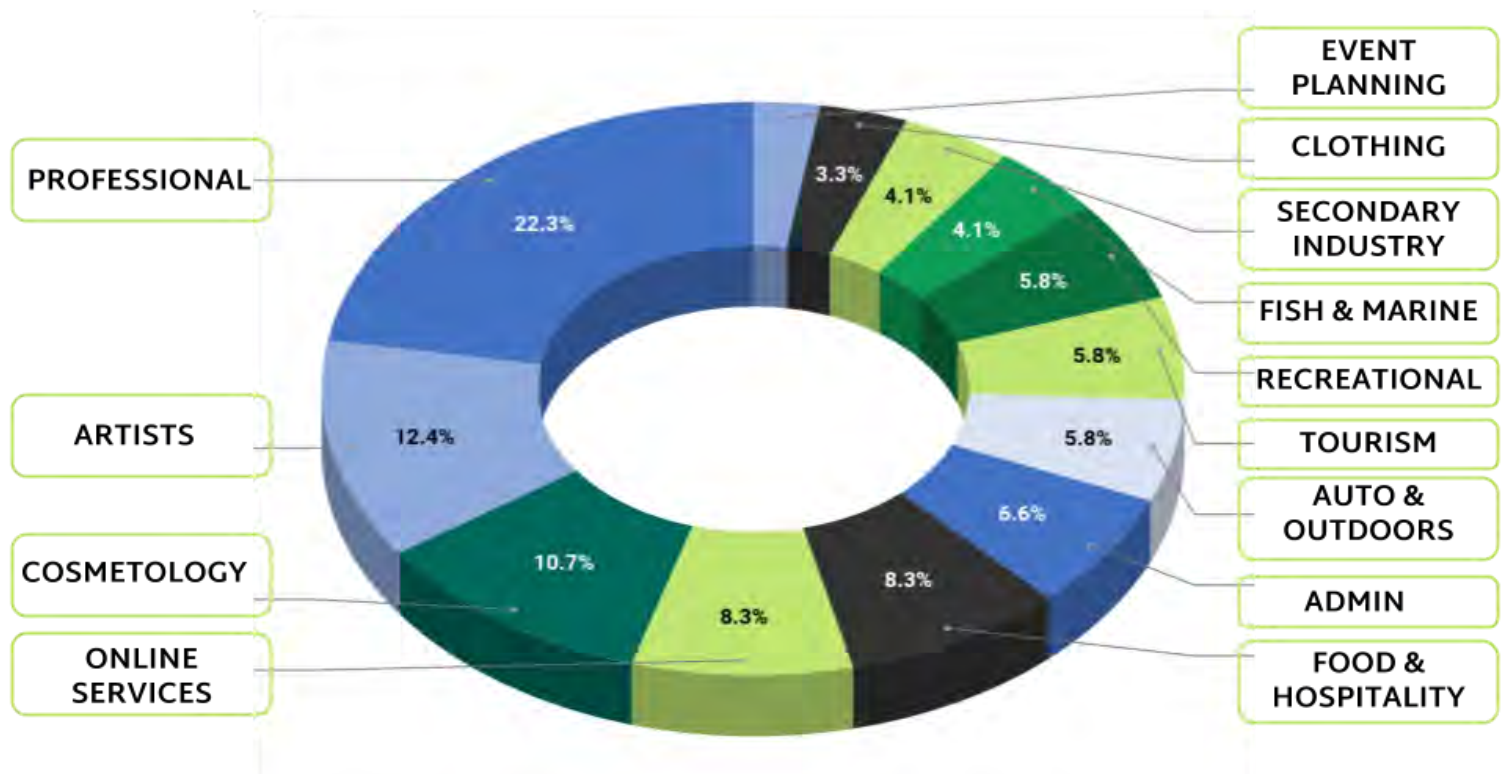
DATA REQUEST FROM THE CITY OF PRINCE RUPERT GRANTED JUNE 22ND, 2018

CURRENT RESOURCE MAP

Figure 4 shows the organizations available to support entrepreneurs in different capacities in Prince Rupert. Although incomplete, it provides an example of how entrepreneurial resources can be mapped and made available to those seeking support in Prince Rupert.

FIGURE 4: MAP OF PRINCE RUPERT'S ENTREPRENEURIAL RESOURCES
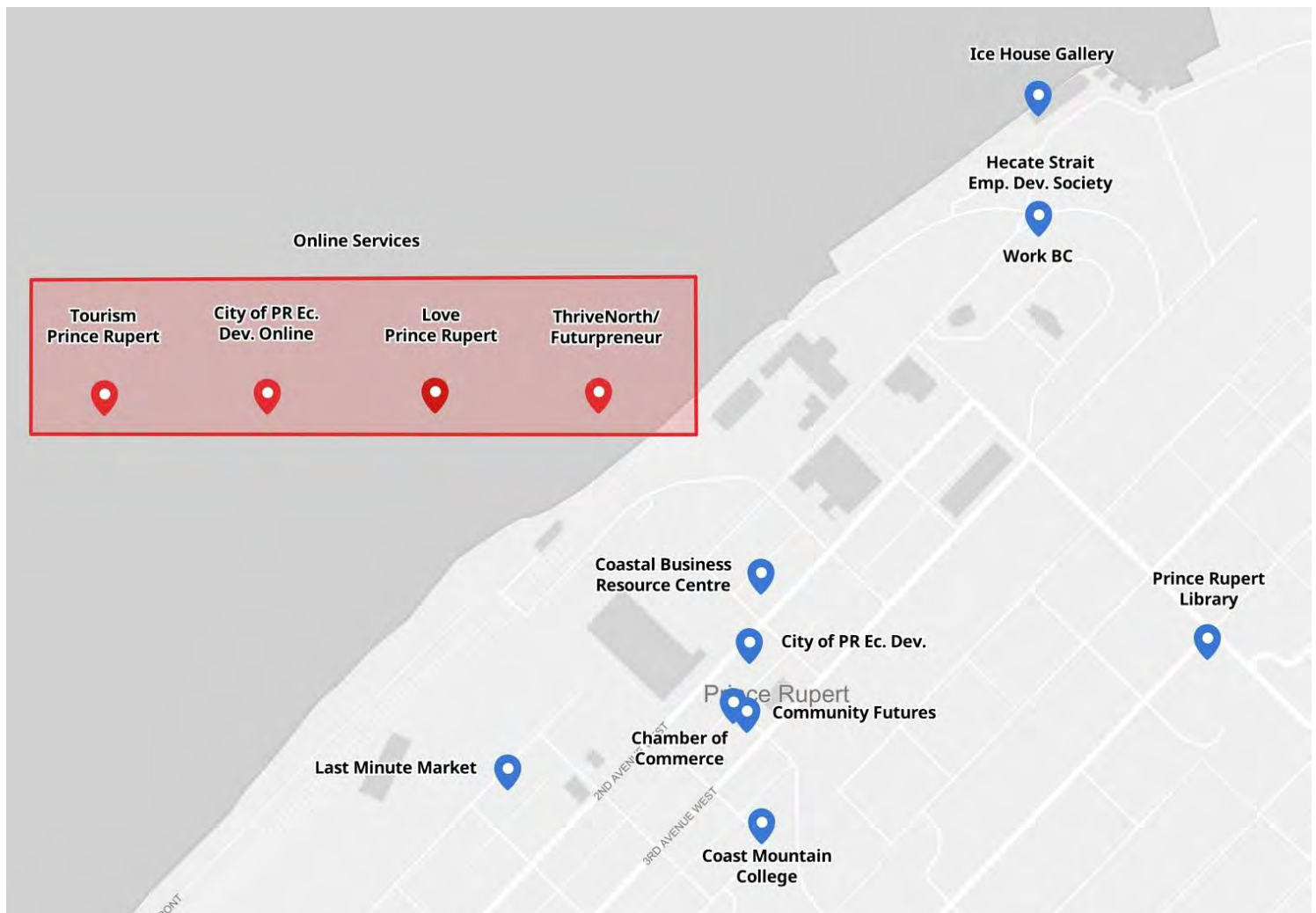
(Link to the online version of the map: https://bit.ly/2QEFOpT)

ENTREPRENEURIAL NEEDS

A large portion of the project was to **assess the needs of entrepreneurs in Prince Rupert**. The approach was intuitive enough – that to best find and co-create solutions, the current landscape and what gaps exist must be well understood.

To gather this information, community interviews with entrepreneurs and program service providers were undertaken[2]. Given the wide variety of entrepreneur business categories, **this needs assessment focused on the professional services, online services and artist/maker communities** which collectively account for 43% of all business licenses in Prince Rupert (see *Figure 3 above).*

▶ **Figure 5** details the specific needs that were highlighted from individuals and leaders in different sectors. These were mainly findings from local entrepreneurs interviewed – see "Individual Entrepreneurs" in **Table A1** in the appendix.

FIGURE 5: PROFESSIONAL/ONLINE SERVICES & ARTIST/MAKER COMMUNITY NEEDS

PROFESSIONAL & ONLINE SERVICES COMMUNITY

- OPPORTUNITIES FOR NETWORKING
- GUEST SPEAKERS
- SOCIAL EVENTS
- EVENT & MEETING SPACE
- SEPARATION FROM WORK & HOME LIFE
- LEGAL SERVICES

(overlap)
- MENTORSHIP
- BUSINESS PLANNING
- SOCIAL MEDIA & ONLINE MARKETING
- SHARED WORK SPACE
- WORKSHOPS & EVENTS
- CONNECTIONS TO GROWTH RESOURCES
- WEBSITE & GRAPHIC DESIGN
- ACCOUNTING

ARTIST & MAKER COMMUNITY

- BUSINESS LICENSING
- INVENTORY MANAGEMENT
- PRICING & SHIPPING PRODUCTS
- MERCHANDISING PRODUCTS
- CUSTOMER SERVICE
- SHARED TOOLS OR EQUIPMENT
- CONNECTIONS TO EXPAND INTO OTHER MARKETS

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[2] For a list of those interviewed to gather data, please refer to Table A1 in the Appendix (p. 40).

■ Some broader needs highlighted in **Table 1** came up in many of these interviews which link back to this initiative.

TABLE 1: OVERARCHING ENTREPRENEURIAL NEEDS

■ Space and resources desired to connect with after training and education programs
■ Enhancing the entrepreneurial mindset and culture in the community
■ Coordinating across the spectrum of services provided by all community organizations
■ Downtown revitalization
■ Staff and youth recruitment & retention

MAPPING THE CURRENT ENTREPRENEURIAL JOURNEY

▶ The social innovation methodology involves using design thinking tools where applicable. One such tool is **"Service Journey Mapping"**. This tool is used to understand what an individual may experience in a particular context – used in **Figure 6** to visualize what an entrepreneur in Prince Rupert may go through. Many individuals emphasized how even though they were supported by one or more organizations, they otherwise felt that they were "doing it on their own" and learning by trial and error.

▶ **Figure 6** demonstrates that an individual looking to access resources must do so in an ad-hoc fashion – **reaching out to organizations, friends and family, and mentors on their own**. **All the while – working from home, a coffee shop, or private office – they have little or no interaction with others that are on the same journey**. No matter what type or scale of entrepreneur in Prince Rupert, there is room for improvement in this journey – to better connect entrepreneurs to resources and to each other to overcome common challenges and reduce these barriers.

FIGURE 6: CURRENT ENTREPRENEURIAL JOURNEY IN PRINCE RUPERT
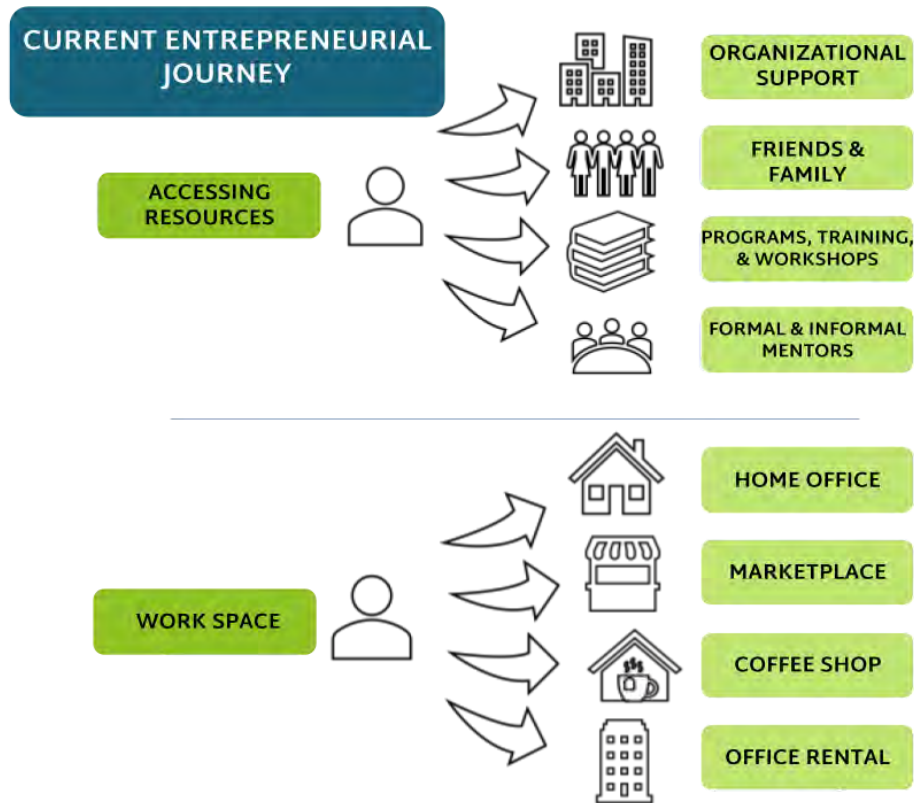
Figure 6: *For professional, social and locational services, entrepreneurs in Prince Rupert must go to many different places for formal and informal support. This can be confusing, tedious, and discouraging for small-scale entrepreneurs.*

SOLUTIONS

As the initiative progressed, it was clear that there were opportunities for both short-term and long-term solutions which could be tested to address different needs.

In the short term, a **skill-building mini-conference (01)**, hosted and facilitated in partnership by multiple entrepreneur-support organizations, could provide an opportunity to meet with entrepreneurs at all stages, share best practices, raise awareness of programs and services, and build solidarity for Prince Rupert's entrepreneur community.

In addition, a **pilot outdoor market (02)** surfaced as an opportunity to "test the appetite" of both locals and tourists for a larger-scale event of formal and informal vending. This pilot would serve as a feasibility test of a large, periodic market, similar to that of the Skeena Valley Farmers' Market in Terrace.

In the longer term, a **shared workspace (03)** is an opportunity to bring together the broader entrepreneurial community to accommodate overlapping needs. Additional benefits include sharing and accessing resources conveniently, learning from each other through proximity and collaboration, and enhancing social cohesion. Another potential long-term solution could be an ongoing market series, as mentioned in the paragraph above.

01. CAPACITY BUILDING WORKSHOP & MENTORSHIP

WHAT

▶ Bringing together all in the entrepreneurial ecosystem and facilitating beneficial workshops

▶ Broadly focused on overlapping needs, or narrowly focused on niche needs

NEEDS ADDRESSED

▶ Although many have been held by different organizations fitting different needs, a gap was identified in allowing entrepreneurs to connect with the all resources available with a focus on mentorship

▶ An accessible way to develop new skills and learn from those who have been on a similar path, addressing common needs such as business planning, social media/online marketing, and website/graphic design

POTENTIAL CHALLENGES

▶ Existing workshops and mentorship events have been put on before by various organizations and have been poorly attended for various confounding reasons –

PILOT

▶ The NCIL supported Hecate Strait Employment Development Society and Community Futures to deliver a mini-conference for the local artisan and creative community in September 2018

marketing of the event, lack of critical mass, or lack of perceived added value

▶ With the relationships created with individuals and leaders in the local artisan and creative community, the NCIL facilitated meetings across groups to ensure the mini-conference would be relevant to their needs

02. PILOT OUTDOOR MARKET

WHAT

▶ An outdoor market appealing to locals and tourists that are often brought in by seasonal cruise ships

▶ Opportunity to "test the appetite" for locals and tourists to participate in a large-scale market (30+ vendors)

NEEDS ADDRESSED

▶ An artists' co-op and small indoor market currently exist, but there is a need for additional outlets for vendors and artists

▶ Building the local artist and creative community in an accessible, low cost way

▶ An avenue to test out and incubate products

POTENTIAL CHALLENGES

▶ Past outdoor markets in Prince Rupert have experienced a lack of commitment from vendors and lack of critical mass of people attending

▶ Logistical barriers of an outdoor market in Prince Rupert include the weather, storage and transportation of tents and tables, and location permits

PILOT

▶ Following the aforementioned skill-building conference, a pop-up market took place during a cruise ship day to provide an additional outlet for vendors and to showcase their skills learned in the mini-conference (Sept 2018)

▶ This Pilot market was an opportunity to test the feasibility of a recurring outdoor market

03. SHARED WORKSPACES

WHAT

- ▶ Shared resources
  - A physical place sharing facilities, networks, and/or specialized equipment
- ▶ Flexibility & affordability
  - Fixed desk, pay-per-use membership, short term leases, etc.
- ▶ Curated space
  - Design & manager enable and facilitate interaction

NEEDS ADDRESSED

- ▶ Depending on the space, can address broad or narrowly focused needs from entrepreneurs of all kinds and scales
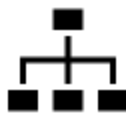
TYPES OF SHARED WORKSPACES

- ▶ There were 4 main types of shared work spaces identified for this project: **coworking spaces, incubators/accelerators, makerspaces, and innovation centres**.

- ▶ Although these spaces have key themes, they are **all extremely flexible**. The operational models, services offered, sizes, and financial models all varied as they are adapted to local needs.

- ▶ **Figure 7** defines these spaces and what kinds of resources they tend to offer

FIGURE 7: SHARED WORK SPACES 101

COWORKING

SHARED WORKING ENVIRONMENT

▸ Informal & formal networking opportunities

▸ Meeting rooms, desks, & open spaces

INCUBATOR & ACCELERATOR

DEVELOPMENT OF STARTUPS

▸ Helping to move from idea stage to launch stage (incubator) or launch stage to growth stage (accelerator)

▸ Business resources, mentoring, education, legal or accounting

MAKERSPACE

ACCESS TO SHARED EQUIPMENT

▸ Gathering point for tools, projects, and expertise

▸ Can include: art/craft supplies, metal or wood shop, commercial kitchen, design lab/digital art

INNOVATION CENTRE

COMBINATION OF MODELS

▸ Often a blend of all three models

▸ Access to a variety of expertise and facilities

POTENTIAL BENEFITS

▸ They have many different impacts on people, place, and community. The main benefits proven in other spaces that are most relevant for Prince Rupert include **downtown regeneration, creating and enhancing local economic activities, and strengthening social cohesion**[3].

▸ Other potential benefits are detailed in **Figure 8**, such as transfer of knowledge and resource sharing.
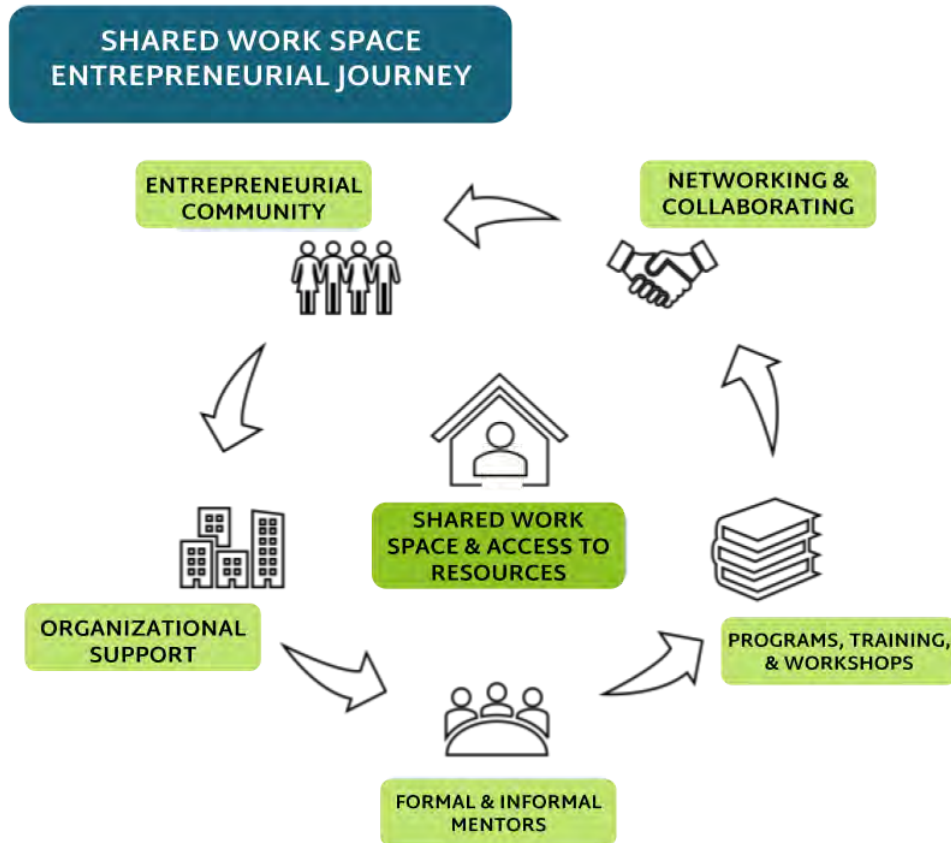
FIGURE 8: POTENTIAL BENEFITS OF SHARED WORK SPACES

3 http://documents.worldbank.org/curated/en/609151499428251887/pdf/117300-WP-P158681-PUBLIC-Creative-Community-Spaces.pdf

PEOPLE

- New business, collaboration, & staffing opportunities
- More resources accessed

COMMUNITY

- Knowledge transfer
- Sharing resources
- Social cohesion & inclusion

- Revitalization
- "Third space" for entrepreneurs of all kinds and scales

PLACE

Figure 8 shows some of the key benefits of shared work spaces. Providing a "third space" that blends professional, social and meeting space would be of benefit to Prince Rupert entrepreneurs.

▶ There is also an opportunity to vastly change the entrepreneurial journey in Prince Rupert – to shift from largely "doing it on their own" to a central space they can go to work, access resources, and other entrepreneurs.

- Figure 9 demonstrates what the journey could then look like, with an ecosystem of supports and services.

**FIGURE 9: POTENTIAL SHARED WORK SPACE JOURNEY
IN PRINCE RUPERT**

SHARED WORK SPACE ENTREPRENEURIAL JOURNEY

ENTREPRENEURIAL COMMUNITY

NETWORKING & COLLABORATING

SHARED WORK SPACE & ACCESS TO RESOURCES

ORGANIZATIONAL SUPPORT

PROGRAMS, TRAINING, & WORKSHOPS

FORMAL & INFORMAL MENTORS

*In **Figure 9**, we see how a shared space can be a hub for many of the entrepreneurial resources, creating synergy and convenience as a "one-stop shop" for working independently or collaboratively, accessing various support services, and building the entrepreneurial community.*

POTENTIAL CHALLENGES

In showcasing the benefits of shared work spaces, it is equally important to also **highlight the tradeoffs and potential challenges**; not all shared work spaces are successful: according to an online Deskmag, **one in every nine coworking spaces closes its doors** (Dullroy, 2010).

▶ Many **remain in concept level** and are not realized due to a variety of reasons – limited community buy-in, poor governmental support, lack of financial sustainability, location/landlord issues, or lack of leadership.

▶ Many open their doors and **struggle financially** for many reasons:

- Assuming that the space "needs to be built and then the people will just come" – but are not able to attract sufficient members and tenants

- Those who would most benefit from the space may not be willing or able to pay

- "**Dreaming too big**" – creating a space that is too big or ambitious for the realities of the setting

▶ Other shared spaces open, have tenants, and are financially self-sustaining – but **lack the vital collaborative and interactive culture** that a shared work space aims to foster. This is often due to design or because the space is being managed "off the side of someone's desk".

Lastly, shared work spaces of this kind are relatively new. **Rigorous systematic and peer-reviewed studies of rural shared spaces in Canada have not yet emerged**. Most of the statistics available encompass coworking spaces specifically, and less data is focused on the impacts of other shared work spaces.

CASE STUDIES

SMITHERS COWORKING
Smithers, BC

Interview	Kim Martinsen – Community Futures Nadina & part-time manager of the space
Population	5,351 (2016)
Impact Area	Affordability & Flexibility
Operational Model	Coworking Space – general focus
Services Offered	Meeting room, common area, kitchen, Smart TV, 24/7 Access

Fixed Revenue Private Donations and Sponsorship: Bulkley Valley Credit Union, Community Futures, CityWest, WetzinKwa Community Forest

Subsidies: Part-time manager (Community Futures), Bulkley Valley Economic Development Association, Rural Dividend Fund

Variable Revenue Private Office rental – $450/mo

- Smithers Coworking began modestly, with the Bulkley Valley Economic Development Association having extra space available in their office to rent out. They found sponsorship from the local credit union for more desks and furniture.

- Now, two years later, it is run by Community Futures and has expanded into a new space with a meeting room, common area, and kitchen area. There are two anchor tenants, and other remote workers in fields such as software development and engineering who were attracted to Smithers for the lifestyle. The space itself is financially self-sustaining, but there is limited interaction between coworkers.

INNOVATION CENTRAL SOCIETY & THE HUBSPACE
Prince George, BC

Interview	Allan Stroet, Executive Director, Innovation Central Society & manager of the Hubspace
Population	86,622 (2016)
Impact Area	Connecting the entrepreneurial community, business incubation & innovation, & downtown revitalization

Innovation Centre: Coworking

Operational Model	Space, Incubator, & Accelerator – tech focus
Services Offered	Mentorship, Connection to Funding, Workshops/Training, Networking Events, Facebook group forum, Boardroom, Event Space, 24/7 Access
Fixed Revenue	Private Donations and Sponsorship: Integris Credit Union, UNBC, sparkgeo, Futurpreneur, Chamber of Commerce
	Subsidies: BC Innovation Council, Northern Development Initiative Trust, Discovery Foundation, NRC Industrial Research Assistance Program, Rural Dividend Fund
Variable Revenue	Membership

- Drop-in desk – $50/mo
- Monthly permanent desk, 24/7 access – $200/mo
- Private office space – $400/mo

Event Space & Boardroom rental

The Hubspace is embedded within Innovation Central Society, a non-profit that supports entrepreneurs at every stage. Now three years in, the society began with small businesses wanting a space to work collaboratively with support to grow.

Although there is a focus on growing the tech sector, all are welcome. Often, artists and vendors use the space for a professional address and a place to do their paperwork. The space has also found success in connecting post-secondary students to projects and employers.

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FUSE WORK HUB
Gibsons, BC

Interview   Chris Hergesheimer, Program Manager, Sunshine Coast Regional Economic Development Organization (SCREDO)

Population   4,605 (2016)

Impact Area   Connecting the Entrepreneurial Community, Business Incubation & Innovation

Operational Model   Coworking Space & Incubator

Services Offered   Connection to Funding, Workshops (local & satellite), 24/7 access

▸ The space came about in 2013 through a Community Futures partnership with a local creative non-profit (Deer Crossing the Art Farm), who managed space for 2 years. It was then sold to two local entrepreneurs where it was successful but was unfortunately hit with a flood not long after, closing its doors until 2017.

▸ The space has transitioned to a community oriented space with the Sunshine Coast Regional Economic Development Organization taking over in June 2018

Fixed Revenue   Subsidies: Part-time manager through SCREDO

Variable Revenue   Membership
- Part-time – 3 days a week – $130/mo
- Full-time – $200/mo
- Organizational full-time – local businesses & groups – $300/mo

Event Space rentals

▸ There has been a shift towards more incubation for entrepreneurs and offering of resources in the space as part of SCREDO's mandate. Full time members have been growing, with most being home-based with a mix of start up members. An expansion is also in the works to roughly double in size to 1500 sq ft.

TERRACE ENTREPRENEURS' COALITION (TEC) SPACE
Terrace, BC

Interview	Karisa Petho, Communications and Business Development Officer, City of Terrace
Population	13,663 (2016)
Impact Area	Connecting the Entrepreneurial Community, Business Incubation & Innovation, Downtown Revitalization
Operational Model	Coworking Space
Services Offered	Boardroom, video conferencing, 24/7 Access, ~2,000 sq ft
Fixed Revenue	Private Donations and Sponsorship: 2 year TELUS fibre optics Subsidies: Part-time manager through City of Terrace (2 years)
Variable Revenue	Private office space – $500/mo (5 available)

  - Monthly permanent desk – $200/mo (10-15 available)

- Although this space will not open until September 2018 (following this project's conclusion), there was interest in learning more – being Prince Rupert's neighbouring city with a similar population.

- In October 2017, a survey was conducted online to determine interest, with 35 respondents. In confirming interest and potential viability, a non-profit board was formed consisting of local entrepreneurs which will eventually take over operations after roughly a two year window of management by the City of Terrace.

- The manager has been following up on feasibility this past year with other spaces across BC. The location for the space fortunately required low additional costs – minimal renovations, built in FOB for 24/7 accessibility, and corporate sponsorship – meaning that for the first few years, the financial focus is solely on lease costs.

- In the broader downtown revitalization objective of the City, there are plans to create a makerspace that also includes a pop-up market.

BEST PRACTICES & TRENDS

There were **many common elements** in these spaces such as: **wifi, coffee/tea, printing, and a professional mailing address**. In addition, other unique elements and shared activities included:

- Volunteer database

- Phone booth

- Experiential training for post-secondary students

- Group buying (insurance, health benefits)

- Technology swaps (buy, sell, or give away)

- Repair Café (fixing broken goods)

- Trivia & pub nights

- Meditation, yoga sessions

- "Lunch & learn" – presentations or workshops by members

- Bulletin board – a picture, name, and hobby or each member to facilitate conversation

▶ These spaces are **most often not profitable, or minimally so**. According to Deskmag, the international statistics put the profitability of coworking spaces at roughly 40% (Foertsch, 2017).

▶ By the nature of smaller spaces in smaller cities, initial investments tend to be from **public grants** (Deskmag, 2018). This was true with every case study explored in this project having significant government funding. The exception was the Invermere Mountain Hub which was started entirely from personal capital.

▶ The **salary of a full-time manager** is often what will make or break the financial sustainability of a shared space, unless subsidized through grants or embedded within another organization.

▶ Extra event space is often included as potential for **an additional revenue stream**, but can be problematic if the cost of rent for the extra space is not financially justified.

- Most rural spaces found success on average at the two year mark – with enough interest for expansion around this time. They speculated that **it takes the community some time to become used to the idea and to get the word out**.

  - Notably, this timeframe is about two times longer than other spaces in urban centres (Foertsch, 2017).

- There is a **tradeoff** between financial sustainability **in offering private offices and with curating the space** to facilitate collaboration and interaction.

PART 3
OPPORTUNITIES & CONSIDERATIONS

EVALUATION

OPTIONS

Matching Prince Rupert's needs with a viable model for a shared space was a main focus of the project. As a result, four curated options emerged:

OPTION 1: COWORKING SPACE

- A shared working environment for entrepreneurs of all kinds
- Informal and formal networking opportunities
- Meeting rooms, desks, and open spaces

OPTION 2: COWORKING + INCUBATOR SPACE

- All of the above, plus extra support for entrepreneurs and in developing start up businesses
- In-house business resources, mentoring, education, and legal or accounting services.

OPTION 3: MAKERSPACE

▶ A space with access to shared tools and for entrepreneurs and businesses – and a pop-up market area to showcase products

▶ A gathering point for tools, projects, and expertise

▶ For Prince Rupert, both physical and digital art/craft supplies should be considered as well as a commercial kitchen

OPTION 4: INNOVATION CENTRE

▶ A space to include all three previous models – a coworking space, incubator resources, and a makerspace

RECOMMENDATION

OPTION 2: COWORKING + INCUBATOR SPACE is recommended as a good fit for Prince Rupert. **Table 1** features each criteria, measure, and definition used to rank options. **Table 2** demonstrates the logic behind this recommendation, using data gathered from community interviews, case studies, and other research. Rankings are based on qualitative data in the appendix, **Table A-8,** and refer to the relative suitability in each criteria.

For a more thorough explanation of the option evaluations, see **Table A-8** in the appendix.

TABLE 1: CRITERIA, MEASURES, & DEFINITIONS IN EVALUATING SHARED WORK SPACE OPTIONS

CRITERIA	MEASURE	DEFINITION
ENTREPRENEURIAL SUPPORT	Support from entrepreneurial community	Professional/online services community, artist community, & others
ORGANIZATIONAL SUPPORT	Organizations that would support this space	Entrepreneurial organizations to run programs through, provide resources
COMMUNITY DEVELOPMENT	Impact on Prince Rupert	Opportunities for local social and economic development
COST	Initial & ongoing cost	Initial & ongoing cost

TABLE 2: ANALYSIS OF POTENTIAL OPTIONS

	OPTION 1 COWORKING SPACE	OPTION 2 COWORKING + INCUBATOR	OPTION 3 MAKERSPACE	OPTION 4 INNOVATION CENTRE
ENTREPRENEURIAL SUPPORT	MEDIUM-HIGH	HIGH	MEDIUM-LOW	HIGH
ORGANIZATIONAL SUPPORT	MEDIUM-HIGH	HIGH	MEDIUM-LOW	HIGH
COMMUNITY DEVELOPMENT	MEDIUM	HIGH	MEDIUM	HIGH
MINIMIZED COST	MEDIUM-HIGH	MEDIUM	MEDIUM-HIGH	LOW
TOTAL /12	9.5	11	7.5	10

A coworking + incubator space would address many of the social and professional needs of entrepreneurs identified in our research (especially for entrepreneurs in professional services, online services, and artists/makers).

- The incubator aspect would allow for design and participation of entrepreneur support organizations within the space, bringing them closer to their clients in a neutral space while providing organizational and financial support to the space.

- Such a space would have more broad appeal, and would require less upfront capital costs and oversight, than more specialized options such as a makerspace. Makerspaces, although a popular concept in Prince Rupert, are less universal in design and value offering than coworking/incubator spaces, and were therefore not explored in depth.

- It would also be less complex and require less physical space than an innovation centre (which blends all types of shared spaces).

- Both **accessibility and inclusion are important criteria** – but for the purposes of this exercise were excluded as the same ranking would have been given for each option. Any of these options can rank high or low depending on many different aspects and design of the space. See **Inclusion & Diversity section,** page 32.

- Although more specific aspects of a space including design and cost are not fully realized in this research, there are opportunities and considerations listed in the following text. Therefore, **the findings in this report should be considered foundational, and built upon in the planning for a shared space**.

OPERATIONS

SERVICES & AMENITIES

- Offering **strategic services** in the space was a key theme stressed by both individuals and organizations. Some important features to consider including are:

    - **Professionals or consultants** such as bookkeepers, accountants, web design, online marketing, or legal services

    - Possible relocation of satellite offices or workshops for **community-building and entrepreneurship-supporting organizations** to share the space

    - Ensuring that those in the space both benefit from being there and can also contribute to benefiting others – effectively creating a small **entrepreneurial ecosystem** or **microcluster** within

- **24/7 access** for anchor and monthly tenants, office hours for drop-in membership

- **A gallery or display** to showcase local art and products, both supporting artists and adding to the atmosphere of the space

PRICING

- Other spaces have about a **$200-250** price point per month for drop-in membership, Stand **$400-$500** for private/monthly tenancy – suggesting viability of the space at this price

    - It was expressed by some individual entrepreneurs in Prince Rupert that they would be willing to pay around **$200** for drop in membership

    - It was noted by other managers to be **cautious when giving discounts to anchor tenants**, noting that otherwise the costs will have to be made up through drop in membership

MANAGEMENT

The **importance of a manager** to curate the space cannot be overstated: Successful spaces typically have dedicated full-time managers. There were a mix of models: those that were **fully or partially funded through grants** for one or more years, those **embedded in existing organizations**, and those that were **fully self-sustained** through revenue generation.

- The manager should be **well engaged with all members**; knowing their needs and what they offer to be able to connect relevant players

- The manager should **actively engage in ongoing outreach** through social media and in-person events to actively recruit others in the community

- **Ecotrust Canada & the NCIL** in Prince Rupert are open to being potential anchor tenants or managers of the space. The Ecotrust Canada office in Vancouver is positioned in and manages a co-location space within a non-profit ecosystem.

LAYOUT & DESIGN

- Different spaces within: a mix of **private spaces** for tasks necessary to work alone, and **open spaces** for collaborating with others

- Include a **meeting room and event space** that can be accessed by members and the public

- In keeping with other spaces in comparable rural areas, about **3,000-5,000 sq ft** would be suitable in Prince Rupert

- The breakdown of anchor tenants (1+ year lease, permanent desks), monthly tenants (micro businesses and startups, permanent desks), and hot desking (daily or monthly individuals, temporary desks) in each space varied greatly. In Prince Rupert, aiming for **40% anchor tenants, 40% monthly tenants, and 20% hot desking** would be a good breakdown to start with, but necessary to reexamine when proceeding with the project.

    - Other coworking + incubator space managers recommended to estimate **2-3 interested individuals per hot desk**. This is also why including "hot desking" in the space should be limited until a more robust assessment of demand is carried out.

    - Further, **not all interested individuals will commit** when the time comes – others have said their original user estimates dropped by about 30%.

INCLUSION & DIVERSITY

> ## "There is no innovation without inclusion"[4]

In recognizing that about **40% of the population in Prince Rupert is Indigenous** (Statistics Canada, 2017), and that there is a socio-economic divide between Indigenous and non-Indigenous people in the community, a key goal of the initiative was to **co-create**

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[4] V. Richards, personal communication, July 27, 2018 – 312 Main – Vancouver's Centre for Social & Economic Innovation

solutions with First Nations organizations and entrepreneurs, to be as relevant and inclusive as possible.

A key lesson from this project was the importance of aiming for, and being aware of, inclusivity throughout the process of developing short and long-term initiatives. Below are some recommendations to consider – from locals and from broader best practices – in **designing a space that is both socially and physically inclusive to all cultures, especially Indigenous community members**.

SOCIAL SPACE

- A welcoming and respectful process right from the outset

- Build relationships with Indigenous organizations and entrepreneurs by attend community and business events, meet with both individuals and leaders, and exploring opportunities for collaboration and co-creation.

- Ensure that Indigenous entrepreneurs at all stages of entrepreneurship are involved in planning and designing the shared work space – continued outreach and "chain referral or snowball method" of reaching individuals

- Explore models for discounted memberships for youth,to encourage their participation in entrepreneurial activities

- Learn from, and work alongside Indigenous entrepreneurial programs and support organizations, to co-create models and pathways to inclusivity and Indigenous participation, with program providers and entrepreneurs

PHYSICAL SPACE

- Include Indigenous community members, as well as other cultural community groups, in the design process

- Include relevant services that consider and welcome particular cultural needs

- Management that cultivates an atmosphere of respect, comfortability, and flexibility

- Include opportunities for input by all in planning activities

- Organize opportunities for cultural sharing and connection, such as meal sharing, presentations and social events

PARTNERSHIPS

ENTREPRENEURIAL SUPPORT ORGANIZATIONS & PROGRAMS

- Given the multitude of different organizations and programs present within Prince Rupert's entrepreneurial support ecosystem, a collaborative and informed approach to developing a shared work space would be a critical factor in its successful design and management

- ▶ Several organizations that support entrepreneurs have expressed interest in working together to create a shared work space, recognizing the mutual beneficial to deliver programs, hold events, provide services, and/or be tenants/members of the space.

GOVERNMENT & ACADEMIC

- ▶ The **Mayor and Economic Development Officer of the City of Prince Rupert** are supportive of a shared working space and have indicated interest in supporting it where possible

    - ■ Several City-led programs might benefit from delivery through a shared space, such as **Love Prince Rupert, Supply Chain Connector, and the Business Facade Improvement Program**.

- ▶ **Coast Mountain College** have also expressed support for a shared work space, recognizing it as another avenue to provide experiential learning to students and connecting them to organizations, businesses and professionals in the community

REGIONAL & PROVINCIAL RESOURCES

- ▶ Becoming a part of **Coworking BC Collective** could prove beneficial, as it provides a network of spaces across BC which help each other in sharing information, marketing, and a "coworking passport" allowing members to use other participating spaces.

- ▶ An opportunity exists to partner with a community-oriented innovation centre which is under proposal in **Queen Charlotte, Haida Gwaii**. One of the main champions of this space expressed an interest in partnering, offering shared membership, and offering mutual support for the shared spaces.

FINANCIALS

POTENTIAL FUNDING SOURCES

While reviewing case studies in BC and Canada, it became apparent that **many shared work spaces have recently received significant funding**[5]. The most common funding source in rural British Columbia was the BC Rural Dividend Fund, but many other potential sources are listed here as potential public sources that were successfully demonstrated for other spaces.

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[5] Many received between $10,000-$20,000 for renovations for spaces or upwards of $100,000-$200,000+ for ~50% of the cost of a space (mainly coworking spaces).

NATIONAL & PROVINCIAL SOURCES

- ▸ BC Rural Dividend Fund

- ▸ Employment & Social Development Canada

- ▸ Western Economic Diversification Canada

  - ■ Western Diversification Program (Non-profit)

  - ■ Western Innovation Initiative (For profit)

- ▸ Innovate BC

- ▸ Canada Cultural Spaces Fund

  - ■ Targeted at creative hubs and makerspaces

Given the limited timeframe for this research initiative, a detailed financial analysis (cost, revenue forecasting, modelling, etc.) could not be undertaken. This is an imperative next step for further feasibility studies, and in the development of a business plan for a coworking and incubator space in Prince Rupert.

IMPACT & METRICS

In analyzing case studies and researching different shared work spaces, there were a number of measures that emerged in order to realize the impact of such a space in a tangible way.

Table 3 shows some metrics that could be tracked to evaluate the benefits and challenges of implementing a shared work space. For the long term sustainability of a space, it is crucial for impacts to be tracked - not only for the continued justification of the space, but also for finding areas to improve on.

TABLE 3: MEASURES TO EVALUATE IMPACT OF A SHARED WORK SPACE

■ Amount of funding provided to businesses
■ Type and amount of resources accessed
■ Number of collaborations/partnerships on projects

■	Number of jobs created through new or expanding businesses
■	Number of entrepreneurs advanced
■	Number of organization whose networks expanded
■	Number of students connected to employers or projects

LOCATION

Among the trends that emerged from community interviews, one was an emphasis on the importance of **downtown location** for the space. Not only for individual members' convenience, but in the broader context of downtown revitalization. Matching the **size of the space** with local needs also surfaced as an important consideration. Lastly, **cost** is an ongoing consideration for any project.

Table 4 outlines the criteria, measures, and definition of these measures in a simple analysis of available spaces currently on the market as of August 2018. Rankings are based on quantitative data outlined in **Table 5** and refer to the relative suitability in each criteria.

TABLE 4: CRITERIA, MEASURES, AND DEFINITIONS IN EVALUATING SHARED WORK SPACE LOCATION OPTIONS

CRITERIA	MEASURES	DEFINITION
LOCATION	Proximity to downtown	2ND AVE, 3RD AVE, OR COW BAY
SIZE	~3,000-5,000 sq ft	<2,000 or >7,000 sq ft = LOW 2,000-3,000 or 5,000-7,000 sq ft = MEDIUM 3,000-5,000 sq ft = HIGH
COST	Initial and ongoing costs	Rough estimate of Initial and ongoing costs

TABLE 5: EVALUATION OF FOUR POTENTIAL OPTIONS

OPTION 1 337 W 3RD AVE	OPTION 2 319-321 W 3RD AVE	OPTION 3 750 W 3RD AVE	OPTION 4 1100 PARK AVE

LOCATION	3RD AVE **HIGH**	3RD AVE **HIGH**	3RD AVE **MEDIUM-HIGH**	PARK AVENUE **LOW**
SIZE	4,800 sq ft **HIGH**	7,000 sq ft **MEDIUM-LOW**	Building: 3,450 sq ft, Total lot: 15,000 sq ft **MEDIUM-HIGH**	Building: 6,000 sq ft **MEDIUM**
MINIMIZED COST	$149,900 Initial, not including renovations Also includes upper level rental opportunities for additional revenue stream **MEDIUM**	$429,000 initial, not including renovations Also includes 4 apartment units on the second floor for additional revenue stream **LOW**	$550,000 initial, not including renovations Could build additional structures for income streams or sell if not needed **LOW**	For lease, $10/sq ft, with negotiable pricing **MEDIUM-HIGH**

- Of the four spaces, **Option 1 – 337 W 3RD AVE** ranks high. The tradeoff is cost as the building cannot be leased, but the cost of buying the property is significantly lower than the others available. However, additional work is required to assess space suitability, condition, and renovations required.

- Importantly, **as information in Prince Rupert spreads quickly via "word of mouth", there may be alternative existing spaces,** or buildings for lease or sale that were not advertised online (where the above information was retrieved).

- Any space would require **a full business plan for the shared space,** and thorough inspection before deciding to proceed.

POLICY

WHAT KINDS OF POLICIES AND GOVERNMENT RESOURCES CAN HELP FOSTER SHARED WORK SPACES IN PRINCE RUPERT?

RESOURCES   **POLICIES**

- Funding & financial support

    - Grants

    - Designated manager

- Publicly owned location

    - Subsidized rent

- Planning support

    - A person with knowledge of shared work spaces and how they add value to the community

- Marketing & promotion of the space

- Program support & ongoing connection to resources

- Renovation & zoning amendments

    - May be especially important given the non-standard design and layouts of selected sites for shared work spaces

- Business licensing & regulations of the space

    - May be unique given, again, its non-standard design

NEXT STEPS

SHORT TERM

- Begin a thorough consultation with all entrepreneur-and employment organizations and support institutions to co-develop an inclusive and relevant model for a shared space that resonates and fits within the current entrepreneurial ecosystem

    - Explore and engage with First Nations organizations for partnership opportunities in the co-designing of a business plan and value proposition for a coworking/incubator space, to ensure it is inclusive and beneficial for Indigenous entrepreneurs, and complementary of organizational programs and initiatives

    - Ensure that government and academic institutions are included in relationship building and formation of a vision for an inclusive, collaborative workspace

- Reach out to more individual entrepreneurs, especially those outside the professional, online services, or artist community on overall input, needs, and design of a space

- In addition to the locations explored within this report, conduct an analysis of all available spaces that might suit a coworking/incubator workspace

▶ Build upon this research and the input from community to develop a detailed business case for a coworking + incubator space, to determine how the space can be financially self-sustaining

▶ Identify an initiative champion, host organization, or group of host organizations to spearhead this initiative

MEDIUM TERM

▶ Further building the entrepreneurial community within: helping to organize regular meetups to determine need and suitability of a shared space

▶ Conduct a detailed survey to demonstrate the need, collect insight on design details, and find individuals who may be interested in forming a board or committee for the space

▶ Ongoing engagement with key entrepreneurial service providers to further determine how best to structure the space for relevance, inclusivity, collaboration and multi-organizational participation

▶ Explore potential funding options, via community organizations, philanthropic and government grants, business revenue modeling, and more

▶ Raise community awareness leading up to project implementation through presentations, sharing plans with City Council and First Nations governments, and visiting various organizations and community groups

LONG TERM

▶ In partnership with multiple organizations, and incorporating the research findings and feedbacks from the entrepreneurial community, launch the shared space

▶ Continually evaluate the space by getting feedback from users of the space, participating organizations/program administrators, and those who are not yet participating, to determine how to improve the relevance and offerings of the coworking/incubator space

  ■ Gather external feedback as well, to determine the space's impact on entrepreneurship, organizational collaboration, downtown vibrancy, and more

▶ Consider a similar exploratory process for developing a makerspace with built-in pop-up shop

  ■ This space would cater mainly to the artist community, but nonetheless is an important piece of the local socio-economic development and downtown revitalization puzzles

APPENDIX

INTERVIEWS

TABLE A1: SEMI-STRUCTURED INTERVIEWS

GOVERNMENT, ACADEMIC, & ORGANIZATIONAL	
Maggie Viviers	*Rupert Square Mall*
Joy Sundin	*Special Events Prince Rupert*
Paul Venditelli	*City of PR Ec. Dev.*
Tara Leighton	*Coastal Training Centre*
Jose Areekadan	*Coast Mountain College*
Will Gye	*Friendship House*
Katy Carr Minhinnick	*ThriveNorth/Futurpreneur*
Cory Stephens	*North West Aboriginal Canadian Entrepreneurship (TRICORP & UVIC Gustavson School of Business)*
Shauna Wouters	*Hecate Strait Employment Development Society*
Blair Mirau	*Gitmaxmak'ay Nisga'a Society*
John Farrell	*Community Futures Pacific Northwest*
Ladan Zahrai	*North Coast Immigration & Multicultural Services Society*
Simone Clark	*Tourism Prince Rupert*
INDIVIDUAL ENTREPRENEURS	
Reid Skelton-Morven	*Northern Online Results, MotivNations & Business workshops for Futurpreneur*
Phat Tran	*TD Mortgages, Pac 10 Tutoring, IT Business*
Laurie Gray	*Ice House Gallery, Arts Council*
Karen Buchanan & Jo Scott	*Salmonberry Trading, local entrepreneurs*
Miranda Kessler	*Last Minute Market, Moberry*
Leanne Enns	*Ocean Pearl Promotions & past Chamber experience*
Christy Allen	*E'klektik Trading & Coastal Fibres*
COWORKING MANAGERS & COMMUNITY CONSULTANTS	
Joanna Kipp	*Feasibility study on the AMP Coworking Space (Vancouver, BC)*
Simon Magness	*Current Manager of the AMP Coworking Space (Vancouver, BC), past experience in an incubator (London, England)*
Allan Stroet	*Started Smithers Coworking, currently at Innovation Central Society/Hubspace (Prince George, BC)*
Kim Martinsen	*Community Futures, currently runs Smithers Coworking (Smithers, BC)*
Darren Stott	*Community Consultant (Greenchain Consulting), Experience in feasibility studies (Vancouver, BC)*

Chris Hergesheimer	*Program Manager, Sunshine Coast Regional Economic Development Organization & oversees FUSE Work Hub (Gibsons, BC)*
Megan Adams	*Owner, Invermere Mountain Hub (Invermere, BC)*
Katie Loewen	*The Current on 100th (Fort St. John, BC)*
Vanessa Richards	*312 Main (Vancouver, BC)*
Karisa Petho	*City of Terrace, TEC Space (Terrace,BC)*
Patrick Shannon	*Past owner & manager of Xaayda Hub (Skidegate,BC)*

CASE STUDY MODELS

TABLE A2: IMPACT AREA & FOCUS OF THE SPACE

		IMPACT AREAS & FOCUS OF THE SPACE			
		Affordability & Flexibility	Connecting the Entrepreneurial Community	Business Incubation & Innovation	Downtown Revitalization
SMITHERS COWORKING	G	▫			
INVERMERE – MOUNTAIN HUB	G	▫	▫		▫
GIBSONS – FUSE	G		▫	▫	
PRINCE GEORGE – INNOVATION CENTRAL SOCIETY/HUBSPACE	S		▫	▫	▫

G=GENERAL S=SECTOR-SPECIFIC

TABLE A-3: OPERATIONAL MODELS – SERVICES OFFERED

		OPERATIONAL MODELS							
		SERVICES OFFERED							
		Mentorship	Connection to Funding	Workshops + Training	Networking Events	Online Forum	Boardroom or Event Space	Access to Tools	
SMITHERS COWORKING	G						▫		
INVERMERE – MOUNTAIN HUB	G			▫	▫		▫		
GIBSONS – FUSE HUB	G		▫	▫	▫		▫		
PRINCE GEORGE – INNOVATION CENTRAL SOCIETY/HUBSPACE	S	▫	▫	▫	▫	▫	▫		

TABLE A-4: OPERATIONAL MODELS – ENVIRONMENTAL ELEMENTS

		OPERATIONAL MODELS			
		ENVIRONMENT ELEMENTS			
		Coworking	Incubator	Accelerator	Makerspace
SMITHERS COWORKING	G	▣			
INVERMERE – MOUNTAIN HUB	G	▣			
GIBSONS – FUSE HUB	G	▣	▣		
PRINCE GEORGE – INNOVATION CENTRAL SOCIETY/HUBSPACE	S	▣	▣	▣	

TABLE A-5: FUNDING MODELS

		FUNDING MODELS					
		FIXED REVENUE				VARIABLE REVENUE	
		Private Ownership	Subsidies	Private Donations	Co-operative	Membership	Rental/Events
SMITHERS COWORKING	G		▣	▣		▣	
INVERMERE – MOUNTAIN HUB	G	▣				▣	▣
GIBSONS – FUSE HUB	G		▣			▣	▣
PRINCE GEORGE – INNOVATION CENTRAL SOCIETY/HUBSPACE	S		▣	▣		▣	▣

TABLE A-6: CURRENT ENTREPRENEURIAL RESOURCES AVAILABLE (Work in progress)

WHO	WHAT	WHERE
COMMUNITY FUTURES PACIFIC NORTHWEST	•Business Loans •Mentorship •Boardroom rental	http://www.rupertcf.com
COASTAL BUSINESS RESOURCE CENTRE	•Affordable office space leasing •Boardroom rentals	http://www.thecbrc.ca/
LOVE PRINCE RUPERT	•Local advertising	https://loveprincerupert.com/
CHAMBER OF COMMERCE	•Networking •Advertising •Rising Stars mentorship program	http://princerupertchamber.ca/
TRICORP	•Funding & training •North West Aboriginal Canadian Entrepreneurs Program	http://www.tricorp.ca/
INN ON THE HARBOUR	•Boardroom & desk rentals	
COAST MOUNTAIN COLLEGE	•Entrepreneurship Certificate Program •Start-up and Business Owner Management Online Training Program •Innovation Lab with specialized tools (eg. 3D Printer, Virtual Reality) •Multi-purpose room rental	https://www.nwcc.bc.ca/
TOURISM PRINCE RUPERT	•Advertising & marketing	https://www.visitprincerupert.com/
MUSEUM OF NORTHERN BC	•Event/meeting space •Offices for rent	http://museumofnorthernbc.com/
HECATE STRAIT EMPLOYMENT DEVELOPMENT SOCIETY	•Employment training •Self-employment program (past EI eligibility only) •Entrepreneurial workshops	http://hseds.ca/
THRIVENORTH /FUTURPRENEUR	•Financing, mentorship for young entrepreneurs (ages 18-39) •Annual Business Challenge •Business Planning Workshops	https://www.futurpreneur.ca/en/microsites/thrivenorth/
ICE HOUSE GALLERY	•Artist Co-operative •Indoor gallery •Outlet for selling product	http://www.icehousegallery.ca/
LAST MINUTE MARKET	•Indoor market •Outlet for selling product •Saturdays, 9am-12:30pm	https://www.facebook.com/LastMinuteMarket/
PRINCE RUPERT LIBRARY	•Multipurpose room •3D Printer •Photocopier, fax, printing services •Computers and internet	http://www.princerupertlibrary.ca/
CITY OF PRINCE RUPERT EC. DEV. ONLINE	•Online investment portal	https://princerupert.ecdev.org/
CITY OF PRINCE RUPERT ECONOMIC DEVELOPMENT	•General Information •Business Facade Improvement Program •Supply Chain Connector Program	http://www.princerupert.ca/business/economic-development

TABLE A-7: CRITERIA, MEASURES, & DEFINITIONS IN EVALUATING SHARED WORK SPACE OPTIONS

CRITERIA	MEASURE	DEFINITION
ENTREPRENEURIAL SUPPORT	Support from entrepreneurial community	Professional/online services community, artist community, & others
ORGANIZATIONAL SUPPORT	Organizations that would support this space	Entrepreneurial organizations to run programs through, provide resources
COMMUNITY DEVELOPMENT	Impact on Prince Rupert	Opportunities for local social and economic development
COST	Initial & ongoing cost	Initial & ongoing cost

TABLE A-8: DETAILED ANALYSIS OF SHARED WORK SPACE OPTIONS

	OPTION 1 COWORKING SPACE	OPTION 2 COWORKING + INCUBATOR SPACE	OPTION 3 MAKERSPACE	OPTION 4 INNOVATION CENTRE
ENTREPRENEURIAL SUPPORT	•Professional and online service community cited a need for space other than coffee shop, home office, or private office •Artist community also interested in a space for desk work and to interact with other entrepreneurs, but many would not be able to do the bulk of their work (ie. create products) in the space •Other individual entrepreneurs expressed the need for a coworking space to interact with others going through common challenges and to build up the entrepreneurial community in general **MEDIUM-HIGH**	•Entrepreneurs of all kinds are in favour of the addition of an incubator, noting that in their journey, they had to reach out to each individual organization. This would mean more support for all levels in their entrepreneurial journey **HIGH**	•Artists support such a space, as some of their needs include a space to work from and access to shared tools and equipment •Other entrepreneurs may use only occasionally depending on the equipment offered **MEDIUM-LOW**	•Entrepreneurs of all sectors and at all scales are highly supportive of such a space **HIGH**
ENTREPRENEURIAL	•Organizations are in support of	•There is an overwhelming	•The artisan community	•All organizations

ORGANIZATIONAL SUPPORT	a space to better understand needs of entrepreneurs and interested in a central meeting place for entrepreneurs to be able to reach out and share information, resources **MEDIUM-HIGH**	interest by all main entrepreneurial organizations in a space that also houses access to resources, information, and organizational support •Many organizations are interested in co-locating in such a space or hosting workshops **HIGH**	organizations such as the Ice House Gallery, the Last Minute Market, and the Arts Council support such a space •Other organizations are supportive but would not be able to reach the full spectrum of entrepreneurs **MEDIUM-LOW**	are highly supportive in a versatile space which has room for more support across the spectrum of services **HIGH**
COMMUNITY DEVELOPMENT	•Coworking spaces on their own can facilitate important impacts including more economic opportunity and increased social cohesion •These spaces have can have small or big impact depending on the curation of the space – for example, Smithers Coworking which is one of the more "plain" coworking models – does not highlight broader outcomes, although some do happen organically **MEDIUM**	•A coworking + incubator space would serve as an important bridge for entrepreneurs in training programs when starting their business •Small & micro businesses already play a bigger role in rural parts of BC than in urban areas[6], and further nurturing and supporting them can increase sustainable local economic development **HIGH**	•Makerspaces encourage the artist and creative community, giving them the tools and space to turn their prototypes into viable businesses, contributing to local economic opportunities and outcomes •Although it will have an impact, it may be limited as the (formal) artist/creative community makes up ~12% of home-based and vendor businesses **MEDIUM**	•An innovation centre consisting of a coworking space, incubator, and makerspace would make a big impact on the community. Bringing together entrepreneurs and organizations of all kinds would greatly increase social and economic opportunities, **HIGH**
COST	•A coworking space can be housed in a smaller location, but initial cost and potential renovation, furniture costs may still be somewhat costly	•Naturally, the addition of an incubator (with in-house entrepreneurial organizations) would put a higher initial cost, as the size	•A makerspace can be housed in a smaller location, but would still have initial costs for renovations etc.	•In needing more space to accommodate all models, the size cost of such a

6 https://www.bcstats.gov.bc.ca/Files/3e354eea-a719-46c7-81aa-06a3837d80a1_38327/SmallBusinessisBigBusinessinRuralBritishColumbia.pdf

	•Relatively lower cost= MEDIUM-HIGH	would need to be somewhat bigger •However, it may not add much additional costs as most coworking spaces already have room for private offices •Medium cost= MEDIUM	•Tools for makerspaces can run anywhere from $5,000-$25,000 depending on what is offered •Relatively lower cost= MEDIUM-HIGH	space would be higher •Relatively high cost = LOW
TOTAL	9.5	11	7.5	10

TABLE A-9: CRITERIA, MEASURES, AND DEFINITIONS IN EVALUATING SHARED WORK SPACE LOCATION OPTIONS

CRITERIA	MEASURES	DEFINITION
LOCATION	Proximity to downtown	2ND AVE, 3RD AVE, OR COW BAY
SIZE	~3,000-5,000 sq ft	<2,000 or >7,000 sq ft = LOW 2,000-3,000 or 5,000-7,000 sq ft = MEDIUM 3,000-5,000 sq ft = HIGH
COST	Initial and ongoing costs	Rough estimate of Initial and ongoing costs

TABLE A-10: ANALYSIS OF SHARED WORK SPACE LOCATION OPTIONS

	OPTION 1 337 W 3RD AVE	OPTION 2 319-321 W 3RD AVE	OPTION 3 750 W 3RD AVE	OPTION 4 1100 PARK AVE
LOCATION	H	**H**	M-L	L
SIZE	H	M-L	M-H	M

COST	M	L	L	M-H
TOTAL /9	8	5.5	6	5.5

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