Report to Council

Date: 9/19/2016

File: 1120-21-010

To: City Manager

City of Kelowna

Subject: Project Update - Public Placemaking (Bernard Avenue Laneway)

J. Säufferer, Manager, Real Estate Services

Report Prepared by: B. Walker, Property Officer II

Recommendation:

From:

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 THAT Council authorizes the City to enter into a Memorandum of Understanding with Mr. Bill Scutt in the form attached to the Report of the Manager, Real Estate Services, dated September 19, 2016;

AND FURTHER THAT the Mayor and City Clerk be authorized to execute the Memorandum of Understanding on behalf of the City.

Purpose:

To endorse a Memorandum of Understanding that will frame the proposed 2017 permanent site improvements intended to rejuvenate the Bernard Avenue Laneway.

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 16th. 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 wall¹ 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 our community. 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 Bill Scutt (the "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

¹ 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.

parties with respect to the laneway. Key aspects of the MOU, a copy of which is attached as Schedule "D", include the following:

- 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: City Manager September 19, 2016 Page 5 of 5 Pages

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
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 - J. Gabriel, Divisional Director, Active Living & Culture
 - G. Filafilo, Financial Projects Manager