

# Report to Council



**Date:** October 3, 2016  
**File:** 1200-40  
**To:** City Manager  
**From:** Laura Bentley, Planner II, Policy & Planning  
**Subject:** Downtown Plan 2016 Annual Update

---

## **Recommendation:**

THAT Council receive, for information, the October 3, 2016 report from the Planner II, Policy & Planning Department with respect to an annual update on the Downtown Plan.

## **Purpose:**

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

## **Background:**

Endorsed by Council in February 2012, the "My Downtown" Downtown Plan established goals and associated strategies to achieve a long-term vision for Downtown as a place "...where citizens choose to live, shop, play and congregate and where businesses choose to do business and where developers choose to develop".

A total of 25 key initiatives, many of which correspond to major projects already underway, were identified to deliver on the top priorities of:

1. Making downtown more pedestrian friendly
2. Increasing activity downtown
3. Increasing the number of people living downtown
4. Reducing crime / increasing safety
5. Making it easier to park

The Plan recognizes that not all of these initiatives are included in the 2030 Infrastructure Plan and that costs exceed the City's ability to fund them. Project timing is dependent on available funding and other external factors. Creative partnerships, such as the public pier and the Bernard Avenue Laneway projects, will continue to be explored as a means to advance unfunded initiatives.

The Plan goals are to attract people to downtown, increase sense of safety and attract private sector investment. With finite funding and evolving opportunities, initiative priorities may change over time, making the goal indicators crucial to determining the Plan's success.

Status updates on the initiatives, indicators and other elements of the Plan are discussed below.

### Downtown Plan Initiatives

Staff reviewed the project initiatives to reflect budget, timeline and status updates for 2016. Full details can be found in Appendix C: Downtown Plan Initiatives, where additions are shown in red font and deletions are shown as a strikethrough. Note that department titles have been updated where needed for initiatives that are ongoing, in progress or deferred.

Building on development and growth in recent years, momentum continues with investment and planning for downtown initiatives in 2015 and the first half of 2016. Nearly three quarters of action plan initiatives are either complete, currently in progress or ongoing. Six are deferred as future long-term projects and two were cancelled in previous years due to external factors affecting the ability to implement. Initiatives that are currently underway include:

- Preliminary design for Phase 1 of the Art Walk extension from Smith Avenue to Doyle Avenue (in progress);
- Revisions to the C7 zone to create a more pedestrian-friendly environment and improve usability of the zone (in progress); and
- Construction of the Library and Memorial Parkades, which are expected to be completed in 2016 (in progress).

Other recent projects and initiatives that are not specifically identified in the Downtown Plan but contribute to achieving its vision and priorities include:

- Pathway wayfinding signage along the waterfront, through downtown and elsewhere across the City;
- Road and pedestrian improvements along Abbott Street between Bernard Avenue and Harvey Avenue;
- Council endorsement of the Civic Block Plan;
- New electric vehicle charging stations at the museum parking lot through a partnership with FortisBC;
- Public placemaking efforts and events in the Bernard Avenue laneway, which will become permanent in 2017;
- Progress on the new Okanagan Centre for Innovation and Interior Health office buildings, with completion expected in 2016;
- New Telus Communications offices north of downtown (although outside of the Plan boundary, this business industrial use generally supports the initiative of attracting utility company offices in the area); and
- Approval and construction of the Sole Downtown condominium building on St Paul Street.

These plans and projects continue to make downtown a more vibrant hub where residents, businesses and visitors are choosing to locate. Upcoming projects include the reconstruction

of Kerry Park, the timing of which is connected to the construction of the Westcorp hotel, and a Downtown Area Parking Plan to inform the type, timing and funding of parking solutions, building on the overall Parking Management Study.

### Downtown Plan Indicators

The performance indicators are another tool to demonstrate the degree to which the Downtown Plan's goals are being met over time. Regular monitoring informs potential changes to support activities and initiatives that encourage more people and development downtown. Fluctuations from year to year are expected and staff focus more on longer-term trends to inform the success of the Plan's goals.

Staff reviewed the indicators with 2015 data and made some refinements based on information that is consistently available. The details are shown in Schedule D: Downtown Plan Indicators, with additions shown in red font and deletions shown as a strikethrough.

The first goal, *attract people to downtown*, has generally seen improvement since the Downtown Plan was endorsed as well as within the last year. There are more events and activities taking place in downtown parks and facilities, with some exceptions.

For the second goal, *increase sense of safety*, most indicators are moving positively with decreases in the number of offences. The number of crimes against persons and other criminal code violations are among the lowest since 2011, and the number of controlled drug and substance act violations and liquor violations decreased in the last year. However, the number of offences against property are the highest since 2011. The RCMP is continuing its crime prevention efforts downtown, and the area is also monitored by Bylaw Enforcement Officers, Downtown On Call teams, Park Ambassadors, Transit Security Officers, and private security contractors.

In April 2016, staff brought forward strategies to improve on the existing indicators about sense of safety. Council directed staff to add questions to the Citizen Survey to monitor the public's sense of safety in the downtown core. The next Citizen Survey is scheduled for 2017 and the annual Downtown Plan monitoring report will incorporate the results once available.

The third goal, *attract private sector investment*, has been refined to report on the value of new private sector residential and commercial construction. While the percentage is lower than recent years, the Okanagan Centre for Innovation, Interior Health and Memorial Parkade buildings all received building permits in 2015; however, they are not reflected in this indicator because they are considered institutional uses. Furthermore, overall building permit values were up 32 percent over 2014.

As of August 2016, building permits have been issued for two new residential projects within the Plan boundary and these will be captured in next year's Downtown Plan update, along with any other new residential or commercial projects.

### Downtown Plan Incentives

The Downtown Plan notes several existing incentives and grants that help to encourage development and investment in downtown and other areas. Area-specific incentives include:

- Revitalization Tax Exemption Program (Bylaw No. 9561) - incremental tax exemptions for eligible new construction
- Development Cost Charges (Bylaw No. 10515) - lower rates than some other areas of the City
- Zoning Bylaw Parking Requirements (Bylaw No. 8000) - lower parking requirements in the C7 zone, and no parking requirements for eligible developments in a specific area
- Payment In Lieu of Parking (Bylaw No. 8125) - provision to pay instead of providing required off-street parking spaces

Other incentives available for eligible properties and developments in downtown and across the City include:

- Rental Housing Grants (Council Policy No. 335) - funding to offset Development Cost Charges for purpose-built rental housing
- Heritage Building Tax Incentive Program (Council Policy No. 318) - tax exemptions for eligible heritage buildings undertaking heritage conservation work
- Heritage Grants Program - funding for heritage building conservation work

The Rental Housing Grants program was recently revised to encourage the creation of more family-friendly three-bedroom units by reflecting higher development costs of larger units. Additionally, Council approved an additional \$100,000 in funding per year for 2017 and 2018 towards this grant program, bringing the total to \$420,000 annually.

### Summary & Discussion

Initiatives identified in the Downtown Plan continue to be delivered on and the indicators demonstrate ongoing interest in living, shopping, visiting and working downtown.

The finite available funding limits opportunities for capital investments, which must be balanced with needs and priorities elsewhere in the City. Initiatives continue to be evaluated as part of the annual capital planning process and will be completed as funding permits. Staff also continue to seek opportunities for other funding sources, partnerships or other means of delivering on the Downtown Plan initiatives.

#### **Internal Circulation:**

Divisional Director, Infrastructure

Divisional Director, Community Planning & Real Estate

Divisional Director, Civic Operations

Divisional Director, Active Living & Culture

Divisional Director, Corporate & Protective Services

Divisional Director, Communications & Information Services

Director, Business & Entrepreneurial Development

Director, Real Estate

Department Manager, Community Planning

Manager, Parking Services

Manager, Infrastructure Engineering

Manager, Parks Services

Manager, Senior Project  
Manager, Parks & Buildings Planning  
Manager, Cultural Services  
Manager, Sport & Event Services  
Manager, Civic Operations Finance & Administration  
Manager, Integrated Transportation  
Supervisor, Urban Forestry  
Supervisor, Crime Prevention  
Communications Advisor, Communications  
Planner Specialist, Policy & Planning  
City Clerk

**Existing Policy:**

Downtown Plan (2012)  
2030 Official Community Plan (2011)

**Financial/Budgetary Considerations:**

Project timing is dependent on future budget considerations and the ability to source external funding. 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:

L. Bentley, Planner II, Policy & Planning

Approved for inclusion:



J. Moore, Acting Department Manager, Policy & Planning

Attachments:

Schedule A: Downtown Plan  
Schedule B: Downtown Plan Boundaries  
Schedule C: 2016 Downtown Plan Initiatives  
Schedule D: 2016 Downtown Plan Indicators

cc:

Divisional Director, Infrastructure

Divisional Director, Community Planning & Real Estate  
Divisional Director, Civic Operations  
Divisional Director, Active Living & Culture  
Divisional Director, Corporate & Protective Services  
Divisional Director, Communications & Information Services