

Report to Council



Date: October 26, 2015
File: 1200-40
To: City Manager
From: James Moore, Long Range Policy Planning Manager
Subject: Downtown Plan Annual Update

Recommendation:

That Council, receive, for information, the October 26, 2015 report from the Policy and Planning Department with respect to an annual update on the Downtown Plan.

Purpose:

To provide Council with an annual update on the initiatives and the indicators included in the 2012 Downtown Plan, 'My Downtown'.

Background:

On February 27, 2012, City Council endorsed the vision, goals, strategy, policies and monitoring system contained in *My Downtown*, the Downtown Plan (Schedule A). The Downtown Plan (the Plan) applies to the area shown on Schedule "B" attached to this report. The Plan contains a strategy and 10 year action plan towards achievement of a long term (25 year) vision. It is important to note that the creation of the Plan and the corresponding action items involved a number of key internal and external stakeholders, including Council, the Chamber of Commerce, the Downtown Kelowna Association (DKA), the RCMP and a number of City departments. These participants continue to remain important champions of the Plan.

To ensure the success of the Plan, 25 priority initiatives (action items) were recommended for implementation (pages 22 - 35). These initiatives most directly and effectively deliver on the Downtown Plan focal priorities and complement major initiatives already underway (investments in waterfront parks, Kelowna Police Services, Bernard Avenue Revitalization).

The success of the Plan is not determined purely on the number of action plan initiatives ultimately pursued; another indicator is the degree to which the goals, as noted in the Plan, have been achieved. The three goals listed in the Plan are:

1. Attract people to Downtown;
2. Increase sense of safety; and
3. Attract private sector development.

In order to monitor progress towards these goals, a list of indicators was established and is monitored on an annual basis (page 52). The status of the initiatives and the indicators will be discussed separately below.

Downtown Plan Initiatives

The Plan acknowledges that not all of the 25 project initiatives are included in the City's 10 Year Capital Plan and that timing for the projects will be dependent on future budget considerations or external funding sources. The Plan also recognizes that the initiatives pursued over the life of the Plan may change in response to evolving opportunities.

In June, 2015, staff reviewed and amended the 25 project initiatives in order to reflect accurately completed initiatives, amended initiatives, updated budgets and updated timelines (as shown in Schedule C - all changes to the initiatives are reflected using red font; wording deleted in strikethrough). A rationale for the changes has also been included in the attachment.

The Downtown Area has had a number of successes since the Downtown Plan was endorsed in 2012. Notably, approximately half of the initiatives are complete or are currently underway / on-going. Some of the recent successes from the initiatives that are complete or are currently underway include, but are not limited to:

- The expanded and improved Queensway Transit Exchange (complete);
- The new public pier (complete);
- The construction of Stuart Park (Phase 2 complete);
- The Memorial Parkade (currently being built); and
- The Okanagan Centre for Innovation (currently being built).

Further to these successes, there have been a number of other projects in the Downtown Area that do align with the plan's objectives, but which were not noted as initiatives in the Downtown Plan. These successes include, but are not limited to:

- The Bernard Avenue Revitalization (Phases 1 & 2 complete), including a highly successful patio program;
- The centralization of the Interior Health Administration building downtown, which will bring nearly 900 people into the area (currently being built); and
- The Civic Block Land Use Plan (underway).

Together these successes have had a positive impact on the Downtown Area. In the short time since the Plan was endorsed, the Downtown has become a thriving, more accessible, and more vibrant hub in the city.

Downtown Plan Indicators

In addition to the projects and initiatives underway or planned downtown, a set of performance indicators measures the degree to which the Downtown Plan's overall goals of are being met. Regular monitoring provides the data needed to adjust activities and initiatives to ensure that they are having the greatest impact.

Similar to the aforementioned project initiatives that were refined in June, 2015, the indicators were also refined this year to reflect information that is more meaningful and

readily available (as shown in Schedule D - Again, all changes to the Indicators are reflected using red font; wording deleted in strikethrough).

Given the nature of some of the plan's objectives, it may take several years of consecutive data gathering to establish whether or not performance has been positive. However, of the data that was collected, we are able to get a general sense of the direction the indicators are going.

The indicators for **the first goal** - *attract people to downtown* - have shown some improvement since 2011. While there are some exceptions, the total number of events and activities being hosted downtown has increased year over year.

The indicators for **the second goal** - *increase sense of safety* - are showing some positive movement in crimes against persons and property, with 2014 showing the lowest totals since 2011. However, other crime-related indicators are showing an increase, particularly in controlled drug and substance act violations. Notably, this increase can be attributed to continued RCMP crime prevention efforts downtown. For instance, a targeted police investigation this summer resulted in 44 people being charged with 75 criminal offences. Downtown is also monitored by other "eyes on the street", including Bylaw Enforcement Officers, Downtown Patrol teams, Park Ambassadors, private security contractors and Transit Security.

With regards to **the third goal** - *attract private sector investment* - the indicator is reflecting a positive increase since 2011, with 2013 having a substantial increase in the value of private sector residential and commercial building permits for new construction in the Downtown Area. This is expected to continue in the coming few years.

Financial Incentives

It is important to note that a number of financial incentives are in place to continue to support and stimulate downtown development. These incentives include lowered Development Cost Charges (DCCs) which are 29% lower than rates in other parts of the City (see Bylaw No. 10515), lower parking requirements, cash in lieu of parking provisions (see Bylaw No. 8125), rental housing grants, the Heritage Tax Incentive Program (see Council Policy 318), the Heritage Grants Program (City of Kelowna funded, managed by the Central Okanagan Heritage Society), and the Revitalization Tax Exemption Program (see Bylaw No. 9561).

These programs play a positive role in encouraging investment downtown (and some other town centers).

Summary & Discussion

The Downtown Plan is still a relevant and active plan that builds on Kelowna's existing strengths to achieve the *My Downtown* vision - "My Downtown will include areas where citizens choose to live, shop, play and congregate and where businesses choose to do business and where developers choose to develop."

The successes noted above illustrate that the Downtown Plan has, and will continue to have, a positive impact on the Downtown Area. These successes are further reflected in the indicators of the third goal - *attract private sector investment*. While our 2015 Citizen survey found that 94% of citizens said they feel safe in Kelowna, the data collected for the indicators for the second goal - *increase sense of safety* - indicates that safety in the Downtown Area

still remains a priority. Continued targeted enforcement of criminal activity in the downtown is expected to raise the level of security felt by those who live, work and visit the area.

The initiatives that are prioritized for 2016, subject to future budget considerations or external funding sources, tie closely into the three identified goals listed in the Plan. Furthermore, these initiatives are anticipated to help improve performance in some of the more challenging indicators, specifically in relation to safety. These initiatives include:

Goal - *attract people to downtown*

- #5.ia - The extension of the Art Walk (Preliminary design of Art Walk extension - connecting the existing Art Walk at Smith Avenue to Doyle Avenue).

Goals - *attract people to downtown and attract private sector investment*

- #9b - Rebuild Kerry Park (Detailed design of Kerry Park).

Goal - *increase sense of safety*

- #19a - Add a security office and convenience commercial space at the Queensway Transit Terminal (Provide for a building to be constructed at the Queensway Transit Station. Require that any building constructed at the site include a security office and convenience retail space).

These initiatives will help to address the more challenging indicators through an increase in the number of tourists, residents and employment opportunities in the Downtown area. This will catalyze more activity, resulting in an improved sense of safety. Further cementing this momentum are private sector development projects, such as the Westcorp Hotel and Central Green. Ultimately, these efforts will bring more eyes and ears on the streets making a safer and more active area.

In the coming years, staff will continue to implement the initiatives and to monitor the indicators, and will bring forward additional recommendations to Council, as required.

Internal Circulation:

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Manager, Parking Services

Manager, Infrastructure Administration

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Manager, Senior Project

Manager, Park & Building Planning Manager

Manager, Cultural Services

Manager, Sport & Event Services

Manager, Civic Operations Finance & Administration Manager

Manager, Transportation & Mobility
Corporate Communications Supervisor, Corporate Communications
Urban Forestry Supervisor, Park Services
Crime Prevention Supervisor, Crime Prevention
Planner Specialist, Policy & Planning
City Clerk

Existing Policy:

Direction for Downtown is provided by the Downtown Plan (2012) and more generally speaking by the Official Community Plan, which includes policy and design guidelines applicable to the Downtown.

Financial/Budgetary Considerations:

Timing for the project initiatives is dependent on future budget considerations or external funding sources. Timing may depart from that noted in the Plan based on budget available from development cost charges, revenue (e.g. from parking), taxation, and senior government grant programs.

Considerations not applicable to this report:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Submitted by:

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Long Range Policy Planning Manager

Approved for inclusion: D. Noble-Brant, Department Manager, Policy and Planning

Attachments:

- Schedule A - Downtown Plan
- Schedule B - Downtown Plan boundary map
- Schedule C - Updated Downtown Plan Initiatives
- Schedule D - Updated Downtown Plan Indicators

cc:

Divisional Director, Infrastructure

Divisional Director, Community Planning & Real Estate

Divisional Director, Civic Operations

Divisional Director, Active Living and Culture

Divisional Director, Corporate & Protective Services

Divisional Director, Communications and Information Services