



Report to Finance and Intergovernmental Committee

DATE: September 12, 2017

TO: Finance and Intergovernmental Committee

FROM: Laura Lee Richard, Director of Development Services

SUBJECT: **Downtown Actions**

EXECUTIVE SUMMARY

A planning process to define actions which the City could take to achieve development in the downtown has been completed by a consultant, Cushing Terrell, with input from an appointed advisory group. The consultant's report, *Recommendations for a Downtown Action Plan*, provides background information and identifies a number of actions which may be considered to achieve improvements in the downtown. As the determination of appropriate actions requires careful analysis, this report recommends that the report be received as a guide and resource for potential actions that may be taken.

The assessment of recommended actions related to McAllister Avenue and Elgin Avenue streetscapes and traffic circulation requires additional work by traffic consultants to determine what changes may be recommended and inform the design of streetscape improvements. As this work is required to help determine off-site requirements for future developments along these streets, it is considered to be a high priority and the allocation of funding from accumulated surplus is recommended.

The consultant identifies a number of actions related to marketing, including signage and wayfinding improvements, enhanced website information and marketing materials and recommends proceeding with these actions to support the growth and vitality of the downtown. This report recommends that the City develop a partnership with the downtown Business Improvement Association (BIA) to carry out these actions and the allocation of funds from accumulated surplus for this purpose.

RECOMMENDATIONS

1. That the Finance and Intergovernmental Committee receive the report from Cushing Terrell titled, *Recommendations for a Downtown Action Plan* and dated June 2017 as a guide and resource for potential actions to be taken in the downtown.
2. That the 2017-2021 Financial Plan be amended to include \$30,000 funding from accumulated surplus to engage traffic engineering consultants to undertake technical and costing analysis of changing vehicle and pedestrian circulation patterns.

3. That \$50,000 funding from accumulated surplus be included in the 2018/2019 financial plans to provide funding for a two-year period for the city to partner with the BIA to implement marketing actions.

BACKGROUND

In late 2016, the City contracted the firm Cushing Terrell to prepare an action-oriented plan for the downtown that would meet the following objectives:

- attract developers and businesses
- facilitate development through purchase and sale of lands
- create opportunities for development to be acted upon by owners, developers and desired businesses, and
- promote growth through incentives.

The planning process was led by a Downtown Action Planning Team chaired by Mayor Moore and guided by an advisory group comprised of property and business owners, BIA representatives, developers, non-profit representatives, downtown residents and community members.

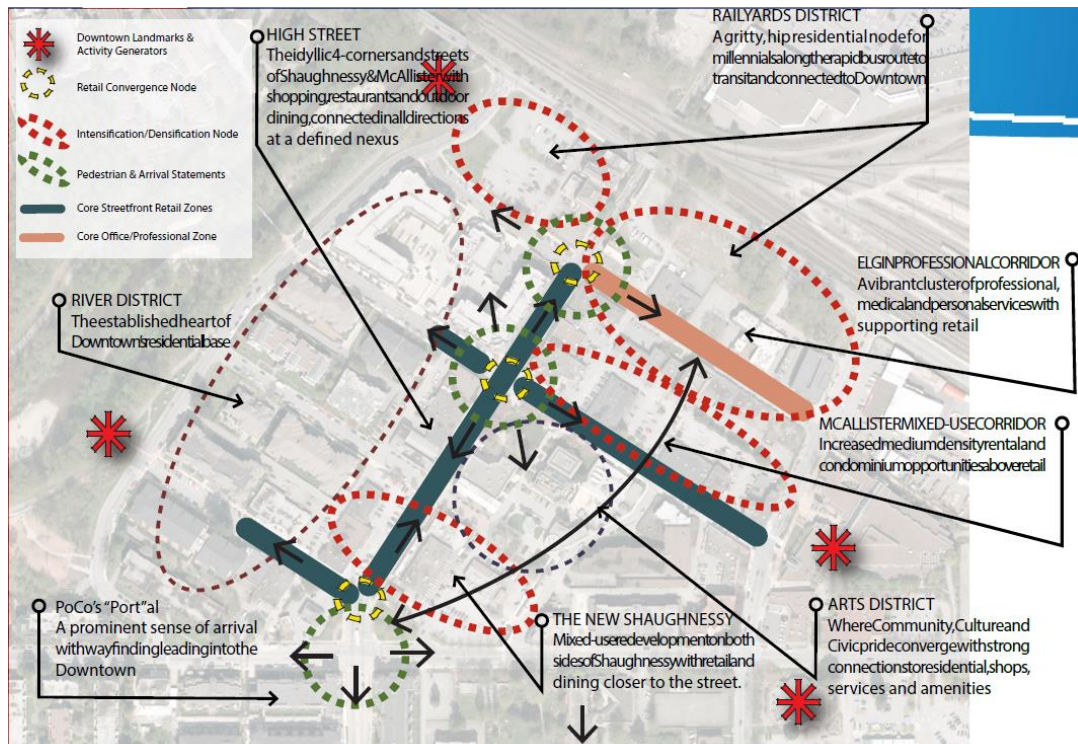
The consultant's research and consultation processes during the initial phases of the project included a consumer intercept survey of visitors to the downtown and conversations with the BIA, property owners, existing and prospective businesses, realtors and developers. This dialogue and the analysis resulted in definition of the downtown's retail trade area, identification of the characteristics of its customers and an understanding of issues and opportunities. Some key findings were:

- The downtown's customer base is loyal - and local. On average, customers come to the downtown 14 times a month and spend 80 minutes per visit, mostly for a coffee or lunch break or to buy groceries.
- A "Strength Weaknesses Opportunities Threats" ("SWOT") analysis identified the need to improve the amenities of the pedestrian realm and enhance traffic movements.
- Customers are generally satisfied with their experience in the downtown. They wish to see more events and festivals, are looking for improvements in their perception of personal safety, would like unique stores for shopping, and support enhancing the "small town feel".
- Businesses wish to attract a younger clientele and support more residential units in the downtown for this purpose. They are concerned about the potential impacts of higher rents or lease rates.
- Developers believe there are good opportunities for growth but consider parking to be the single most critical component to the success or failure of their pro formas. In addition, they seek expedited approval processes and financial incentives.

The consultant has submitted the attached report, *Recommendations for a Downtown Action Plan* to serve as a framework for decisions on actions to be made by Council. The report brings forward a number of ideas for changes which could be made to attract new development and promote growth. As additional information and evaluation of each of these ideas would be needed prior to Committee being requested to make any decisions on their implementation, it is recommended that the report be received a guide and resource for potential actions to be taken in the downtown.

The following figure summarizes the vision for the downtown: Shaughnessy Street is proposed to continue to be developed as a "High Street" with the adjoining civic area as an "Arts Precinct". This core is seen to be flanked by a residential "River District" west of Shaughnessy Street; a future residential

“Railyards District” area along Kingsway Avenue; a “Professional Corridor” on Elgin Avenue; and, a “Mixed Use Corridor” on McAllister Avenue east of Shaughnessy Street.



COMMENTS & ANALYSIS

The consultant’s report identifies six major action areas as summarized below.

- (1) Land Use Actions:** Building upon the 1998 Downtown Plan and the many documents that have been prepared over the past 20 years, the consultant recommends amending land use policies and regulations to ensure that the businesses fronting Shaughnessy Street and McAllister Avenue create a commercial vibrancy and, along Elgin Avenue, an enclave develops with medical/dental uses and offices along the street. He promotes mixed-use developments in higher (6-storey) buildings and encourages more office development, but not offices at street level other than along Elgin. Related actions include streetscape improvements.

It is suggested that the consultant’s land use recommendations be considered as part of the update to the Official Community Plan. This process would allow for input from downtown business and property owners in assessing changes to current land use policies. In the meantime, the suggestions could serve as a guide for developers who may be looking to propose new developments.

- (2) Parking Actions:** The consultant suggests a variety of ways to provide greater flexibility for how parking is achieved in the Downtown, including amendments to the current cash-in-lieu program and proposals to providing for parking, including a future parking structure. It is anticipated that these suggestions would be considered in future reports to Smart Growth Committee.

- (3) Infrastructure (Circulation and Streetscape):** Development in the downtown can be supported by strategic investment in downtown improvements or projects that require infrastructure investment, such as roads, utilities, on-street parking configurations, street/sidewalk lighting and pedestrian crossings at major intersections or mid-block locations. Accordingly, the consultant recommends giving consideration to changing circulation patterns and implementing streetscape improvements (wider sidewalks, street trees, underground wiring and pedestrian-oriented street lights) on both Elgin and McAllister avenues. The consultant further recommends changes to pedestrian crossings on Shaughnessy Street to enhance pedestrian connectivity. It is recommended that funding be provided to provide for the analysis to determine the appropriate changes.
- (4) City-Owned Lands:** The consultant suggests that city-owned lands be used to strategically facilitate infill and redevelopment. This suggestion would be considered through separate planning processes, potentially involving partnerships with adjoining property owners.
- (5) Financial Incentives:** Offering financial incentives to business and property owners is seen to be an option that may be meaningful to enable development. The consultant suggests tax abatement and façade grants are most desired and appealing for developers, as is the intangible economic incentive of expedience and prioritization for development approvals.

For the most part, additional information would be required to determine the costs and benefits of these major actions prior to making a decision, including input from downtown property and business owners. It is anticipated that further information will be developed to obtain direction from the Committee.

- (6) Marketing & Economic Development Actions:** The consultant advises that any strategy to implement the action items should not take place without the proactive mechanism of an economic, development, real estate or marketing role. The City currently supports economic development through its partnerships with the Downtown Business Improvement Association and Tri-City Chamber of Commerce. The consultant recommends the City establish an economic development function to implement promotional actions such as an economic development website, marketing brochures, publishing a map of the downtown and installing new signage. Related recommendations include encouraging the screening of vacant properties, allowing for food trucks, adding parklets and allowing for sidewalk patios in partnership with interested businesses.

A number of the marketing recommendations align with work being undertaken by the Downtown Business Improvement Association (BIA). Preliminary discussions have been held to consider partnering with the BIA to implement these actions by augmenting the funding provided to the BIA to allow for a part-time marketing contractor. This direction is considered to hold considerable promise and would be preferable (and less costly) to creating a new staff position or having the City engage a contractor. Furthermore, it better reflects legislation as, for example, only the BIA has the authority to implement a façade improvement scheme. If this direction and the prerequisite funding are approved, it would be expected that the BIA's contractor would work closely with Planning Division staff to ensure implementation of the marketing actions.

CONCLUSION

The report from Cushing Terrell provide the City with a number of potential actions that it may take to achieve action in the downtown. It is recommended that the report be received as a guide to future decisions. As an immediate step, it is further recommended that funds from Accumulated Surplus be allocated to provide for study of traffic improvements and implementation of marketing initiatives in partnership with the BIA.

Submitted by Laura Lee Richard, Director of Development Services

Attachment: *Recommendations for a Downtown Action Plan* dated June 2017 by Cushing Terrell