City of Kelowna Regular Council Meeting AGENDA

Monday, February 27, 2017 1:30 pm Council Chamber City Hall, 1435 Water Street

#### 1. Call to Order

This meeting is open to the public and all representations to Council form part of the public record. A live audio and video feed is being broadcast and recorded by CastaNet and a delayed broadcast is shown on Shaw Cable.

#### 2. Confirmation of Minutes

PM Meeting - February 20, 2017

#### 3. Reports

#### 3.1 Kelowna Water Value Planning Study

To receive the Value Planning Study report from Strategic Value Solutions that outlines recommendations for the best lowest cost city-wide solution for delivering both domestic and agricultural water in Kelowna.

Report to be provided at Council meeting.

#### 4. Development Application Reports & Related Bylaws

### 4.1TA16-0018 C7 - Central Business Commercial Zone Amendments9 - 29

To consider text amendments to the C7 – Central Business Commercial zone to accommodate Official Community Plan changes to the City Civic Block and to better align zoning requirements with recent building trends.

#### **4.2** BL11363 (TA16-0018) - C7 - Central Business Commercial Zone 30 - 36

To give Bylaw No. 11363 first reading in order to amend the C7 - Central Business Commercial Zone in Zoning Bylaw 8000.



3 - 8

Pages

#### 4.3 Arab Appaloosa Public Interest Survey

To receive the results of the public interest survey conducted in the Arab and Appaloosa neighbourhoods and to consider future direction for land use and servicing in the neighbourhood.

#### 5. Bylaws for Adoption (Development Related)

5.1	BL11333 (TA16-0005) - Secondary Suites Amendment	53 - 53
	To adopt Bylaw No. 11333 in order to restrict carriage houses on lots less than 1.0 hectare that rely on on-site sewage disposal and a housekeeping amendment to the definition of the term Secondary Suite.	
5.2	1945 Bennett Rd, BL11356 (LUC16-0002) - Edward & Linda De Cazalet	54 <sup>-</sup> 54
	To adopt Bylaw No. 11356 in order to discharge the Land Use Contracts from the subject property.	
Non-D	evelopment Reports & Related Bylaws	
6.1	Project Update – Public Placemaking (Bernard Avenue Laneway)	55 - 89

To endorse a Licence of Occupation with respect to various permanent site improvements intended to activate, animate and re-vitalize the Bernard Avenue laneway.

#### 7. Bylaws for Adoption (Non-Development Related)

#### 7.1 BL11331 - Road Closure and Removal of Highway Dedication - Portion of Knox Cres 90 - 92

To adopt Bylaw No. 11331 in order to close a 16.5 square meter portion of Knox Crescent for consolidation with the adjacent residential property at 1930 Knox Crescent.

#### 8. Mayor and Councillor Items

#### 9. Termination

6.

37 - 52



### City of Kelowna Regular Council Meeting Minutes

Date:	Monday, February 20, 2017
Location:	Council Chamber
	City Hall, 1435 Water Street
Members Present	Mayor Colin Basran, Councillors Maxine DeHart, Gail Given, Charlie Hodge Brad Sieben, Mohini Singh and Luke Stack
Members Absent	Councillors Ryan Donn and Tracy Gray
Staff Present	City Manager, Ron Mattiussi; City Clerk, Stephen Fleming; Divisional Director, Community Planning & Real Estate, Doug Gilchrist*; Suburban & Rural Planning Manager, Todd Cashin*; Planner, Emily Williamson*; Urban Planning Manager, Terry Barton*; Planner, Tracey Hillis*; Planner, Lauren Sanbrooks*; Infrastructure Engineering Manager, Joel Shaw*; Legislative Coordinator (Confidential), Arlene McClelland

#### (\* Denotes partial attendance)

#### 1. Call to Order

Mayor Basran called the meeting to order at 1:30 p.m.

Mayor Basran advised that the meeting is open to the public and all representations to Council form part of the public record. A live audio and video feed is being broadcast and recorded by CastaNet and a delayed broadcast is shown on Shaw Cable.

2. Confirmation of Minutes

Moved By Councillor Singh/Seconded By Councillor Sieben

<u>**R124/17/02/20</u>** THAT the Minutes of the Regular Meetings of February 6, 2017 be confirmed as circulated.</u>

#### Carried

#### 3. Public in Attendance

#### 3.1 Okanagan College

Jim Hamilton, OUC President and Heather Schneider, Regional Dean, Central Okanagan

- Displayed a PowerPoint Presentation summarizing both growth and development at OUC and their Strategic Plan.
- Responded to questions from Council.

#### 4. Development Application Reports & Related Bylaws

#### 4.1 2025 Agassiz Rd, Z16-0052 - Exceling Investments Inc.

Staff:

Displayed a PowerPoint Presentation summarizing the application and responded to questions from Council.

#### Moved By Councillor Sieben/Seconded By Councillor Singh

**R125/17/02/20** THAT Rezoning Application No. Z16-0052 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 1, District Lot 129, ODYD, Plan EPP68381, located at 2025 Agassiz Road, Kelowna, BC from the RU1 – Large Lot Housing zone to the RM5 – Medium Density Multiple Housing, be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Schedule "A" attached to the Report from the Community Planning Department dated October 24, 2016;

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered in conjunction with Council's consideration of a Development Permit and Development Variance Permit for the subject property.

Carried

#### 4.2 2025 Agassiz Rd, BL11358 (Z16-0052) - Exceling Investments Inc.

Moved By Councillor DeHart/Seconded By Councillor Stack

R126/17/02/20 THAT Bylaw No. 11358 be read a first time.

Carried

#### 4.3 403 Viewcrest Rd, Z16-0029 - Richard Mercier and Tracey Gronick

#### Staff:

Displayed a PowerPoint Presentation summarizing the application and responded to questions from Council.

#### Moved By Councillor Given/Seconded By Councillor Hodge

**R127/17/02/20** THAT Rezoning Application No. Z16-0029 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot 16 Plan 18995 Section 23 Township 28, located at 403 Viewcrest Road Kelowna, BC from the RR2 – Rural Residential 2 zone to the RR2c – Rural Residential 2 with Carriage House zone to be considered by Council;

AND THAT the Rezoning Bylaw be forwarded to a Public Hearing for further consideration;

AND THAT final adoption of the Rezoning Bylaw be considered subsequent to the outstanding conditions of approval as set out in Schedule "A" attached to the Report from the Community Planning Department dated February 20, 2017.

AND FURTHER THAT final adoption of the Rezoning Bylaw be considered in conjunction with Council's consideration of a Development Variance Permit for the subject property.

#### Carried

Carried

#### 4.4 403 Viewcrest Rd, BL11359 (Z16-0029) - Richard Mercier and Tracey Gronick

Moved By Councillor Stack/Seconded By Councillor DeHart

R128/17/02/20 THAT Bylaw No. 11359 be read a first time.

#### 4.5 3523 Landie Rd, Z16-0085 - Tracy Hansford

#### Staff:

- Displayed a PowerPoint Presentation summarizing the application and responded to questions from Council.

#### Moved By Councillor Stack/Seconded By Councillor Given

<u>R129/17/02/20</u> THAT Rezoning Application No. Z16-0085 to amend the City of Kelowna Zoning Bylaw No. 8000 by changing the zoning classification of Lot C District Lot 134 ODYD Plan 29197, located at 3523 Landie Rd, Kelowna, BC from the RU1 – Large Lot Housing zone to the RU1c – Large Lot Housing with Carriage House zone, be considered by Council;

AND THAT the Zone Amending Bylaw be forwarded to a Public Hearing for further consideration;

AND FURTHER THAT final adoption of the Zone Amending Bylaw be considered subsequent to the outstanding conditions of approval as set out in Schedule 'A' attached to the Report from the Community Planning Department dated February 20, 2017.

Carried

Carried

#### 4.6 3523 Landie Rd, BL11360 (Z16-0085) - Tracy Hansford

Moved By Councillor Sieben/Seconded By Councillor DeHart

R130/17/02/20 THAT Bylaw No. 11360 be read a first time.

#### 4.7 1223 Water Street, DP16-0267 - ICR Projects Inc.

#### Staff:

- Displayed a PowerPoint Presentation summarizing the application and responded to questions from Council.

#### Moved By Councillor Hodge/Seconded By Councillor Singh

<u>**R131/17/02/20</u>** THAT Council authorizes the issuance of Development Permit No. DP16-0267 for Air Space Parcel A District Lot 139 ODYD Air Space Plan KAP60701, located at 1223 Water St, Kelowna, BC subject to the following:</u>

- 1. The dimensions and siting of the signs and the exterior design and finish of the signs to be constructed on the land be in accordance with Schedule "A";
- 2. The maximum transition time between each digital copy shall not exceed 0.25 seconds;
- 3. Copy shall not be shown on the digital display using full motion video or otherwise give the appearance of animation of movement, and the transition between each digital copy shall not be displayed using any visible effects, including but not limited to action, motion,

fading in and out, dissolving, blinking, intermittent, or flashing light or the illusion of such effects;

- 4. Copy shall not be shown in a manner that requires the copy to be viewed or read over a series of sequential copy messages on a single digital display, or sequences on multiple digital displays;
- 5. No third party commercial advertising shall be permitted;
- 6. The signs must be equipped with an ambient light sensor;
- 7. The digital display shall not increase the light levels adjacent to the digital display by more than 3.0 LUX above the ambient light level;
- 8. While the signs are in operation, the light output for the digital shall be set in accordance with the following maximum luminance levels when measured from the sign face at its maximum brightness:
  - a. From sunrise to sunset, 7500 Nits;
  - b. From sunset to sunrise, 300 Nits;
- 9. If any component on the signs fail or malfunction the signs shall be programmed to automatically turn off.

AND FURTHER THAT this Development Permit is valid for two (2) years from the date of Council approval, with no opportunity to extend.

Carried

#### 5. Bylaws for Adoption (Development Related)

#### 5.1 815 & 885 Mayfair Rd, (BL11308) Z16-0035 - Onkar & Ranjit Dhillon & 8872645 BC Ltd.

Moved By Councillor Sieben/Seconded By Councillor DeHart

R132/17/02/20 THAT Bylaw No. 11308 be adopted.

#### 5.2 1893 Ethel St, (BL11320) OCP16-0018 - Michael Ohman

Moved By Councillor Stack/Seconded By Councillor DeHart

R133/17/02/20 THAT Bylaw No. 11320 be adopted.

Carried

Carried

#### 5.3 Health Services Amendment (BL11321), TA16-0013

Moved By Councillor Hodge/Seconded By Councillor Given

**R134/17/02/20** THAT Bylaw No. 11321 be adopted.

Carried

Carried

#### 5.4 1893 Ethel St, (BL11322) Z16-0059 - Michael Ohman

#### Moved By Councillor Given/Seconded By Councillor Hodge

**<u>R135/17/02/20</u>** THAT Bylaw No. 11322 be adopted.

#### 6. Non-Development Reports & Related Bylaws

4

Staff:

Provided an overview of the Kelowna Heritage Grants Program and responded to questions from Council.

#### Moved By Councillor Sieben/Seconded By Councillor Stack

**<u>R136/17/02/20</u>** THAT Council authorizes the City to enter into a Grant Administration Agreement for the Heritage Grants Program with the Central Okanagan Heritage Society in the form attached to the Report from the Planner II dated February 20, 2017;

AND THAT Council authorizes the Mayor and City Clerk to execute all documents associated with this Agreement;

AND THAT Council authorizes an increase of \$2,500 to the maximum grant amount for buildings with Heritage Designations, for a maximum of \$12,500 per 3-year period;

AND FURTHER THAT Council authorizes an increase of \$2,500 to the maximum grant amount for buildings listed on the Kelowna Heritage Register, for a maximum of \$7,500 per 3 -year period.

#### 6.2 Wastewater Asset Management Plan

Staff:

- Displayed a PowerPoint Presentation summarizing the Wastewater Asset Management Plan and responded to questions from Council.

#### Moved By Councillor Hodge/Seconded By Councillor Singh

<u>R137/17/02/20</u> THAT Council endorse the Wastewater Asset Management Plan as attached to this report by the Infrastructure Engineering Manager dated February 20<sup>th</sup>, 2017

#### Carried

Carried

#### 7. Bylaws for Adoption (Non-Development Related)

7.1 BL11351 - Amendment No. 8 to Water Regulation Bylaw No. 10480

Moved By Councillor Given/Seconded By Councillor Hodge

R138/17/02/20 THAT Bylaw No. 11351 be adopted.

#### Carried

#### 7.2 BL11352 - Amendment No. 34 to Sewerage System User Bylaw No. 3480

Moved By Councillor Given/Seconded By Councillor Hodge

R139/17/02/20 THAT Bylaw No. 11352 be adopted.

#### Carried

#### 8. Mayor and Councillor Items

Councillor Stack:

- Spoke to his attendance, along with Councillor Gray, at the kick off for Heritage Week at the Benvoulin Church.

Councillor DeHart:

- Spoke to her attendance, along with Mayor Basran and Councillor Gray, at the Rutland Resident's Association Celebration for Canada's 150 Birthday at the Rutland Centennial Hall on February 18<sup>th</sup>.
- Spoke to her attendance at the Downtown Kelowna Association Board meeting and thanked Rob Mayne, Pat McCormick and Rafael Villarreal for their update presentation on transportation
- Spoke to the UBCO Fundraiser to provide books for children in Africa; this year there will be a local book drive on May 27<sup>th</sup> for children in the community.

Councillor Singh:

- Questioned why the City pays a 1/3 of COHS grant money to a committee to administer the grants and suggested a review of how much is given to administration.

Councillor Given:

- Spoke to her attendance at the Heritage Awards where Brent's Grist Mill was recognized.

Mayor Basran:

- Spoke to his attendance at the Grand Opening of the new Affordable Housing Project on Central Green with Councillor Stack.
- Will be attending the BC Mayor's caucus this week in Oak Bay.

#### 9. Termination

This meeting was declared terminated at 3:22 p.m.

/acm

Mayor

City Clerk

## **Report to Council**



Date:	February 27, 2017
File:	1250-40
То:	City Manager
From:	Ryan Roycroft, Planner
Subject:	TA16-0018 C7 Text Amendments

#### **Recommendation:**

THAT Council receives, for information, the Supplemental Report from the Community Planning Department dated February 20th, 2017 with respect to amendments to the Zoning Bylaw Text Amendment Application No. TA16-0018 to amend Zoning Bylaw 8000 as outlined in Schedule "A" attached to the Supplemental Report from the Community Planning Department dated February 20th, 2017 be considered by Council;

AND THAT Text Amend Bylaw No. 11307 be forwarded for rescindment consideration;

AND THAT Plan Text Amendment Application No. TA16-0018to amend Zoning Bylaw 8000 as outlined in Schedule "A" attached to the Report from the Community Planning Department dated February 20th, 2017 be considered by Council;

AND FURTHER THAT the Zoning Bylaw Text Amendment Bylaw be forwarded to a Public Hearing for further consideration.

#### **Purpose:**

To consider text amendments to the C7 – Central Business Commercial zone to accommodate Official Community Plan changes to the City Civic Block and to better align zoning requirements with recent building trends.

#### Background:

In November of 2016, staff presented Council with proposed amendments to the C7 – Central Business Commercial zone, with an eye to better aligning the zone with modern development practices and accommodating the recently adopted Civic Block Plan. Council gave the bylaw first reading, and advanced the bylaw to public hearing. However, prior to Public Hearing, staff received late comments from the Urban Development Institute, as well as two applications for downtown tower projects. Based on these comments, the Public Hearing was deferred, and the proposed bylaw amendments have been modified.

The proposed bylaw changes are intended to accomplish several objectives.

The first objective is to accommodate the recommendations of the recently adopted Civic Block Plan. The proposed bylaw amendments establish differing development regulations for the Civic Block, based on the adopted plan.



As per the plan recommendations, these regulations will support smaller format development with emphasis on the Artwalk and pedestrian friendliness.

The second objective is to amend the bylaw to be more supportive of mid-rise construction projects, especially predominantly commercial and office construction. Recent mid-rise projects on St Paul and Doyle have required anywhere from 5 to 14 bylaw variances. While Council has granted these variances, the bylaw's lack of support for mid-rise construction sends a tacit message that this form of development is not supported.

Finally, the bylaw amendments would remove language which governs detailed tower form sizes and stepbacks, instead relying on more flexible development permit guidelines in the OCP to govern building form and character. Greater emphasis will be placed on Community Planning staff, the Developer and Council in determining what design is appropriate for situations, rather than one-sized fits all zoning restrictions.

Bylaw Amendments Table:

Removed maximum diagonal building footprint				
Removed maximum building frontage width				
Removed angle of incidence controls				
Tied maximum building height to map				
Increased maximum floorplate from 696 m2 to				
1,221 M2.				
Reduced low rise step backs				
Removed high rise step backs				
Removed Rutland related regulations				

#### **Development Permits Guidelines versus Zoning Restrictions**

At the time the C7 – Central Business Commercial zone was developed, the City did not have extensive Development Permit Guidelines in place for tower and high rise construction. In absence of strong DP guidelines, the C7 zone was developed to include controls on building form and step backs, as interim controls for tall building development.

With the adoption of the most recent Official Community Plan and Downtown Revitalization guidelines, the City now has robust development permit guidelines to address building form. These DP guidelines obviate the need for extensive Zoning controls on building form.

The Zoning Bylaw is a cumbersome and difficult tool for regulating building form, as it is unable to be sensitive to context or design. The way the bylaw is currently drafted, it would allow only narrow pin towers with limited articulation in the C7 zone, without consideration of the site, neighbouring buildings or design considerations.

Overall, the proposed bylaw amendment will amend the C7 zone to work in concert with the Official Community Plan Development Permit guidelines and Downtown development objectives and reduce the variances caused by differences between the two documents.

#### **Internal Circulation:**

The proposed amendments have been developed by a team of staff from Policy Planning, Community Planning, and Real Estate.

#### **External Agency/Public Comments**

City staff worked extensively with representatives from the Urban Development Institute in reviewing the bylaw amendments, ensuring that the requirements would be economically possible with current construction technology.

#### Legal/Statutory Authority:

Section 479 of the Local Government Act allows the City of Kelowna to adopt a Zoning Bylaw regulating land uses within the city.

#### Legal/Statutory Procedural Requirements:

If Council grants initial consideration to the proposed bylaw amendments, a public hearing will be required prior to considering additional readings.

#### **Existing Policy:**

The current C7 zone is well suited for towers and two storey buildings, but generates low-value variances when applicants consider mid-sized buildings. The C7 zone also does not address the specific objectives of the Civic Precinct.

#### **Personnel Implications:**

The proposed amendments to the C7 zone will dramatically reduce staff time required to deal with low value variances for mid-rise construction, and are not expected to add any workload.

#### Considerations not applicable to this report: Communications Comments Financial/Budgetary Considerations

Submitted by:

Ryan Roycroft, Planner

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Ryan Smith, Community Planning Manager

Attached Draft C7 Bylaw

### 14.7 C7 – Central Business Commercial

C7rls – Central Business Commercial (Retail Liquor Sales)

C7lp – Central Business Commercial (Liquor Primary)

### C7lp/rls – Central Business Commercial (Liquor Primary/Retail Liquor Sales)

#### 14.7.1 Purpose

The purpose of this zone is to designate and to preserve land for the orderly development of the financial, retail and entertainment, governmental, cultural and civic core of the Downtown while also encouraging high density mixed-use buildings.

#### 14.7.2 Principal Uses

The principal uses in this zone are:

- (a) amusement arcade, major
- (b) apartment housing
- (c) apartment hotels
- (d) boarding or lodging houses
- (e) breweries and distilleries, minor
- (f) broadcasting studios
- (g) business support services
- (h) child care centre, major
- (j) commercial schools
- (k) community garden
- (I) community recreational services
- (m) congregate housing
- (n) custom indoor manufacturing/artist's studio
- (o) emergency and protective services
- (p) financial services
- (q) food primary establishment
- (r) funeral services
- (s) fleet services
- (t) gaming facilities
- (u) government services
- (v) health services
- (w) hotels
- (x) household repair services
- (y) liquor primary establishment, major (C7lp and C7lp/rls only)
- (z) liquor primary establishment, minor
- (aa) multiple dwelling housing
- (bb) non-accessory parking
- (cc) offices
- (dd) participant recreation services, indoor
- (ee) personal service establishments
- (ff) private clubs
- (gg) private education services
- (hh) public education services
- (ii) public libraries and cultural exhibits
- (jj) public parks
- (kk) recycled materials drop-off centres
- (II) retail liquor sales establishment (C7rls and C7lp/rls only)
- (mm) retail stores, convenience

- (nn) retail stores, general
- (oo) spectator entertainment establishments
- (pp) spectator sports establishments
- (qq) supportive housing
- (rr) temporary parking lot
- (ss) temporary shelter services
- (tt) thrift stores
- (uu) used goods stores
- (vv) utility services, minor impact

#### 14.7.3 Secondary Uses

The secondary uses in this zone are:

- (a) agriculture, urban
- (b) amusement arcade, minor
- (c) child care centre, minor
- (d) home based businesses, minor

#### 14.7.4 Subdivision Regulations

- (a) The minimum **lot width** is 6.0 m.
- (b) The minimum **lot depth** is 30.0 m.
- (c) The minimum lot area is 200 m<sup>2</sup>.

#### 14.7.5 Development Regulations

- (a) The maximum allowable **height** shall be in accordance with the C7 Map A Downtown Height Plan.
- (b) Where a property is not shown in the C7 Map A Downtown Height Plan, the maximum height shall be 22.0 m.
- (c) The maximum Floor Area Ratio is 9.0.
- (d) The minimum front yard is 0.0 m.
- (e) The minimum side yard is 0.0 m.
- (f) The minimum rear yard is 0.0 m.
- (g) There shall be a triangular setback 4.5 m in length abutting along the property lines that meet at each corner of an intersection, as shown in Figure 1. This setback will only be required at the first storey.

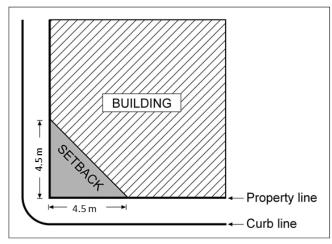


Figure 1

- (h) For any building above 16.0m in height:
  - i. Any portion of a building above 16.0 m in height must be a minimum of 3.0 m. from any property line abutting a street.
  - ii. Any portion of a building above 16.0 m in height must be a minimum of 4.0 m from any **property line** abutting another **property**.
  - iii. A building floor plate cannot exceed 1,221 m<sup>2</sup>.

#### Setback Table

Height	Front and Flanking Yard Setback	Side Yard Setbacks	Floorplate
0.0 to 16.0 m	0.0 m	0.0 m	No restriction
16.0 m and above	3.0 m	4.0 m	1,221 m <sup>2</sup>

#### **CIVIC PRECINCT**

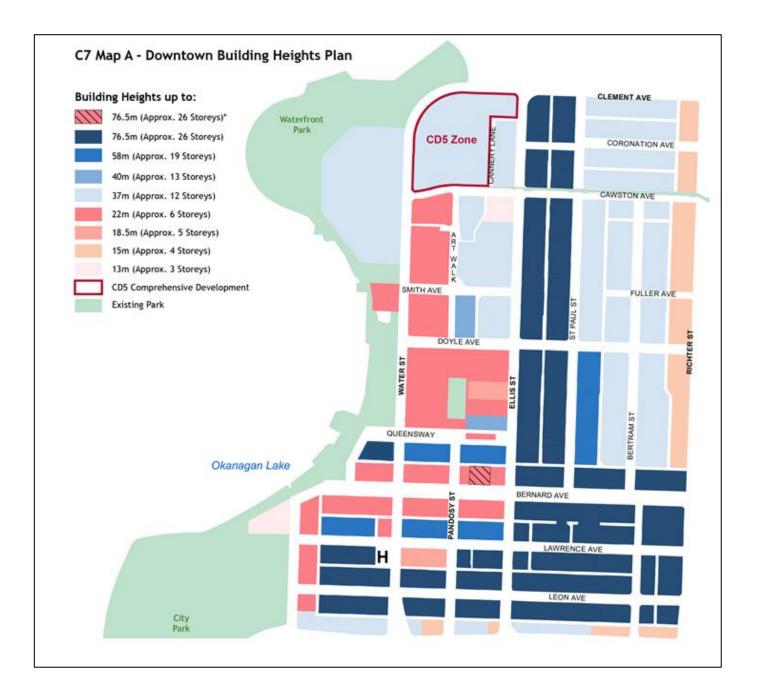
Where within the area shown in C7 – Map B Civic Precinct and Retail Streets.

#### 14.7.6 Development Regulations

- (a) The maximum allowable **height** shall be in accordance with the maximum allowable height within the Civic Precinct, in accordance with the C7 Map A Downtown Height Plan.
- (b) The maximum Floor Area Ratio is 9.0.
- (c) The minimum front yard is 0.0 m.
- (d) The minimum side yard is 0.0 m.
- (e) The minimum rear yard is 0.0 m.
- (f) Any portion of a building above 9.0 m in height must be a minimum of 3.0 m. from any property line abutting a street, as shown on C7 Diagram B attached to this bylaw.
- (g) Any portion of a building above 9.0 m in height must be a minimum of 4.0 m from any property line abutting another property as illustrated on C7 Diagram B attached to this bylaw.
- (h) A minimum separation distance of 25.0 m shall be provided where adjacent buildings are above 22.0m on the same block.
- (i) Any tower floor plate situated above 9.0 m in height but below 22.0 m in height cannot exceed 1,221.0 m<sup>2</sup>.
- (j) Any tower floor plate situated above 22.0 m in height cannot exceed 676.0 m<sup>2</sup>.
- (k) Any portion of a building above 22.0 m in height cannot exceed a continuous exterior horizontal dimension of 26.0 m.
- (I) Any portion of a building above 12.0 m in height cannot exceed a continuous exterior horizontal dimension of 40.0 m.
- (m) A continuous building frontage shall not exceed 50.0 m in length, and must be designed with appropriate architectural breaks such as a recessed courtyard, entry setback, breezeway, patio, or similar relief, where the length of the building exceeds 30.0 m.

#### 14.7.7 Other Regulations

- (a) A minimum area of 6.0 m<sup>2</sup> of private open space shall be provided per bachelor dwelling, 10.0 m<sup>2</sup> of private open space shall be provided per 1-bedroom dwelling, and 15.0 m<sup>2</sup> of private open space shall be provided per dwelling with more than 1 bedroom.
- (b) In addition to the regulations listed above, other regulations may apply. These include the general development regulations of Section 6 (accessory development, yards, projections into yards, accessory development, lighting, stream protection, etc.), the landscaping and fencing provisions of Section 7, the parking and loading regulations of Section 8, and the specific use regulations of Section 9.
- (c) Drive-in food services are not a permitted form of development in this zone.
- (d) Development on streets identified as Retail Streets on C7 Map B Civic Precinct and Retail Streets Floorplate and Section must provide a functional commercial, civic or cultural space on the first floor, which must occupy a minimum of 90% of all street frontages, OR a minimum of 75% on secondary street frontages provided 100% of the principal frontage has an active commercial, cultural or civic space.
- (e) Development on streets NOT identified as Retail Streets on C7 Map B Civic Precinct and Retail Streets must provide a functional commercial, civic or cultural space, or ground oriented residential use, on the first floor, which must occupy a minimum of 90% of all street frontages, OR a minimum of 75% on secondary street frontages provided 100% of the principal frontage has an active commercial or residential space



### C7 Map B - Civic Precinct and Retail Streets



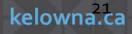


# Application No. TA16-0018 C7 Text Amendments



# Proposal

To consider text amendments to the C7 – Central Business Commercial zone to accommodate Official Community Plan changes to the City Civic Block and to better align zoning requirements with recent building trends.







# Amendment Details

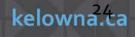
- Amendments to C7 Central Business Commercial previously given first reading by Council
- Based on additional comments from UDI, staff have reworked bylaw amendments
- Amendments rework the C7 Zone to better align with Civic Block plan and City Development Controls



# **Development policy**

## C7 zone applies downtown

- Governs development from short retail buildings on Bernard up to full towers on Ellis
- Recent mid-rise C7 developments (Innovation Center, Sole 1 & 2) have triggered extensive variances
  - Bylaw not set up to deal with 4 to 6 storey mixed use buildings with interior parking, necessitating variances





# Civic Block Plan

- Bylaw amendments to C7 meet recommendations of the Civic Block plan
- Establish different regulations for the Civic Block, emphasizing slightly shorter and squatter building forms
- Based on recommendations in the adopted plan





# **Building Form Controls**

- New zone eliminates most controls on building form
- Current C7 zone building form controls predate new Development Permit guidelines – intended as interim controls while Downtown Plan and OCP proceeded
- Building form controls in Zoning Bylaw are less useful than Development Permit controls – nonnegotiable, one size fits all, non-context sensitive



Removed maximum diagonal building footprint

Removed maximum building frontage width

**Removed angle of incidence controls** 

Tied maximum building height to map

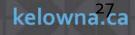
Increased maximum floorplate from

696 m2 to 1,221 m2.

**Reduced low rise step backs** 

Removed high rise step backs

**Removed Rutland related regulations** 





# Staff recommendation

- Staff recommend that the bylaw be given first reading and advanced to Public Hearing.
  - The bylaw amendments align the C7 zone with modern building trends and City statutory planning documents





## Conclusion of Staff Remarks

### **CITY OF KELOWNA**

### BYLAW NO. 11363 TA16-0018 – C7 – Central Business Commercial Zone

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- THAT City of Kelowna Zoning Bylaw No. 8000, Section 14.7 C7 Central Business Commercial C7rls – Central Business Commercial (Retail Liquor Sales)/C7lp – Central Business Commercial (Liquor Primary)/C7lp/rls – Central Business Commercial (Liquor Primary/Retail Liquor Sales) be deleted in its entirety and replaced with a new Section 14.7 C7 – Central Business Commercial C7rls – Central Business Commercial (Retail Liquor Sales)/C7lp – Central Business Commercial (Liquor Primary)/C7lp/rls – Central Business Commercial (Liquor Primary/Retail Liquor Sales) as attached to and forming part of this bylaw.
- 1. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this

Considered at a Public Hearing on the

Read a second and third time by the Municipal Council this

Approved under the Transportation Act

(Approving Officer-Ministry of Transportation)

Adopted by the Municipal Council of the City of Kelowna this

Mayor

City Clerk

### 14.7 C7 – Central Business Commercial C7rls – Central Business Commercial (Retail Liquor Sales) C7lp – Central Business Commercial (Liquor Primary) C7lp/rls – Central Business Commercial (Liquor Primary/Retail Liquor Sales)

#### 14.7.1 Purpose

The purpose of this zone is to designate and to preserve land for the orderly development of the financial, retail and entertainment, governmental, cultural and civic core of the Downtown while also encouraging high density mixed-use buildings.

#### 14.7.2 Principal Uses

The principal uses in this zone are:

- (a) amusement arcade, major
- (b) apartment housing
- (c) apartment hotels
- (d) boarding or lodging houses
- (e) breweries and distilleries, minor
- (f) broadcasting studios
- (g) business support services
- (h) child care centre, major
- (j) commercial schools
- (k) community garden
- (I) community recreational services
- (m) congregate housing
- (n) custom indoor manufacturing/artist's studio
- (o) emergency and protective services
- (p) financial services
- (q) food primary establishment
- (r) funeral services
- (s) fleet services
- (t) gaming facilities
- (u) government services
- (v) health services
- (w) hotels
- (x) household repair services
- (y) liquor primary establishment, major (C7lp and C7lp/rls only)
- (z) liquor primary establishment, minor
- (aa) multiple dwelling housing
- (bb) non-accessory parking
- (cc) offices
- (dd) participant recreation services, indoor
- (ee) personal service establishments
- (ff) private clubs
- (gg) private education services
- (hh) public education services
- (ii) public libraries and cultural exhibits

#### (jj) public parks

- (kk) recycled materials drop-off centres
- (II) retail liquor sales establishment (C7rls and C7lp/rls only)
- (mm) retail stores, convenience
- (nn) retail stores, general
- (oo) spectator entertainment establishments
- (pp) spectator sports establishments
- (qq) supportive housing
- (rr) temporary parking lot
- (ss) temporary shelter services
- (tt) thrift stores
- (uu) used goods stores
- (vv) utility services, minor impact

#### 14.7.3 Secondary Uses

The secondary uses in this zone are:

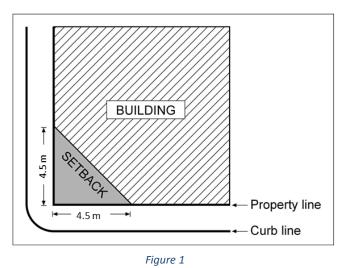
- (a) agriculture, urban
- (b) amusement arcade, minor
- (c) child care centre, minor
- (d) home based businesses, minor

#### 14.7.4 Subdivision Regulations

- (a) The minimum **lot width** is 6.0 m.
- (b) The minimum **lot depth** is 30.0 m.
- (c) The minimum lot area is 200 m<sup>2</sup>.

#### 14.7.5 Development Regulations

- (a) The maximum allowable **height** shall be in accordance with the C7 Map A Downtown Height Plan.
- (b) Where a property is not shown in the C7 Map A Downtown Height Plan, the maximum height shall be 22.0 m.
- (c) The maximum Floor Area Ratio is 9.0.
- (d) The minimum front yard is 0.0 m.
- (e) The minimum side yard is 0.0 m.
- (f) The minimum rear yard is 0.0 m.
- (g) There shall be a triangular setback 4.5 m in length abutting along the property lines that meet at each corner of an intersection, as shown in Figure 1. This setback will only be required at the first storey.



- (h) For any building above 16.0m in height:
  - i. Any portion of a building above 16.0 m in height must be a minimum of 3.0 m. from any property line abutting a street.
  - ii. Any portion of a building above 16.0 m in height must be a minimum of 4.0 m from any **property line** abutting another **property.**
  - iii. A building floor plate cannot exceed 1,221 m<sup>2</sup>.

Height	Front and Flanking Yard Setback	Side Yard Setbacks		Floorplate
0.0 to 16.0 m	0.0 m	0.0 m		No restriction
16.0 m and above	3.0 m	4.0 m		1,221 m <sup>2</sup>

#### **CIVIC PRECINCT**

Where within the area shown in C7 - Map B Civic Precinct and Retail Streets.

#### 14.7.6 Development Regulations

- (a) The maximum allowable height shall be in accordance with the maximum allowable height within the Civic Precinct, in accordance with the C7 – Map A Downtown Height Plan.
- (b) The maximum Floor Area Ratio is 9.0.
- (c) The minimum front yard is 0.0 m.
- (d) The minimum side yard is 0.0 m.
- (e) The minimum rear yard is 0.0 m.
- (f) Any portion of a building above 9.0 m in height must be a minimum of 3.0 m. from any property line abutting a street, as shown on C7 Diagram B attached to this bylaw.

- (g) Any portion of a building above 9.0 m in height must be a minimum of 4.0 m from any property line abutting another property as illustrated on C7 - Diagram B attached to this bylaw.
- (h) A minimum separation distance of 25.0 m shall be provided where adjacent buildings are above 22.0m on the same block.
- (i) Any tower floor plate situated above 9.0 m in height but below 22.0 m in height cannot exceed 1,221.0 m<sup>2</sup>.
- (j) Any tower floor plate situated above 22.0 m in height cannot exceed 676.0 m<sup>2</sup>.
- (k) Any portion of a building above 22.0 m in height cannot exceed a continuous exterior horizontal dimension of 26.0 m.
- (I) Any portion of a building above 12.0 m in height cannot exceed a continuous exterior horizontal dimension of 40.0 m.
- (m) A continuous building frontage shall not exceed 50.0 m in length, and must be designed with appropriate architectural breaks such as a recessed courtyard, entry setback, breezeway, patio, or similar relief, where the length of the building exceeds 30.0 m.

#### 14.7.7 Other Regulations

- (a) A minimum area of 6.0 m<sup>2</sup> of private open space shall be provided per bachelor dwelling, 10.0 m<sup>2</sup> of private open space shall be provided per 1-bedroom dwelling, and 15.0 m<sup>2</sup> of private open space shall be provided per dwelling with more than 1 bedroom.
- (b) In addition to the regulations listed above, other regulations may apply. These include the general **development** regulations of Section 6 (accessory **development**, **yards**, projections into **yards**, accessory **development**, lighting, stream protection, etc.), the **landscaping** and fencing provisions of Section 7, the parking and loading regulations of Section 8, and the specific **use** regulations of Section 9.
- (c) Drive-in food services are not a permitted form of development in this zone.
- (d) Development on streets identified as Retail Streets on C7 Map B Civic Precinct and Retail Streets Floorplate and Section must provide a functional commercial, civic or cultural space on the first floor, which must occupy a minimum of 90% of all street frontages, OR a minimum of 75% on secondary street frontages provided 100% of the principal frontage has an active commercial, cultural or civic space.
- (e) Development on streets NOT identified as Retail Streets on C7 Map B Civic Precinct and Retail Streets must provide a functional commercial, civic or cultural space, or ground oriented residential use, on the first floor, which must occupy a minimum of 90% of all street frontages, OR a minimum of 75% on secondary street frontages provided 100% of the principal frontage has an active commercial or residential space





#### C7 Map B - Civic Precinct and Retail Streets

# **Report to Council**



Date:	February 28, 2017
File:	1250-30
То:	City Manager
From:	Ryan Roycroft, Community Planning Supervisor
Subject:	Arab Appaloosa Public Interest Survey

#### **Recommendation:**

THAT Council receive for information the supplementary report from Community Planning dated February 28, 2017, with respect to the establishment of a Local Area Service along Arab and Appaloosa Roads;

AND THAT Council direct staff to follow the future land use and bylaw enforcement strategy as identified in the staff report attached as Schedule 'A';

AND THAT Council direct staff to prepare Official Community Plan amendments as identified in the staff report attached as Schedule 'A' regarding the Arab/Appaloosa Land Use and Bylaw Enforcement Strategy.

#### **Purpose:**

To receive the results of the public interest survey conducted in the Arab and Appaloosa neighbourhoods and to obtain Council direction on land use and servicing for the area.

#### Background/History:

In 2011, Council adopted the City of Kelowna Official Community Plan (OCP). The OCP designated the properties along Arab and Appaloosa Roads as being for future Industrial – Limited use.

The neighbourhood is made up of agriculturally zoned lots averaging 0.8 ha in area. Many of the properties were being used for light industrial and storage uses, not conforming to zoning restrictions of the day. The intent of the Industrial – Limited designation was to recognize the character of the neighborhood and give owners a path to conformity by allowing properties to be re-zoned for transitional industrial use.

#### 2012 Consideration:

In November of 2012, a moratorium was placed on development applications in the area, pending a resolution to servicing and land use concerns.

At the meeting, Council resolved that:

THAT Council direct staff to report back with proposed amendments to the I6 – Low-Impact Transitional Industrial Zone to ensure consistency of intent and purpose with the Kelowna 2030 – Official Community Plan;

AND THAT Council direct staff to accept no further Rezoning applications to the I6 – Low-Impact Transitional Industrial Zone, pending completion of the proposed amendments to the I6 Zone.

At a subsequent meeting on December 3, 2012, Council requested that staff "...report back with options for amending the I6 – Low-Impact Transitional Industrial Zone, to ensure consistency of intent and purpose with the Kelowna 2030 – Official Community Plan (OCP)".

#### 2013 Considerations:

At the December 16, 2013 Council Meeting, Council resolved:

THAT Council directs staff to follow Option 1 as identified in the Utilities Planning Manager, Bylaw Services Manager & Urban Planning Managers report, dated December 16, 2013 regarding the Arab/Appaloosa Land Use and Servicing Options;

AND THAT Council directs staff to bring forward the proposed amendments to the I6 Zone, including a provision for outdoor storage, and to require Development Permits, to ensure consistency with the intent and purpose of the Kelowna 2030 OCP and Industrial-Limited designation;

AND THAT Council directs staff to ensure that the fire flow and servicing with respect to the I6 zone be required as per Subdivision, Development & Servicing Bylaw No. 7900;

AND THAT Council directs staff to commence bylaw enforcement action against the two (2) most prolific offenders;

AND FURTHER THAT Council directs staff to hold a Local Area Service meeting in order to gauge support for a Local Area Service Bylaw and to explain the proposed changes to the I6 zone.

Options were developed and presented to Council at the March 25, 2013 Council meeting and at this meeting Council resolved:

THAT Council receive for information, the supplementary report from the Manager of Urban Land Use dated March 19, 2013, with respect to the Industrial – Limited future land use designation contained in the Kelowna 2030 – Official Community Plan;

AND THAT Council direct staff to pursue Land Use Alternative 1, as identified below;

AND THAT Council direct staff to initiate the process to advance Sanitary Sewer Connection Area #35 to a Specified Sanitary Sewer Service Area;

AND FURTHER THAT Council direct staff to accept no further Rezoning applications for the Arab Appaloosa road area, pending final resolution of land uses for the area.

On May 16, 2013, Council authorized funds necessary to create a pre-design for the water, sewer, and roads, and associated drainage works for the Arab/Appaloosa area.

At the September 30, 2013 Council meeting staff reviewed the Focus Engineering pre-design, the costs of the infrastructure required to meet zoning requirements, and the various service areas, their costs, and the typical and maximum costs that a homeowner on Appaloosa Road would be required to fund if a Local Service Area were adopted.

#### 2015 Servicing Considerations:

At the February 23, 2015 Council meeting, Council directed staff to pursue Bylaw amendments to the Official Community Plan and affirmed its desire to pursue a local service area to build the infrastructure required to rezone to the new I6 designation.

THAT Council receive for information the supplementary report from the Urban Planning Manager dated January 26, 2015, with respect to the Industrial –Limited Future Land Use designation and the land use issues along Arab and Appaloosa Roads;

AND THAT Council direct staff to bring bylaw amendments to the Official Community Plan and Zoning Bylaw amending Industrial development guidelines and policies to Council for consideration after a public open house has been held.

AND FURTHER THAT Council direct staff to conduct a public open house to survey support for a Local Area Service to pay for the extension of Sanitary Sewer Service to lots along Arab and Appaloosa Roads to facilitate industrial development. This consultation will take place after the adoption of the Zoning Bylaw and Official Community Plan amendments.

The OCP amendments were completed in September 2015 and the project was redesigned to accommodate a change in the Clydesdale road design. The designs and costs for the project were completed by a consulting firm and reviewed by the infrastructure division.

#### 2016 Public Interest Survey:

In early 2016 a public open house and survey was completed. Personalized letters were sent out to each home owner that outlined their share of the costs for infrastructure improvements and a description of the opportunity to rezone their property should a local service area be successful. An information sheet about the survey process, background and next steps; specific costs for improvements were identified for each type of improvement; and a self-addressed, self-stamped response form was provided to each household, in order to receive feedback from the residents.

An invitation to a public open house was also provided. Residents had the choice of either submitting their survey at the open house or by mailing in the same. The Open House took place on January 27, 2016 and survey results were finalized on February 19, 2016.

Of the 48 properties that were asked to vote, 29 responded:

59 % for NO for a LAS (roads, drainage, sewer) 41 % for YES

Based on the public interest survey results, on the March 21, 2016 meeting, Council directed staff to prepare Official Community Plan amendments removing the Industrial – Transitional designation from properties in the neighborhood, and re-designating them as Resource Protection.

AND THAT Council direct staff to follow the future land use and bylaw enforcement strategy as identified in the Utilities Planning Manager report, dated March 7, 2016 regarding the Arab/Appaloosa Land Use and Bylaw Enforcement Strategy;

AND THAT Council direct staff to prepare Official Community Plan amendments as identified in the Utilities Planning Manager report, dated March 21, 2016 regarding the Arab/Appaloosa Land Use and By Enforcement Strategy;

AND FURTHER THAT Council direct staff to process Zoning Bylaw Applications submitted for properties designated for Industrial – Transitional Use, and advance any bylaws in progress to Council for consideration and any required public consultation.

#### 2016 Bylaw Consideration and Enforcement:

Based on previous directives of Council, staff prepared bylaw amendments to the Official Community Plan and completed additional neighborhood correspondence (2 mailouts) indicating the proposed bylaw enforcement strategy. This occurred prior to preparation and consideration of the Official Community Plan amendments considered by Council. Council supported first reading of the bylaw and moved it to a Public Hearing.

At the November 15<sup>th</sup>, 2016 Public Hearing the proposed Official Community Plan amendment bylaw was defeated by Council, and Council directed staff to propose alternative options for future land use and servicing in the area.

At the November 28<sup>th</sup> Council meeting Council considered options presented by staff and resolved that:

THAT Council receive for information, the supplementary report from the Community Planning Department dated November 28, 2016, with respect to the Industrial – Limited future land use designation for properties along the Arab and Appaloosa Roads;

AND THAT Council direct staff to pursue Option 3 as outlined in the report from the Community Planning Department dated November 28, 2016.

Option 3 included:

- Commission WSP to update LAS costs
- Send all owners in the neighborhood new cost estimates by registered mail
- Hold a public information session
- Provide options for residents to initiate property-owner led Local Area Service
- Provide a final report to Council to either pursue an LAS or recommending Official Community Plan amendments.

Staff held a public meeting on December 14<sup>th</sup>, 2016, hosting approx. 22 area residents in Council Chambers and giving a presentation on the Local Area Service costs and processes, and responding to questions on land use, zoning and bylaw enforcement.

Additionally, a further public interest survey was conducted to gauge public support for a Local Area Service (LAS) in the neighbourhood. To maximize response, staff sent two survey mail-outs, made surveys available at the Public Meeting, and hand-delivered surveys to all properties.

#### LAS Survey Results:

The public interest survey closed on January 15<sup>th</sup>, 2017. Response to the survey was considerably stronger than in January 2016, with 38 of 44 eligible properties responding to the survey (the 45<sup>th</sup> property is owned by the City of Kelowna).

Properties representing 57 per cent of the area assessment support a Local Area Service.

The survey responses were:

- In support of the LAS 29 votes, 66%
- Opposed to the LAS 9 votes, 20%
- No response 7 properties 14%

Based on these responses, the majority of the neighbourhood has indicated support for a Local Area Service, at this stage in the process.

#### **Planning Rationale**

Despite the result of the public survey, staff do not recommend a Local Area Service as a means to provide services to the neighbourhood for the purposes of facilitating industrial development.

While staff's recommendation for not support of the LAS is rooted in the appropriate land use for the area, other considerations also come into play. An LAS imposes costs on all property owners, regardless of whether they supported or opposed the LAS, therefore the impacts on non-supporters must be carefully considered.

Each property is responsible for paying their portion of the LAS, payable in either a lump sum or added to the property taxes of the property for 25 years. The average annual levy per property over 25 years will be approximately \$7,500, with some levies in excess of \$13,000 per year. If paid in lump sum these costs range from \$12,500 to more than \$180,000. The LAS levy is payable regardless of whether a

resident chooses to re-zone their property or not. Should a property owner not wish to re-zone and redevelop their property, they will nonetheless be subsidizing the required services for those who do.

Municipalities traditionally adhere to the 'developer pay' model of infrastructure servicing, where any expansion of services required for a development is borne by the developer. Using an LAS as a means to extend services for the purpose of facilitating development would be contrary to this model, forcing those residents who don't support industrial development in the neighbourhood to bear the costs of its servicing. These additional costs may become simply unaffordable for some of these residents, and possibly force them to sell their homes.

Between the industrialization of the neighbourhood and the sharp increase in annual property taxes over the long-term by utilizing an LAS levy, non-industrial property owners would be pressured to redevelop or to sell. Essentially, those property owners who are using the property for its intended legal use would be pressured to leave, while those who have been using their properties contrary to zoning would be rewarded by having their neighbours pay for the servicing of their previously illegal uses.

Despite the early indication of support by some area residents, staff recommend that the LAS process not be undertaken, and that instead the future land use of the properties unable to be serviced be amended to a non-industrial designation.

#### LAS Process

The formal LAS process would be expected to take approximately 6 months to complete. A further 7 months would be required to construct the works if the formal LAS petition passed. The following these steps are envisioned:

- Report to Council, re: formal steps in the LAS process and any financial implications to the City
- Public open house
- Follow-up Report to Council
- Provincial borrowing approval
- Formal petition process
- Council Report re: petition outcome
- Project design and tender package
- Tender award
- Final project costs determined
- Letter to residents on final costs
- Construction

While the neighbourhood has indicated support for the LAS through a public interest survey, the next phase of approval would have to follow a formal petition process, allowing the City to borrow approximately \$4.5 million dollars to front end the cost of construction. That \$4.5 million would be repaid by the levies added to the property taxes on the 45 properties in the neighbourhood.

#### Legal/Statutory Authority:

Section 210 of the *Community Charter* gives the municipality the authority to create a Local Area Service.

**210** (1) A local area service is a municipal service that is to be paid for in whole or in part by a local service tax under section 216 *[local service taxes]*.

(2) The only services that may be provided as local area services are

(a) services that the council considers provide particular benefit to part of the municipality

#### Legal/Statutory Procedural Requirements:

The Community Charter establishes the Local Area Service process under Sections 211 to 218.

Local Service Areas follow a publically initiated petition process, where residents will have a period of time to submit a certified petition.

For a petition to be sufficient under the Community Charter, at least 50% of affected owners and at least 50% of the total assessed values must approve the local service area.

As part of the LAS process, the petition must provide authorization for a borrowing bylaw which will need to accompany the Local Service Area authorization. This will allow the City to borrow the funds required for the project and collect levies over a 20 year period.

#### **Internal Circulation:**

While the review process of development potential and servicing in the Arab Appaloosa area has been spearheaded by Community Planning, the process has been managed by a team consisting of staff from Utilities Planning, Community Planning and Communications. The recommendations presented are those of all of these departments.

#### Financial/Budgetary Considerations:

No budget has been allocated for the preparation of the Local Area Service bylaws and legal fees associated with their review. Budget will have to be reallocated from projects within the relevant departments or from contingency funds.

#### **Personnel Implications:**

Even if the Local Area Service process is led by the community, substantial staff time will be required to develop the Local Area Service bylaws and ensure the process is conducted fairly and transparently. Previous LAS processes have taken approximately six months to roll out, from developing of documents to final notification.

Based on previous LAS processes, an estimated 200 staff hours will be required, involving staff from Utilities Planning, Communications and Community Planning. Staff time will be re-allocated from other workplan items or development file processing.

#### Alternate Recommendation:

THAT Council receive for information the supplementary report from Community Planning dated February 20, 2017, with respect to the establishment of a Local Area Service along Arab and Appaloosa Roads;

AND THAT Council direct staff to commence the Local Area Service process to create an LAS to provide partial industrial level services to the 45 properties described in the Report from Community Planning.

Considerations not applicable to this report: Communications Comments: Existing Policy: External Agency/Public Comments:

Submitted by:

R Roycroft, Planner

Approved for inclusion:

Ryan Smith, Community Planning Department Manager

Attachments:

Utilities Planning Manager report, dated March 21, 2016 Local Area Service Estimates

CC:

Divisional Director, Community Planning and Real Estate Divisional Director, Infrastructure Divisional Director, Communications and Information Services. Utility Planning Manager Policy and Planning Department Manager Divisional Director, Financial Services

# Report to Council



Date:March 21, 2016File:1250-04To:City ManagerFrom:Community Planning Department Manager<br/>Utilities Planning ManagerSubject:Arab/Appaloosa Land Use and Bylaw Enforcement Strategy

#### **Recommendation:**

THAT Council receives, for information, the report from the Community Planning Department Manager dated March 21, 2016 regarding the Arab/Appaloosa Land Use and Bylaw Enforcement Strategy;

AND THAT Council directs staff to follow bylaw enforcement strategy as identified in the Community Planning Department Manager's report, dated March 21, 2016 regarding the Arab/Appaloosa Land Use and By Enforcement Strategy;

AND THAT Council direct staff to prepare Official Community Plan amendments as identified in the Community Planning Department Manager report, dated March 21, 2016 regarding the Arab/Appaloosa Land Use and Bylaw Enforcement Strategy;

AND THAT Council direct staff to lift the moratorium on accepting re-zoning applications in the Arab/Appaloosa area as noted in the the report from the Community Planning Manager, dated March 21, 2016 regarding the Arab/Appaloosa Land Use and Bylaw Enforcement Strategy;

#### Purpose:

The purpose of this report is to provide Council with the results of the public interest survey for a Local Area Service (LAS) and recommend a land use strategy and bylaw enforcement strategy.

#### Background:

The area in question is designated for potential I6 - Low Impact Transitional Industrial zoning and is limited to properties off of Arab and Appaloosa Roads, near Sexsmith and Highway 97. Just over 40 properties totaling approximately 35 ha are effected. The properties are predominantly used as large lot residential properties, however a dozen have historical illegal, non-conforming light industrial uses.

The Sexsmith Industrial area is south and east of the area in question, and has been zoned and used for General Industrial purposes for many years. Properties to the north have been zoned and developed for single family residential housing. To the west of Arab and Appaloosa roads, lands are agriculturally zoned and in the Agricultural Land Reserve.

#### Land Use History

- In 2011, Council adopted the City of Kelowna Official Community Plan (OCP).
- The OCP designated the properties along Arab and Appaloosa Roads as being for future Industrial Limited use.
- The neighbourhood is made up of agriculturally zoned lots averaging 0.8 ha in area.
- Many of the properties were being used for light industrial and storage uses, not conforming to zoning restrictions of the day.
- The intent of the Industrial Limited designation was to recognize the character of the neighborhood and give owners a path to conformity by allowing properties to be re-zoned for transitional industrial use.
- Properties designated Industrial Limited are permitted to apply to re-zone to the I6 Low Impact Transitional Industrial.

#### 2012

- Since the adoption of the OCP, one property in the area has been re-zoned to 16 Limited Impact Transitional Industrial.
- In November of 2012, a moratorium was placed on development applications in the area, pending a resolution to servicing (water, sewer, roads and drainage improvements) and land use concerns.
- No applications have been taken in since then November 2012.
- In 2012, Council resolved:

"THAT Council direct staff to report back with proposed amendments to the 16 - Low-Impact Transitional Industrial Zone to ensure consistency of intent and purpose with the Kelowna 2030 - Official Community Plan;

AND THAT Council direct staff to accept no further Rezoning applications to the 16 - Low-Impact Transitional Industrial Zone, pending completion of the proposed amendments to the 16 Zone."

#### 2013

In late 2013, staff and Council revisited the issue and Council reaffirmed its direction in a closed meeting.

The proposed amendments are consistent with Council's 2013 direction, allowing outdoor storage, requiring development permits, and clarifying the purpose of the zone and land use. Several properties continue to have non-complying uses, unable to apply for Zoning relief.

At the February 23, 2015 Council meeting, Council directed staff to pursue Bylaw amendments to the Official Community Plan and affirmed its desire to pursue a local service area to build the infrastructure required to rezone lots along Arab and Appaloosa Roads to the new I6 zoning designation.

The OCP amendments were completed in September 2015 and the policies were redesigned to accommodate a change in the Clydesdale road design.

#### Local Area Service Survey Process and Results

Personalized letters were sent out to each home owner in the identified area. These letters outlined the share of the costs for infrastructure improvements (to the specific property) and a description of the opportunity for rezoning of the property should a local service area be successful. Specific costs for improvements were identified for each type of improvement (roads, drainage, and sewer costs), and a self-addressed, self-stamped response form was provided in order to receive feedback from the residents. Also, an invitation to a public open house was provided. Residents had the choice of either submitting their survey at the open house or by mail. The Open House took place on January 27, 2016 and survey results were finalized on February 19, 2016. The results from the public interest survey are as follows.

Of the 48 properties that were asked to vote, only 29 responded:

59 % for NO for a LAS (roads, drainage, sewer) 41 % for YES

In order for a Local Area Service to be successful, the city must receive petitions from at least 50% of the parcel owners in the proposed service area that are in favor of the project. Further, the value of parcels whose owners are in favor of the proposed LAS must exceed 50% of the total assessed value.

The City only received 12 votes in support of the LAS for roads, drainage and community sewer. The proposed Service Area has 48 lots within the subject area which requires the City to receive at least 25 votes in favour of a LAS in order to meet the 50% Provincial requirement. Given the results of the public survey, a Local Service Area process would be unsuccessful.

While sewer alone would not provide the necessary infrastructure needed to enable rezoning, the City asked residents if they would be interested in an option to build sanitary sewer as a standalone project, and the following results were received:

Of the 48 properties that were asked to vote, only 29 responded:

# 75.86% for NO for a Sewer LAS only 24.14% for YES

The lack of neighbourhood support for the LAS process means that no urban style redevelopment will be able to occur on lands in this area which do not have access to services.

#### Planning Comments:

Based on the lack of support for the Local Area Service plan for the neighbourhood, Community Planning is proposing to bring an OCP amendment to Council in order to better align the land use regulation with the servicing limitations.

From a big picture planning perspective, the Community Planning Department would like to ensure that a proper transition exists between the heavier industrial uses in the I2-General Industrial zone on the south side of Sexsmith and the east side of the future Hollywood Road.

Staff have long had concerns about the transition between the proposed transitional industrial land use designation and the Sol Terra residential development to the north.

The Community Planning Department recommends that the OCP be amended to allow future Industrial-Limited Use for those properties that front Sexsmith Road, but restrict development along the north and south side of Appaloosa to large lot rural residential. Properties along the industrial (and serviced) Sexsmith Road will have the opportunity to apply for industrial re-zonings, while the rural residential parcels will continue to act as a transition between the general industrial Sexsmith and the higher density residential land uses to the north. The proposed land use plan is shown graphically in Attachment "B".

Community Planning also recommends that the I6 - Transitional Industrial zone continue to be deployed in the Industrial-Limited areas. The I6 zone supports transitional industrial development with sensitive buffering to act as a transition between heavier industrial development south of Sexsmith and residential land uses further north.

Given the outcomes of the Local Area Service survey results, this provides this section of the City with certainty regarding servicing and corresponding land uses, and reduces speculation about possible future amendments. Therefore, staff recommend that the moratorium on accepting re-zoning applications in the area be lifted as the corresponding OCP land use designations will reflect the supportable land uses that Staff will forward for Council's consideration. This will allow applications which have been held pending resolution to the servicing questions in the area to proceed to Council for consideration.

These amendments will give land use clarity to residents of the area and potential investors and clarify future Bylaw enforcement actions. In order for the updated land use strategy to be successful, a bylaw enforcement strategy must be implemented concurrently. This strategty is detailed in the following section.

#### Proposed Bylaw Enforcement Strategy:

Staff are recommending the following enforcement strategy for the Areas shown in Attachment A, Subject Area:

- Provide notification to the affected residents of the City's intent to enforce its bylaws. The notification will provide information regarding permitted uses and requirements under the existing A1 Zone, permitted uses and requirements under the I6 Zone (should an application for rezoning be successful), current infractions, the rezoning process, and Bylaw Enforcement Notice. The intent of this information package is to assist residents to become compliant with the City's bylaws. Residents will have one month to indicate whether or not they wish to pursue rezoning or pursue the relocation of their business.
- A six month grace period, on progressive enforcement action, will be granted for those who do not reply or indicate that they wish to pursue either rezoning or relocation. Many of these residents are providing seasonal storage of vehicles.
- A one year grace period will be granted to those residents who do respond to the notification letter and indicate that they wish to relocate their business or rezone their property.

Once the grace period has expired, or should residents indicate that they do not wish to pursue rezoning or relocation of their business, the City will follow its standard progressive enforcement procedures, starting at fines and moving to court injunctions.

#### The Recommended Land Use and Bylaw Enforcement Strategy:

- 1. Discontinue any further action to pursue a local service area to enable rezoning of the Appaloosa subject area.
- 2. Pursue further changes to the OCP Future Land Use Designation as described above.
- 3. Start enforcement in the manner described above immediate over the areas shown in appendix A and over the entire Appaloosa subject area 6 months after the proposed OCP changes are complete.

#### **Communications:**

A letter will be sent back to the residents of the Appaloosa identifying the results of the public survey and any land use and bylaw enforcement strategy that Council adopts.

#### Internal Circulation:

Urban Planning Manager Policy & Planning Manager Building & Permitting Manager Bylaw Services Manager City Clerk

#### Considerations not applicable to this report:

Legal/Statutory Authority: Legal/Statutory Procedural Requirements: Existing Policy: Personnel Implications: External Agency/Public Comments: Alternate Recommendation:

Submitted by:

R.Smith, Community Planning Manager

Approved for inclusion:

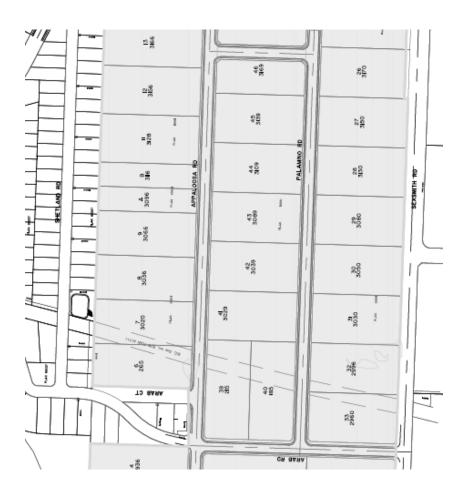


D.Gilchrist, Divisional Director Community Planning and Real Estate

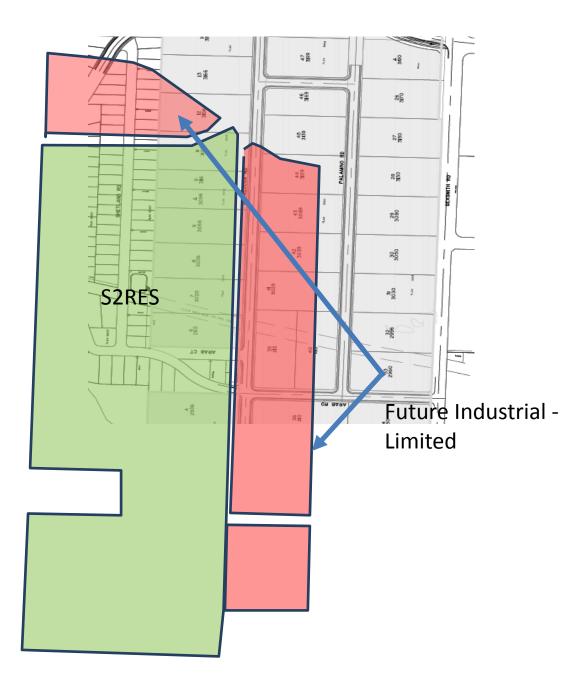
Attachment A, Subject Area, Attachment B, OCP Changes Attachment C, Summary Table of Permitted I6 Uses

cc: Divisional Director, Communications & Information Svcs Divisional Director, Community Planning & Real Estate Divisional Director, Infrastructure Manager of Utilities Planning Policy & Planning Department Manager

## Attachment A -Subject Area



## Attachment B - OCP Changes



## Attachment C - 16 Zone Permitted Uses

#### 15.6 I6 – Low-Impact Transitional Industrial

#### I6lp – Low-Impact Transitional Industrial (Liquor Primary)

#### 15.6.1 Purpose

The purpose is to provide a zone for a range of low-impact transitional industrial land uses which are appropriate as a transition between established industrial land uses and residential, rural, and agricultural land uses. Uses should be primarily indoors, with limited outdoor storage behind extensive buffering or screening. This zone is only available for land that is designated in the City of Kelowna Official Community Plan for Industrial - Limited.

#### 15.6.2 Principal Uses

The principal uses in this zone are:

- animal clinics, major a)
- animal clinics, minor b)
- c) automotive and equipment repair shops
- d) business support services
- commercial storage e)
- f)
- contractor services, general contractor services, limited g) h)
- custom indoor manufacturing
- i) emergency and protective services
- j) equipment rentals
- k) general industrial use, limited
- 1) household repair services
- m) outdoor storage
- participant recreation services, indoor n)
- private clubs 0)
- p) recycling depots
- single dwelling housing q)
- utility services, minor impact r)
- vehicle and equipment services, limited S)

#### 15.6.3 Secondary Uses

The secondary uses in this zone are:

- home based businesses, major a)
- home based businesses, minor b)
- residential security/operator unit C)
- d) secondary suite within single dwelling housing

#### 15.6.4 Subdivision Regulations

- The minimum lot width is 40.0 m. a)
- b) The minimum lot depth is 50.0 m.
- The minimum lot area is 1.0 ha unless a connection to the community sanitary C) sewer system, in accordance with the requirements of the City of Kelowna's Subdivision, Development & Servicing Bylaw has been installed. If a connection to a community sanitary sewer system is available the minimum lot area is 3500 m<sup>2</sup>.

## **CITY OF KELOWNA**

## BYLAW NO. 11333 TA16-0005 — Secorndary Suites Amendment

A bylaw to amend the "City of Kelowna Zoning Bylaw No. 8000".

The Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- THAT Section 2 Interpretation, 2.3 General Definitions be amended by adding the following "that has been issued an Occupancy Permit," after the words "SECONDARY SUITE means an additional dwelling unit" in the SECONDARY SUITE definition;
- 2. AND THAT Section 9 Specific Use Regulations, 9.5b Carriage House Regulations be amended by adding a new sub-section 9.5b.16 that reads:
  - "9.5b.16 Carriage houses are permitted only on lots with an installed connection to the community sanitary sewer system (in accordance with the requirements of the City of Kelowna's Subdivision, Development, & Servicing Bylaw) except carriage houses are permitted on lots that have an onsite sewage disposal system if the lot has a minimum area of 1.0hectare."
- 3. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first time by the Municipal Council this 12<sup>th</sup> day of December, 2016.

Considered at a Public Hearing on the 7<sup>th</sup> day of February, 2017.

Read a second and third time by the Municipal Council this 7<sup>th</sup> day of February, 2017.

Approved under the Transportation Act this 17<sup>th</sup> day of February, 2017.

<u>\_\_Audrie Henry</u>

(Approving Officer-Ministry of Transportation)

Adopted by the Municipal Council of the City of Kelowna this

Mayor

City Clerk

## **CITY OF KELOWNA**

## BYLAW NO. 11356

## Discharge of Land Use Contract LUC78-1024 - (M27805) LUC76-1088 - (N74841) 1945 Bennett Road

WHEREAS a land use (the "Land Use Contract") is registered at the Kamloops Land Title Office under number M27805 and N74841 against lands in the City of Kelowna particularly known and described as Lot 46, Section 17, Township 23, ODYD, Plan 31701 (the "Lands"), located at 1945 Bennett Road, Kelowna, B.C.;

WHEREAS Section 546 of the *Local Government Act* provides that a land use contract that is registered in a Land Title Office may be discharged in the manner specified in the Land Use Contract, by bylaw following a public hearing on the proposed bylaw;

NOW THEREFORE, the Municipal Council of the City of Kelowna, in open meeting assembled, enacts as follows:

- 1. This Bylaw may be cited for all purposes as "Land Use Contract LUC78-1024 and LUC76-1088 Discharge Bylaw".
- 2. The Land Use Contract is hereby cancelled and of no further force and effect and the City of Kelowna is hereby authorized and empowered to apply for the discharge of the Land Use Contract from the Lands.

Read a first time by the Municipal Council this 30<sup>th</sup> day of January, 2017.

Considered at a Public Hearing on the 21<sup>st</sup> day of February, 2017.

Read a second and third time by the Municipal Council this 21<sup>st</sup> day of February, 2017.

Adopted by the Municipal Council of the City of Kelowna this

Mayor

City Clerk

# **Report to Council**



Date:	2/27/2017
File:	1120-21-010
То:	City Manager
From:	J. Säufferer, Manager, Real Estate Services
Subject:	Project Update – Public Placemaking (Bernard Avenue Laneway)
	Report Prepared by: B. Walker, Property Officer II

#### **Recommendation:**

THAT Council receives, for information, the Report from the Manager, Real Estate Services dated February 27, 2017, with respect to updating Council on the status of the Bernard Avenue Laneway project;

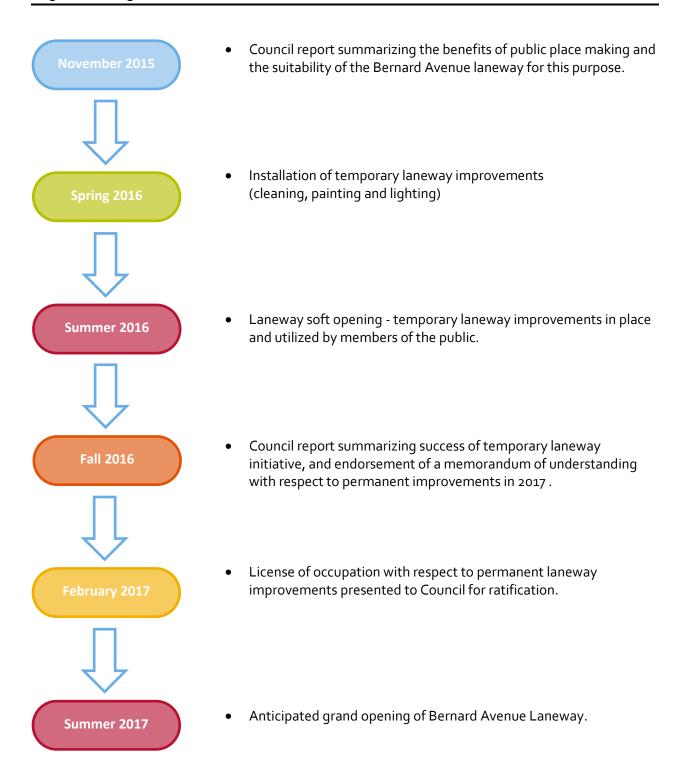
AND FURTHER THAT Council endorse the License of Occupation between the City of Kelowna and Mr. Bill Scutt, dated January 01, 2017 and attached to the Report of the Manager, Real Estate Services, dated February 27, 2017;

#### Purpose:

To endorse a Licence of Occupation with respect to various permanent site improvements intended to activate, animate and re-vitalize the Bernard Avenue laneway.

#### **Project Background:**

The animation and activation of the Bernard Avenue laneway as a key public space in the heart of Downtown Kelowna has been a key staff initiative since the concept was initially presented to – and approved by - council in November 2015 (corresponding council report attached as Schedule "B"). Since that time, Staff and community stakeholders have had extensive discussions in order to make this project a reality. Key milestones to date include the following:



The proposed License of Occupation (the "License") will see Bill Scutt, the owner of the lands adjacent to the laneway, enter into a formalized partnership agreement with the City for the on-going activation, animation and revitalization of the Bernard Avenue laneway. Key aspects of the Licence, a copy of which is attached as Schedule "A", include the following:

- A generally agreed to concept design for the various laneway improvements (see attached Schedule "C"), with the finalized site plan subject to staff approval. Improvements will include new hard surface, lighting, and landscaping.
- Mr. Scutt to fund general site improvements related to construction of the laneway, with total costs estimated to be in the range of \$70,000 (see attached Schedule "D").
- The City to grant a seven-year License of Occupation related to a concession use within the laneway with the following related conditions:
  - Final selected concession contractor to be approved by City;
  - Estimated annual market value of License of Occupation in the range of \$10,000;
  - License area clearly defined to a +/-160 square foot portion at the rear of the laneway, in addition to an associated patio seating area (see Schedule "E"); and,
  - City to waive annual license payments until such a time as the capital costs incurred with respect to the laneway improvement works have been recovered.
- Mr. Scutt and the City to agree to a maintenance program for the license area and the laneway.

#### **Moving Forward**

Following the endorsement of the Licence of Occupation by Council, Mr. Scutt will work with a local contractor to determine a construction schedule. Both the City and Mr. Scutt are targeting a Summer 2017 official opening of the Bernard Avenue Laneway.

#### Public Space Enhancement Program

Given the merits of public place-making, particularly with respect to key underutilized spaces such as laneways, Staff are exploring the potential for a more general Public Space Enhancement Program designed to encourage similar initiatives throughout the City. The program would be intended to provide high-level direction and support to community stakeholders that wish to reclaim unused or underutilized public spaces in their immediate neighborhood via a city-supported 'tool-kit' outlining the process, funding opportunities, potential constraints, etc. Staff anticipate working on this program throughout the majority of 2017, with the intention of providing a formalized report to council in late 2017 or early 2018.

#### Internal Circulation:

Manager, Urban Planning Department Manager, Community Planning Manager, Development Engineering Department Manager, Integrated Transportation Manager, Long Range Policy & Planning Manager, Grants & Partnerships Manager, Cultural Services Community Engagement Consultant Divisional Director, Active Living & Culture Manager, Accounting Operations

#### Considerations not applicable to this report:

Financial/Budgetary Considerations: Legal/Statutory Authority: Legal/Statutory Procedural Requirements: Existing Policy: Personnel Implications: External Agency/Public Comments: Communications Comments: Alternate Recommendation:

Submitted by: J. Säufferer, Manager, Real Estate Services

#### Approved for inclusion: D. Edstrom, Director, Enterprise Kelowna

- Attachments: 1. Schedule A Licence of Occupation
  - 2. Schedule B November 2015 Council Report
  - 3. Schedule C September 2016 Council Report
  - 4. Schedule D Landscape Concept and Rendering
  - 5. Schedule E Cost Estimate
  - 6. Schedule F Licence Area
  - 7. Schedule G PowerPoint
- cc: T. Barton, Manager, Urban Planning
  - R. Smith, Community Planning Department Manager
  - J. Kay, Manager, Development Engineering
  - R. Pacheco, Integrated Transportation Department Manager
  - J. Moore, Long Range Policy & Planning Manager
  - L. Gunn, Manager, Grants & Partnerships
  - S. Kochan, Manager, Cultural Services
  - K. O'Rourke, Community Engagement Consultant
  - J. Gabriel, Divisional Director, Active Living & Culture
  - G. Filafilo, Accounting Operations Manager

#### Schedule A

## LICENCE OF OCCUPATION

THIS AGREEMENT dated for reference the 1st day of January, 2017.

BETWEEN:

**CITY OF KELOWNA**, a municipal corporation having its office at 1435 Water Street, Kelowna, BC., V1Y 1J4

(the "City")

AND:

OF THE FIRST PART

#### VIEWCREST ESTATES LTD.

107-1180 Sunset Drive, Kelowna, BC., V1Y9W6

(the "Licencee")

OF THE SECOND PART

#### WHEREAS:

- A. The City is the owner of the dedicated roadway located between 223 Bernard Avenue and 227 Bernard Avenue in the City of Kelowna, as shown in blue on the attached Schedule 'A' (the "Property");
- B. The Licencee, operating as Viewcrest Estates Ltd., is the legally registered owner of 223 Bernard Avenue and 227 Bernard Avenue, both of which lie immediately adjacent to the Property, to the west and east respectively;
- C. The Licencee wishes to license a portion of the Property (the "License Area") to operate a food concession (the "Concession"), subject to the restrictions and limitations of this agreement; and,
- D. The City is prepared to grant the Licencee a Licence of Occupation pursuant to Section 35(11) of the *Community Charter*, S.B.C. 2003, c.26 for a term of 7 years over the Licence Area to enable the Licencee to operate the Concession.

NOW THEREFORE in consideration of the payment of one dollar (\$1.00) and other good and valuable consideration, from the Licencee to the City, the receipt and sufficiency is hereby acknowledged, the City and the Licencee covenant and agree as follows:

- 1. **Grant** The City grants to the Licencee the non-exclusive right and licence to enter onto and use that portion of the Property having an approximate area of 72 square meters and shown hatched in blue as the Licence Area on Schedule "B" which is attached hereto for the purposes of operating the Concession.
- 2. New Construction To facilitate the operation of the Concession and improve the public appeal of the Property, the Licencee agrees to make improvements to the Property as shown on Schedule "C" (the "Laneway Improvements"). All costs associated with the Laneway Improvements, as itemized on Schedule "D" (the "Laneway improvements Construction Costs"), will be borne by the Licencee. The Licencee will be required to obtain all required permits with regards to the improvements.
- 3. **Interim Access -** For the purposes outlined in Section 2, the Licencee, via it's agents, sub-contractors, and employees, shall have the right to bring onto the Property all necessary materials, vehicles, machinery and equipment, effective as of the date of execution of this agreement.
- Term The duration of this Agreement and Licence herein granted shall be for a term of 7 years commencing May 1<sup>st</sup> 2017 and terminating on April 1<sup>st</sup> 2024, unless earlier terminated in accordance with Section 21.
- 5. **License Fee** The Licencee agrees to make annual payments with respect to the License Area as shown in the Fee Schedule attached as Schedule "E". Annual license fee payments are due at the end of each year of the term. It is the expectation that the Licensee will have an outstanding credit balance of \$70,000 to reflect the Laneway Improvements Construction Costs incurred by the Licensee at the time the first annual payment of \$10,000 is due; as such, payment of the annual license fee's will be via a reduction in the Licensee's outstanding credit balance, as shown on Schedule "E".
- 6. **Extension** The term of this Licence of Occupation may be renewed for a 3-year period (the "Renewal Period") upon written agreement by the City and the Licencee. Compensation to the City by the Licencee for the Renewal Period will be subject to negotiations between the parties at that time.
- 7. **State of Licence Area at Termination** In the event that this Agreement terminates or expires for any reason, the Licencee will cease all occupation of the Licence Area and will remove all equipment, chattels, fixtures, buildings and other improvements from the Licence Area. The Licencee will leave the Licence Area in a safe, clean and tidy condition and clear of contamination occurring since the date of commencement of this Agreement. In the event that the Licencee fails to remove any equipment or chattels upon termination of this Agreement then the City may do so and recover the expense thereof from the Licencee. All buildings, improvements and fixtures remaining on the Licence Area become the sole property of the City upon termination of this Agreement, without any compensation whatsoever to the Licencee.
- 8. **Non-exclusive Use** The Licencee agrees that:

- abte granted under this Agreement do not constitute
- the rights granted under this Agreement do not constitute any interest in the Licence Area or entitle the Licencee to exclusive possession of the Licence Area;
- (b) the Licencee's rights under this Agreement are at all times subject to the rights and interest of the City as owner and possessor of the Licence Area.
- 9. **No Waste or Nuisance** The Licencee will not do or permit anything that may become a nuisance to occupiers or invitees on adjoining lands.
- 10. **Terms and Conditions** The Licencee will comply with all the terms, conditions, rules or regulations that the City may from time to time impose in respect of the use and administration of the Licence Area. The Licencee acknowledges that the fact that the Licence is granted by the City does not excuse the Licencee from obtaining building permits, development permits, business licences and other required permissions.
- 11. **Maintenance** The Licencee will at its own expense keep the Licence Area and the Property in a safe, clean and tidy condition, subject to the maintenance and repair responsibilities agreed to by the parties and attached to this agreement as Schedule 'F'.
- 12. **Compliance with Laws** The Licencee will comply with all laws and regulations pertaining to its use and occupation of the Licence Area and the construction of the Improvements.
- 13. **Inspection by the City** The City may review and inspect the Licence Area, the Improvements and the Concession which the Licencee is undertaking pursuant to this Agreement to determine if the Licencee is in compliance with the terms of this Agreement.
- 14. **Transfer of Rights** The City and the Licencee agree that the Licencee will solicit thirdparty assistance to:
  - a. construct the Improvements on the Property (the "Construction Contractor"); and,
  - b. operate the Concession on the License Area (the "Concession Contractor").

While selection and oversight of the Construction Contractor and the Concession Contractor is the responsibility of the Licencee, final approval of the Licencee's chosen Construction Contractor and Concession Contractor is at the sole discretion of the City. The City agrees not to unreasonably withhold approval of the Licencee's preferred choice of Construction Contractor and Concession Contractor provided the respective requirements in Schedule 'G' are met.

- 15. Risk License Area & Concession The Licencee accepts the Licence Area on an asis basis and agrees that it will use the Licence Area at its own risk, and the City will not be liable in respect of any loss of life, personal injury, damage to property, loss of property or other loss or damage suffered by the Licencee, its contractors, subcontractors, agents, invitees, employees or any other person arising out of this Agreement or the use and occupation of the Licence Area except in the case of negligence or wilful act or omission by the City, its employees, agents or invitees.
- 16. **Risk Property & Improvements -** The Licencee accepts the Property on an as-is basis and agrees that it will construct the Laneway Improvements at its own risk, and the City

will not be liable in respect of any loss of life, personal injury, damage to property, loss of property or other loss or damage suffered by the Licencee, its contractors, subcontractors, agents, invitees, employees or any other person arising out of this Agreement or the construction of the Improvements, except in the case of negligence or wilful act or omission by the City, its employees, agents or invitees.

- 17. **Frustration** if the License Area is substantially damaged or destroyed by any cause, including work completed by the City, it's employees, agents or contractors, with respect to the underground utilities within the License Area and the Property, to the extent such that in the reasonable opinion of the City the License Area cannot be repaired or rebuilt (based on standard hours of construction work) within 30 days after the occurrence of the damage or destruction, then either the City or Licencee may at its option, indicate by written notice to the other party that it wishes to terminate this License of Occupation.
- 18. Indemnity The Licencee will indemnify and save harmless the City and its elected and appointed officials, officers, employees, agents and others from and against any claim, action, damage, liability, cost and expense in connection with loss of life, personal injury, loss of property, damage to property or other loss or damage arising from this Licence or any occurrence on or around the Licence Area during the term of this Licence, or by use or occupancy of the Licence Area by the Licencee or any default of the Licencee under this Agreement or any wrongful act, omission or negligence of the Licencee or its officers, employees, contractors, agents or others for whom the Licencee is responsible. This indemnity will survive the expiry or sooner termination of this Agreement.
- 19. **Release** The Licencee hereby releases and forever discharges the City, its elected officials, officers, employees, agents and invitees, of and from any claim, causes of action, suit, demand, expense, cost, legal fees and compensation of whatever kind, whether known or unknown, at law or in equity, including without limitation any claim under the *Property Law Act* (collectively "Claims"), which the Licencee may have, sustain or suffer, as the case may be, now or in the future arising from the Works, other improvements in the Licence Area, the expiry or termination of this Licence, the exercise by the City of any of its rights under this Licence or from or in any way connected with the Licencee's use of the Licence Area, except claims arising from the exclusive negligence of the City.
- 20. **Insurance** During the term of this Agreement, the Licencee will carry public liability insurance, in a form and with an insurer acceptable to the City, insuring the Licencee and the City under this Agreement in an amount not less than \$5,000,000.00 per occurrence, and any other type of insurance that the City may reasonably require. The Licencee will provide the City with proof of insurance at the time of execution of this Agreement and at other times upon request.
- 21. **Termination** The City reserves the right to terminate this Agreement if the Licencee breaches any of its obligations under this Agreement and fails to remedy the breach within thirty (30) business days of receiving written notice from the City. Furthermore, this Agreement may be terminated subject to Section 17.

Should the Licencee breach its obligations leading to a termination of the Licence, or should the Licencee choose to terminate the License outside of Section 17, then the City will not be liable to compensate the Licencee for damages, costs, or losses resulting from said termination, including any unrecovered Capital Costs incurred by the Licensee.

Should the Licence be terminated under mutually agreeable terms by the Licencee and the City, any unrecovered Capital Costs incurred by the Licencee (as defined in Schedule "D") will be repaid to the Licencee in a manner agreed to between the City and the Licencee at that time.

The City additionally reserves the right to terminate this Agreement in the event that no significant amount of work has been completed with respect to the Laneway Improvements within 6 months of the commencement of the term (the "Work Expectation Date"), or within 30 day extensions of the Work Expectation Date, such extensions to be issued at the City's discretion. In the event that the agreement is terminated under this condition, the City will not be liable to compensate the Licencee for damages, costs, or losses resulting from said termination, including any unrecovered Capital Costs incurred by the Licensee.

22. **Notices** – Any notice given pursuant to this Agreement will be sufficiently given if it is in writing and delivered by hand or mailed by prepaid registered mail or sent by facsimile transmission to the intended party at its address set out on page 1 of this Agreement or to such other address as either party may provide in writing to the other pursuant to the provisions of this paragraph.

All notices to the City must be marked to the attention of the City Clerk.

A notice will be deemed to be received on the day it is delivered, if delivered by hand, on the day of transmission, if sent by facsimile, or 3 days after the date it was mailed or if that day is not a business day, the next day that is a business day. If mailed, should there be at the time of mailing or between the time of mailing and the deemed receipt of the notice, a mail strike or slowdown, labour or other dispute which might affect the delivery of such notice by the mails, then such notice will only be effective if delivered by hand or sent by facsimile transmission.

- 23. **No Effect on Laws or Powers** Nothing contained or implied herein prejudices or affects the City's rights and powers in the exercise of its functions pursuant to the *Local Government Act* or its rights and powers under any enactment to the extent the same are applicable to the Licence Area, all of which may be fully and effectively exercised in relation to the Licence Area as if this Agreement had not been fully executed and delivered.
- 24. **Severance** If any portion of this Agreement is held invalid by a Court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid must not affect the validity of the remainder of the Agreement.
- 25. **Further Actions** Each of the parties hereto shall from time to time hereafter and upon any reasonable request of the other, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement.
- 26. **Waiver or Non-action** Waiver by the City of any breach of any term, covenant or condition of this Agreement by the Licencee must not be deemed to be a waiver of any subsequent default by the Licencee. Failure by the City to take any action in respect of any breach of any term, covenant or condition of this Agreement by the Licencee must not be deemed to be a waiver of such term, covenant or condition.

27. **Reference** – Every reference to a party is deemed to include the heirs, executors, administrators, successors, servants, employees, agents, contractors and officers of such party wherever the context so requires or allows.

#### 28. General –

- (a) This Agreement will bind and benefit each party to this Agreement, and its respective corporate successors;
- (b) This Agreement constitutes the entire agreement between the parties and may not be amended except by agreement in writing signed by all parties to this Agreement;
- (c) Time is of the essence of this Agreement;
- (d) This Agreement must be construed according to the laws of the Province of British Columbia.
- (e) This License of Occupation is subject to approval of City of Kelowna Council.
- 29. Schedules the attached schedules, as summarized below, form part of this Agreement:
  - a. Schedule A the Property
  - b. Schedule B the License Area
  - c. Schedule C Laneway Improvements
  - d. Schedule D Laneway Improvements Construction Costs
  - e. Schedule E Fee Schedule
  - f. Schedule F Maintenance & Repair Schedule
  - g. Schedule G Third-Party Contractor Schedule

As evidence of their agreement to be bound by the above terms and conditions, the parties have executed this Agreement below on the dates written below.

SIGNED, SEALED & DELIVERED by the CITY OF KELOWNA, in the presence of:	) ) ) <b>CITY OF KELOWNA</b> by its authorized ) signatories:
Signature of Witness	_ ) ) )
Print Name	_)
Address	_ ) ) )

Occupation	_)
*As to both signatures	)
<b>SIGNED, SEALED &amp; DELIVERED</b> by the @, in the presence of:	) ) ) @t
	)  sigr _)
Signature of Witness	) ) _)
Print Name	) Print ) )
Address	) ) ) Print
Occupation *As to both signatures	// ) )

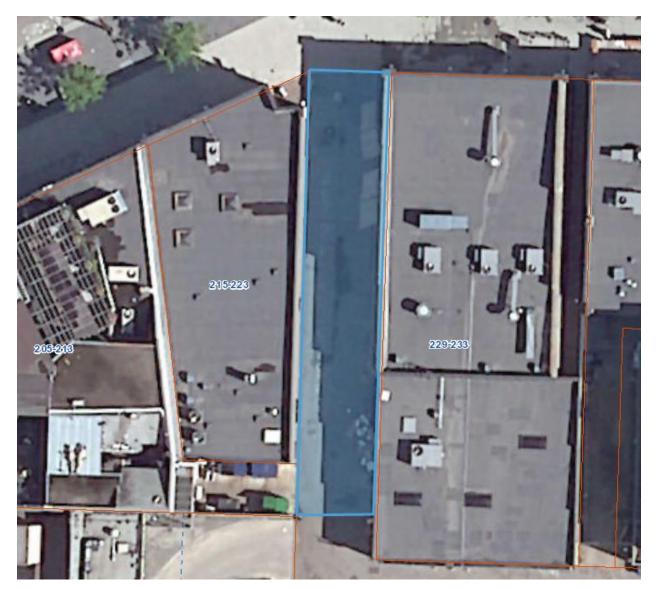
@ by its authorized signatories:

Print Name:

Print Name:

Schedule "A"

## [PROPERTY]



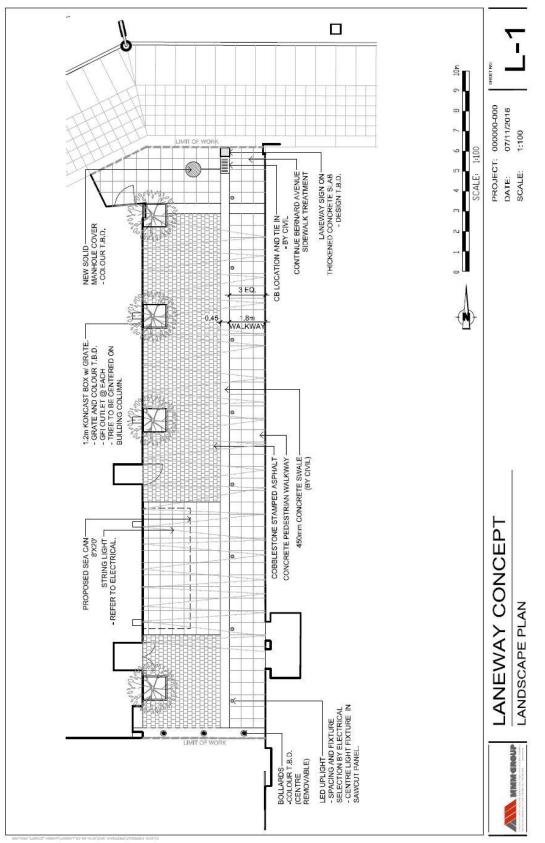
Schedule "B"

[LICENSE AREA]



License area is set at 18x4m (equaling 72m2 in area). South west corner of the licence area begins at the south east corner of the adjacent legal address at 223 Bernard Avenue. Schedule "C"

**ILANEWAY IMPROVEMENTS1** 



## [LANEWAY IMPROVEMENTS PRELIMINARY CONSTRUCTION COSTS]

Lar	neway Concept				
Prel	iminary Estimate				
Base	d on Landscape Concept November 2016			Date	2016-11-16
Item	Description	Units	Quantity	Unit Price	Amount
1	Construction Requirements				
1.1	Concrete	ls.	1	13,480.00	\$13,480.00
1.2	Sawcut	ls.	1	1,262.00	\$1,262.00
1.3	Bollards	ls.	1	3,000.00	\$3,000.00
1.4	Kon Kast – Tree Boxes	ls.	1	2,600.00	\$2,600.00
1.5	Manhold Cover	ls.	1	2,520.00	\$2,520.00
1.6	Trees / Soil	ls.	1	180.00	\$180.00
1.7	Asphalt	ls.	1	3,420.00	\$3,420.00
1.8	Asphalt Stamping (TBD)	ls.	1	TBD	TBD
1.1	Forklift / Truck	ls.	1	2,000.00	\$2,000.00
1.11	Labour	ls.	1	6,000.00	\$6,000.00
1.12	Electrical	ls.	1	22,500.00	\$22,500.00
1.13	Saddle for roof / light Connection	ls.	1	3,000.00	\$3,000.00
1.14	Powder Coating	ls.	1	1,250.00	\$1,250.00
1.15	Signage	ls.	1	2,500.00	\$2,500.00
1.16	Cath Basin	ls.	1	3,000.00	\$3,000.00
	Constuction Requirements Total:				\$66,712.00
	Project Sub Total				\$66,712.00
	GST				\$3,335.60
	Project Total				\$70,047.60

## Schedule "E"

## [FEE SCHEDULE]

	Annual Fee	Outstanding Balance	Unrecovered Capital Costs in the event of mutual agreed to termination
Opening Balance		\$70,000	n/a
Year 1	\$10,000	\$60,000	\$60,000
Year 2	\$10,000	\$50,000	\$50,000
Year 3	\$10,000	\$40,000	\$40,000
Year 4	\$10,000	\$30,000	\$30,000
Year 5	\$10,000	\$20,000	\$20,000
Year 6	\$10,000	\$10,000	\$10,000
Year 7	\$10,000	\$0	\$0

## Schedule "F"

## [MAINTENANCE & REPAIR SCHEDULE]

Item	License Area		Balance of Property	
	City	Licencee	City	Licencee
General sweeping/garbage removal	No	Yes	Yes	No
Emptying and maintenance of waste bin	No	Yes	Yes	No
Maintenance of public seating area	NA	NA	Yes	No
Maintenance of concession seating area	No	Yes	NA	NA
Maintenance of street surface	No	Yes	Yes	No
Irrigation of Trees	No	Yes	No	Yes
Landscaping maintenance & repair	Yes	No	Yes	No
Lighting (repair of light bulbs, etc.)	Yes	No	Yes	No
Graffiti / Vandalism	No	Yes	Yes	No
Snow removal	No	Yes	Yes	No

#### Schedule "G"

#### [THIRD-PARTY CONTRACTOR SCHEDULE]

Minimum Requirements Associated with Construction Contractor

- 2 million dollars in liability insurance
- Obtain road usage permit and meet requirements that fall under the permit

Preferred Requirements Associated with Concession Contractor \*

- Established food & beverage provider (5+ years' experience)
- Existing downtown Kelowna brick & mortars location
- Provide Healthy Food Choices
- \* City approval is required for the selection of the Concession Contractor

Scope of Services and Licencee Expectations:

- Design of the Seacan is to be approved by the City of Kelowna
- All associated utility / servicing updates associated with the Licence Area are the responsibility of the Licencee
- Should the City require access to the Laneway for any construction requirements than it is the Licencee's responsibility to more the Seacan

## Report to Council

Date:11/23/2015File:1120-21-010To:City ManagerFrom:J. Säufferer, Manager, Real Estate ServicesSubject:Public Place Making Initiative - Bernard Ave Laneway<br/>Report Prepared by: B. Walker, Property Officer II



#### Recommendation:

THAT Council receives, for information, the Report from the Manager, Real Estate Services dated November 23<sup>,</sup> 2015, with respect to the benefits of public placemaking in the City of Kelowna;

AND THAT Council directs staff to explore the viability and potential for a public placemaking initiative for the Bernard Avenue laneway, across from the sails sculpture and adjacent to 229 Bernard Avenue and report back to Council.

#### Purpose:

To advise Council of the benefits of public place making and obtain Council support to explore a public placemaking initiative with respect to the vacant Bernard Avenue laneway adjacent to 229 Bernard Avenue.

#### Project Background:

#### Public Placemaking

Public place making has been defined as "a collaborative process by which we can shape our public realm in order to maximize shared value"<sup>1</sup>. In this context, targets of public placemaking initiatives often include underutilized public spaces (such as laneways and alleys), as these provide an ideal environment to capture and foster the needs, culture and character of the local community in a manner that maximizes impacts and minimizes costs. Successful public placemaking projects create a flexible and fully programmable environment that has the ability to accomplish a variety of events and functions. These spaces are often interchangeable to accommodate a variety of activities such as:

- Simple passive urban pocket parks or plazas; or,
- An entertaining space filled with activities ranging from food vendors, festival sites, live performances, movie screenings, and even special diner events.

<sup>&</sup>lt;sup>1</sup> Project For Public Spaces; "What is Placemaking"; www.pps.org

Key examples of revitalized public laneway projects include the following:

- 2013 Laneway Project Kelowna, British Columbia
- The Laneway Project Toronto, Ontario
- Kimber Lane Sydney, Australia
- Camberwell Laneway Boroondara, Australia
- Hidden Laneway Project Melbourne, Australia
- Green Alley Program Chicago, United States

#### The Bernard Avenue Laneway

The Bernard Avenue laneway is a prominent, yet underutilized public space in the heart of the downtown located at the west end of Bernard Avenue, directly across from the Sails sculpture. The laneway runs north to south, connecting Bernard Avenue to Lawrence Avenue. As such, it serves a number of practical purposes such as:

- a utility corridor for municipal utilities;
- a service corridor for deliveries and waste management for surrounding businesses; and,
- a key access corridor connecting pedestrians between Leon Avenue, Lawrence Avenue and Bernard Avenue.

The location of the laneway, including photos of its current condition, are attached as Schedule "A".

#### History of "The Laneway Project"

In August 2013, a temporary parkette titled "The Laneway Project" was installed along the Bernard Avenue laneway. The project's intent was to reinvent a small piece of unused land that had long been ignored, overlooked and abandoned, and turn it into a vibrant and animated space for expanded social opportunity. The installation was the result of a collaboration of minds that included local landscape architects, architects, artists, industrial designers, fabricators, and, most importantly the public.

Team members took a nontraditional approach to the public laneway installation known as "Tactical Urbanism" (i.e. a "do it yourself" intervention on the urban environment) and in doing so they were able to construct the project so that it aligned with the 2013 Summer Block Party (run by the Downtown Kelowna Association). As a result of this installation, over 200 members of the public signed a petition in support of a permanent pedestrian laneway.

Photos from the Laneway Project are attached as Schedule "B".

Given the prominent location of the Bernard Avenue laneway, its underutilized potential, and the previous success and public support experienced in the 2013 "Laneway Project", the Bernard Avenue laneway appears to be an ideal target for a more permanent public placemaking initiative.

#### Advantages of a more permanent place making project

A more permanent place making project for the Bernard Avenue laneway would be expected to include the following benefits and opportunities for the downtown:

- create a blueprint and act as a catalyst for the development of other downtown laneways in the future;
- build and support the local economy;
- create improved safety and accessibility for pedestrians using the laneway;
- create a cost effective distinct urban public park; and,
- promote strong community involvement and a diverse user group.

Items that would need to be coordinated in order to implement a successful placemaking project include the following:

- cooperation from neighbouring business, community groups and land owners to ensure a unified vision and support for the initiative; and,
- working with waste management, utilities and the fire department to ensure municipal needs are met.

#### Moving Forward

With Council endorsement, the City would look to spearhead a project team to develop a placemaking initiative for the Bernard Avenue laneway in a way that reflects the local community's needs, culture and character. This would be best approached through a collaborative and cooperative process that would include key stakeholders such as the Downtown Kelowna Association, the original laneway project team, local contractors, local businesses and, most importantly, the citizens who want to directly impact the way their neighbourhood looks, feels and functions. A placemaking analysis for the Bernard Avenue laneway would include a review of the following key components:

- the advantages and disadvantages of various levels of programming and animation;
- the projected construction costs associated with the various options;
- the advantages and disadvantages of the various land tenure possibilities associated with animating the laneway (e.g. leasing the land, selling a portion of the land, etc);
- potential revenue opportunities for the space (e.g. activity concession, food and beverage concession, etc); and,
- the extent to which the various options resonate with the local community, stakeholders, and the public.

Following a comprehensive review of placemaking alternatives based on the principles above, Staff would return to Council at a future time with a recommendation for a specific placemaking initiative. This recommendation will include a description of the proposed project, costs, revenue opportunities, land use impacts, community/stakeholder support, and any other relevant details. City Manager November 23, 2015 Page 4 of 4 Pages

#### Internal Circulation:

Manager, Urban Planning Manager, Development Engineering Manager, Transportation & Mobility Manager, Long Range Policy Planning Manager, Grants & Partnerships Manager, Cultural Services Divisional Director, Active Living & Culture

#### Considerations not applicable to this report:

Financial/Budgetary Considerations: Legal/Statutory Authority: Legal/Statutory Procedural Requirements: Existing Policy: Personnel Implications: External Agency/Public Comments: Communications Comments: Alternate Recommendation:

Submitted by: J. Säufferer, Manager, Real Estate Services

Approved for inclusion: D. Edstrom, Director, Real Estate

Attachments: 1. Schedule "A" - Map and photos for Laneway

- 2. Schedule "B" Photos from the "Laneway Project"
- 3. PowerPoint Presentation

#### cc: T. Barton, Manager, Urban Planning

- S. Muenz, Manager, Development Engineering
- M. Hasan, Manager, Transportation & Mobility
- J. Moore, Long Range Policy Planning
- L. Gunn, Manager, Grants & Partnerships
- S. Kochan, Manager, Cultural Services
- J. Gabriel, Divisional Director, Active Living & Culture

## Report to Council

Date:9/19/2016File:1120-21-010To:City ManagerFrom:J. Säufferer, Manager, Real Estate ServicesSubject:Project Update - Public Placemaking (Bernard Avenue Laneway)<br/>Report Prepared by: B. Walker, Property Officer II

#### Recommendation:

THAT Council receives, for information, the Report from the Manager, Real Estate Services dated September 19, 2016, with respect to updating Council on the status of the Bernard Avenue Laneway project;

AND FURTHER THAT Council endorse the Memorandum of Understanding between the City of Kelowna and Mr. Bill Scutt, dated June 28, 2016 and attached to the Report of the Manager, Real Estate Services, dated September 19, 2016;

#### Purpose:

To endorse a Memorandum of Understanding that will frame the proposed 2017 permanent site improvements intended to rejuvenate the Bernard Avenue Laneway. It should be noted that the proposed agreement delivers the revitalized Bernard Avenue laneway at no upfront capital cost to the City.

#### **Project Background:**

#### 2016 Temporary Installation

Further to Council's support of the public place-making Report dated November 2015, the summer of 2016 saw the implementation of a number of temporary initiatives aimed at reanimating and revitalizing the Bernard Avenue laneway. Staff worked together with local stakeholders, such as the Downtown Kelowna Association (DKA), Ballet Kelowna, the Urban Development Institute (UDI) Under 40 Group, the British Columbia Society of Landscape Architects, and local business owners to transform the Bernard Avenue laneway with a number of temporary improvements. Work completed included closing the laneway to vehicular traffic, stringing lights between the adjacent buildings to create a canopy effect, removing garbage from the laneway and pressure washing the asphalt, painting the laneway with a fun and vibrant pattern, and providing wayfinding signage to help identify the space. Photos of the laneway following the completion of these improvements are shown in Schedule "A".



The improvements were well-received by the local media, with coverage from the Capital News, Castanet News, the Daily Courier, Kelowna Now and Global TV.

#### Events

Subsequent to the temporary installation works completed in June, the City of Kelowna and the DKA hosted a soft opening of the laneway, complete with free local music, refreshments, entertainment and activities on June 16<sup>th</sup>. The Bernard Avenue laneway hosted a number of other events and activities throughout the summer, including a celebration for both Canada Day and SPINCO's birthday, an outdoor recreation room as part of DKAs downtown Block Party, and countless photo shoots by locals and tourists alike.

#### Public Feedback

Over the course of the summer, a number of opportunities for feedback regarding the public's future vision for the laneway were provided. An 'idea board', used during the soft opening, provided the public with an opportunity to share their thoughts on both the soft opening as well as on how the space could be programed in the future. Additionally, staff capitalized on the reach of the Get Involved Kelowna activity space during the summer months to provide an online source for people to share their ideas as to how they believe the space could be used. Some of the more popular ideas that were presented included the following:

- A space for a small cafe or restaurant.
- A shared public / commercial space that showcases food, art and/or music.
- An overall desire to create a safer environment for people transiting through the laneway.

#### Changes Observed

The simple changes made as part of the temporary installation have had a significant positive effect on the laneway and the surrounding area. Restricting vehicular access, increasing lighting, and adding an array of bright colors has served to create a brighter, safer thoroughfare from Bernard Avenue to Lawrence Avenue. Furthermore, the improvements have led to increased pride of ownership from the adjacent business and members of the public, resulting in less debris, trash, and undesirable behavior. Finally, the improvements have served to revitalize the laneway: the area has become a trending photo space in Kelowna's downtown, and the City continues to field requests from people looking to use the space as a small pop-up crafts market or food-based venue.

#### Moving Forward

As stated in the Council Report dated November 23, 2015, the long-term vision for the Bernard Avenue laneway is the implementation of a permanent place-making initiative that serves to animate and revitalize a key under-utilized laneway in the heart of Kelowna. Recognizing the temporary nature of the work completed in 2016, staff have completed a comprehensive review of various permanent placemaking alternatives, including an analysis of relevant costs, revenue opportunities, land-use impacts, and community/stakeholder support.

Further to this review, staff recommend a permanent Bernard Avenue laneway placemaking installation that includes the following components:

- A six-foot-wide walkway clear of any obstruction running along the eastern wall<sup>1</sup> of the laneway to provide a strong public connection between Bernard Avenue and Lawrence Avenue.
- Ample lighting to enhance public safety in the evenings and highlight the eastern heritage wall.
- A large public realm at the Bernard Avenue interface designed with the ability to host programmed events such as live music or visual art performances. Staff would work with the DKA, Festivals Kelowna and other stakeholders to promote animation of this space.
- A small commercial vendor with some outdoor seating within a well-defined space at the rear of the laneway. A vendor would be selected based in part on the ability of the concession to draw people into the space and to help provide an expanded social opportunity and atmosphere.
- The installation of a number of strong physical components such as: an overhead canopy of lights to enhance safety and create a canopy effect; columnar trees to provide color and natural influence in the laneway; an entrance element (i.e. signage) along Bernard Avenue to identify the space; and vibrant colours worked into the surface treatment materials.

Staff feel that a laneway incorporating these components will meet the City's objective of animating and revitalizing the Bernard Avenue laneway in a manner that is cost effective, and sustainable, while producing a result that meets the high expectations of residents and visitors of this community alike. Preliminary laneway renderings and plans based on the principles above are shown in the attached Schedule's "B" and "C".

#### Proposed Partnership/Memorandum of Understanding

In order to realize the long-term vision for the laneway installation, staff are prepared to recommend a partnership with the Bill Scutt ("Partner"), who is also the owner of the lands adjacent to the laneway both to the east and the west. As a key stakeholder in the local community, the Partner shares the City's overall objective of animating and revitalizing the laneway in a manner that includes the previously outlined components. Furthermore, as adjacent landowner, the Partner is able to capitalize on existing utility services, such as water, gas and power, to create a high-quality concession opportunity. To this end, the Partner is prepared to enter into a non-binding Memorandum of Understanding ("MOU") with the City to further explore the viability and potential for a partnership between the two parties with respect to the laneway. Key aspects of the MOU", a copy of which is attached as Schedule "D", include the following:

<sup>&</sup>lt;sup>1</sup> Note that the eastern laneway wall (i.e. the wall 238 Bernard Avenue which fronts onto the laneway) dates back to 1904, and represents one of the few remaining original heritage walls in Kelowna's downtown.

- Subject to staff approval of a finalized site plan with respect to the laneway improvements.
- The Partner to fund general site improvements related to construction of the laneway.
- The City to grant to the Partner a five-year license of occupation for the concession portion of the laneway for an annual payment of \$10,000.
- Terms of the license of occupation that clearly define a +/-160 square foot area to the rear of the laneway, in addition to an associated patio seating area, that will be available for a commercial concession.
- The City to waive the annual license payments until such a time as the capital costs incurred by the Partner with respect to the laneway improvement works has been recovered.
- The Partner and the City to agree to a maintenance program for the laneway.

#### Moving Forward

Following ratification of the MOU by Council, staff will proceed with drafting a definitive license of occupation outlining the legal obligations of the respective parties, and with finalizing landscape construction drawings showing the various improvements to be made to the laneway, and the prescribed use of the different areas. The finalized license of occupation would be subject to Council approval prior to construction commencing in the spring of 2017.

#### Internal Circulation:

Manager, Urban Planning Manager, Community Planning Manager, Development Engineering Manager, Integrated Transportation Manager, Transportation & Mobility Manager, Long Range Policy Planning Manager, Grants & Partnerships Manager, Cultural Services Community Engagement Consultant Divisional Director, Active Living & Culture

#### Considerations not applicable to this report:

Financial/Budgetary Considerations: Legal/Statutory Authority: Legal/Statutory Procedural Requirements: Existing Policy: Personnel Implications: External Agency/Public Comments: Communications Comments: Alternate Recommendation: Submitted by: J. Säufferer, Manager, Real Estate Services

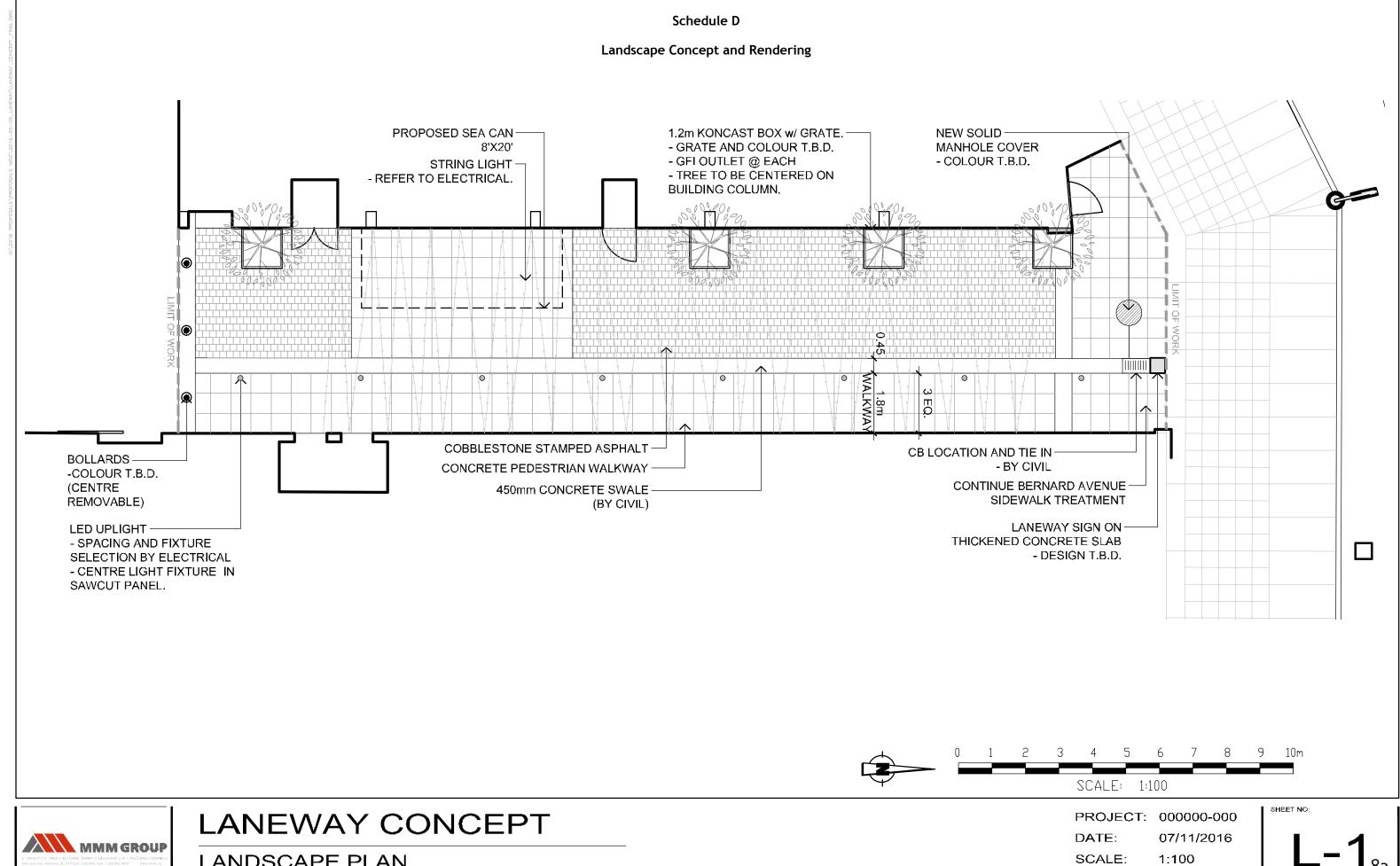
Approved for inclusion: D. Edstrom, Director, Real Estate

- Attachments: 1. Schedule A Temporary Installation
  - 2. Schedule B Laneway Rendering
  - 3. Schedule C Landscape Plan
  - 4. Schedule D Memorandum of Understanding
  - 5. Schedule E PowerPoint
- cc: T. Barton, Manager, Urban Planning
  - R. Smith, Community Planning Department Manager
  - P. Irani, Manager, Development Engineering
  - R. Pacheco, Integrated Transportation Department Manager
  - M. Hasan, Manager, Transportation & Mobility
  - J. Moore, Policy & Planning Department Manager
  - L. Gunn, Manager, Grants & Partnerships
  - S. Kochan, Manager, Cultural Services
  - K. O'Rourke, Community Engagement Consultant
  - J. Gabriel, Divisional Director, Active Living & Culture
  - G. Filafilo, Financial Projects Manager

#### Schedule D

#### Landscape Concept and Rendering





LANDSCAPE PLAN

### Laneway Concept

#### **Preliminary Estimate**

#### **Based on Landscape Concept November 2016**

#### ltem Description Units Quantity **Unit Price** Amount 1 **Construction Requirements** 1.1 Concrete ls. 1 13,500.00 \$13,500.00 1.2 Sawcut ls. 1 1,250.00 \$1,250.00 1.3 Bollards ls. 1 3,000.00 \$3,000.00 \$2,600.00 1.4 Kon Kast – Tree Boxes ls. 1 2,600.00 2,500.00 1.5 Manhold Cover ls. \$2,500.00 1 Trees / Soil \$200.00 1.6 ls. 1 200.00 1.7 Asphalt ls. 1 3,300.00 \$3,300.00 1.8 Forklift / Truck ls. 1 2,000.00 \$2,000.00 1.9 Labour ls. 6,000.00 \$6,000.00 1 1.10 Electrical ls. 1 22,500.00 \$22,500.00 1.11 Saddle for roof / light Connection 1 3,000.00 \$3,000.00 ls. Powder Coating \$1,250.00 1.12 ls. 1 1,250.00 1.13 Signage ls. 1 2,500.00 \$2,500.00 1.14 Cath Basin ls. 3,000.00 \$3,000.00 1 **Constuction Requirements Total:** \$66,600.00 Project Sub Total \$66,600.00 GST \$3,330.00 Project Total \$69,930.00

#### Date: 2016-11-16

Schedule F

[LICENCE AREA]

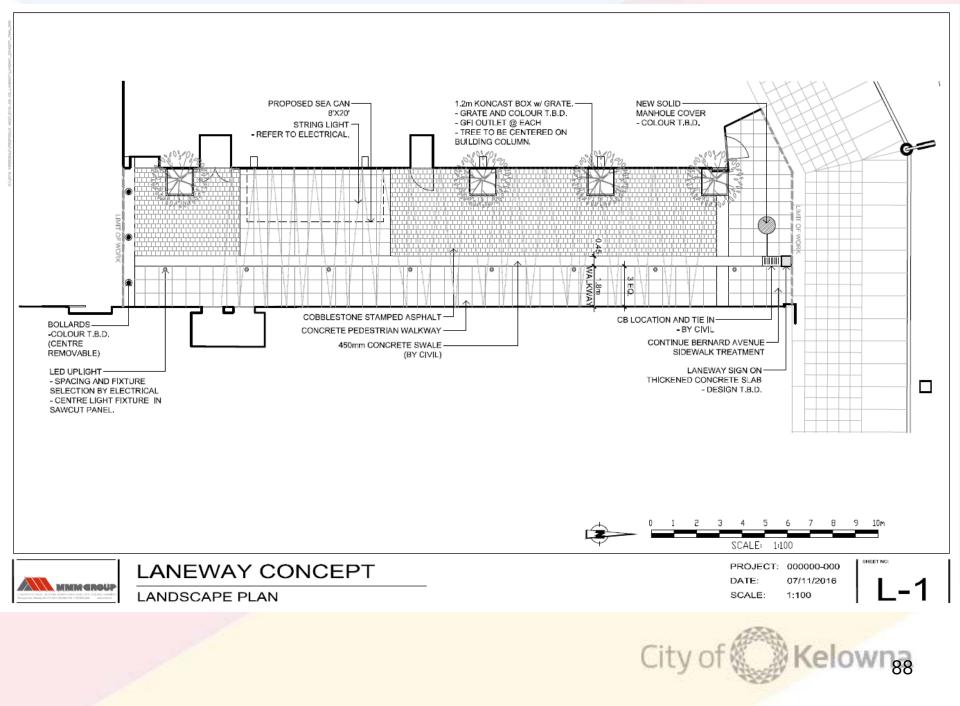


License area is set at 18x4m (equaling 72m2 in area). South west corner of the licence area begins at the south east corner of the adjacent legal address at 223 Bernard Avenue.

# Public Placemaking Bernard Avenue Laneway









Artistic Rendering – Steve Huculiak

#### CITY OF KELOWNA

#### BYLAW NO. 11331

#### Road Closure and Removal of Highway Dedication Bylaw (Portion of Knox Crescent)

A bylaw pursuant to Section 40 of the Community Charter to authorize the City to permanently close and remove the highway dedication of a portion of highway on Knox Crescent

NOW THEREFORE, the Municipal Council of the City of Kelowna, in open meeting assembled, hereby enacts as follows:

- 1. That portion of highway attached as Schedule "A" comprising 16.7m<sup>2</sup> shown in bold black as Road to be Closed on the Reference Plan prepared by Robert T. Macdonald B.C.L.S., is hereby stopped up and closed to traffic and the highway dedication removed.
- 2. The Mayor and City Clerk of the City of Kelowna are hereby authorized to execute such conveyances, titles, survey plans, forms and other documents on behalf of the said City as may be necessary for the purposes aforesaid.

Read a first, second and third time by the Municipal Council this 6<sup>th</sup> day of February, 2017.

Approved Pursuant to Section 41(3) of the Community Charter this 9<sup>th</sup> day of February, 2017.

Audrie Henry\_

(Approving Officer-Ministry of Transportation)

Adopted by the Municipal Council of the City of Kelowna this

Mayor

Bylaw No. 11331 - Page 2

City Clerk

#### Bylaw No. 11331 - Page 2

Schedule "A"

