

CITY OF KELOWNA

BYLAW NO. 9813

UPTOWN RUTLAND BUSINESS IMPROVEMENT AREA

A bylaw of the City of Kelowna to establish a local area service for the purposes of annually funding the Uptown Rutland Business Improvement Area (2008-2012).

WHEREAS section 215 of the *Community Charter* provides Council with the authority to establish, by bylaw, a business improvement area (a "BIA");

AND WHEREAS the Council of the City of Kelowna has been notified that the owners of certain properties in the Rutland area of the City have formed a BIA merchant association known as the Uptown Rutland Business Improvement Association (the "URBIA");

AND WHEREAS the Council of the City of Kelowna has mailed to the owners of the parcels liable to be specially charged, pursuant to section 213 of the *Community Charter*, notice of Council's intention to proceed with a bylaw to establish the Uptown Rutland BIA for the years 2008-2012 in order to provide certain services, through the URBIA, under a business promotion scheme;

AND WHEREAS notice of Council's intention to proceed with a bylaw to establish the Uptown Rutland BIA for the years 2008-2012 in order to enable the URBIA to provide certain services under a business promotion scheme has been published in a newspaper pursuant to section 213 of the *Community Charter*;

AND WHEREAS any petition received against the proposed work was not sufficient pursuant to section 212 of the *Community Charter*, to prevent Council from proceeding;

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

1. Those lands within the area shown outlined in black on the map attached hereto and forming part of this bylaw as Schedule "A" are designated as a Business Improvement Area (BIA) within the meaning of section 215 of the *Community Charter* and shall be known as Uptown Rutland Business Improvement Area.
2. Council is hereby empowered to grant to the URBIA, for the term of this bylaw, money in the amount of the URBIA's annual budget, as submitted to and approved by Council, but in any event not exceeding the sum of One Hundred and Forty-Eight Thousand Dollars (\$148,000.00) per annum.
3. Money granted pursuant to section 2 of this bylaw must be expended only by the URBIA.
4. Money granted pursuant to section 2 of this bylaw shall be expended only for projects provided for in the annual budget of the URBIA, as submitted to and

approved by Council, and following the Business Promotion Scheme, attached to and forming part of this bylaw as Schedule "B".

5. The URBIA shall submit to the Council of the City of Kelowna, annually, on or before March 15, a budget for the calendar year, which outlines revenues and expenditures related to the carrying out of the Business Promotion Scheme outlined in Schedule "B" during that year.
6. The URBIA shall account for the money granted by Council for the previous calendar year at the same time as the annual budget is submitted pursuant to section 5 hereof.
7. An advance payment equal to 25% of the prior year grant amount may be provided to the URBIA prior to Council approval of the annual budget for each of the years included in this agreement. Any advance payment shall then be deducted from the total grant amount to be paid to the URBIA for that year following Council's review and approval of the annual budget.
8. The URBIA shall not incur any indebtedness or other obligations beyond each budget year.
9. There shall be levied annually against all taxable land and improvements within the designated Business Improvement Area which fall within Class 5 or 6 of the Assessments - Class and Percentage Levels Regulation, B.C. Reg. 438/81 excluding Federal, Provincial and Municipal owned properties used for government purposes, and based on assessed values, rates sufficient to raise the sum in accordance with section 2 herein or such lesser amount as granted to the URBIA pursuant to the provisions of this bylaw.
10. The URBIA shall take out and maintain public liability, property damage, and other required insurance naming the City of Kelowna as Additional Insured in the amount of not less than \$2,000,000.00, and shall provide upon request to the City of Kelowna proof of such insurance in the form of the City's standard Certificate of Insurance.
11. The URBIA shall procure and maintain at its own expense:
 - (a) Comprehensive General Liability Insurance providing for all sums which the URBIA shall become legally obligated to pay for as a result of bodily injury, property damage or other damages, providing for an inclusive limit of not less than \$2,000,000.00 for each occurrence or accident;
 - (b) Automobile Liability Insurance covering all motor vehicles owned operated and used directly or indirectly in the operations of the URBIA, with a limit of liability of not less than \$2,000,000.00 inclusive; and
 - (c) Such other insurance coverage appropriate for the operations of the URBIA as determined by the City.

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12. All Insurance required to be obtained by the URBIA pursuant to this bylaw shall name the City as an Additional Insured, and shall be primary without any right of contribution from any insurance otherwise maintained by the City.
13. The URBIA shall submit Certificates of Insurance as, and in the form, required by the City, which shall provide that 30 days' written notice shall be given to the Risk Manager of the City, or designate, prior to any material changes or cancellations of any such policy or policies).
14. The Business Improvement Area created by this bylaw may be merged with another Business Improvement Area, whether contiguous or not, for the purpose of providing, consolidating or completing necessary works or services for the merged area.
15. This bylaw shall be effective from the date of adoption through December 31, 2012 inclusive.
16. This bylaw may be cited as "Uptown Rutland Business Improvement Area Bylaw No. 9813."

Read a first, second and third time by the Municipal Council of the City of Kelowna this 23rd day of July, 2007.

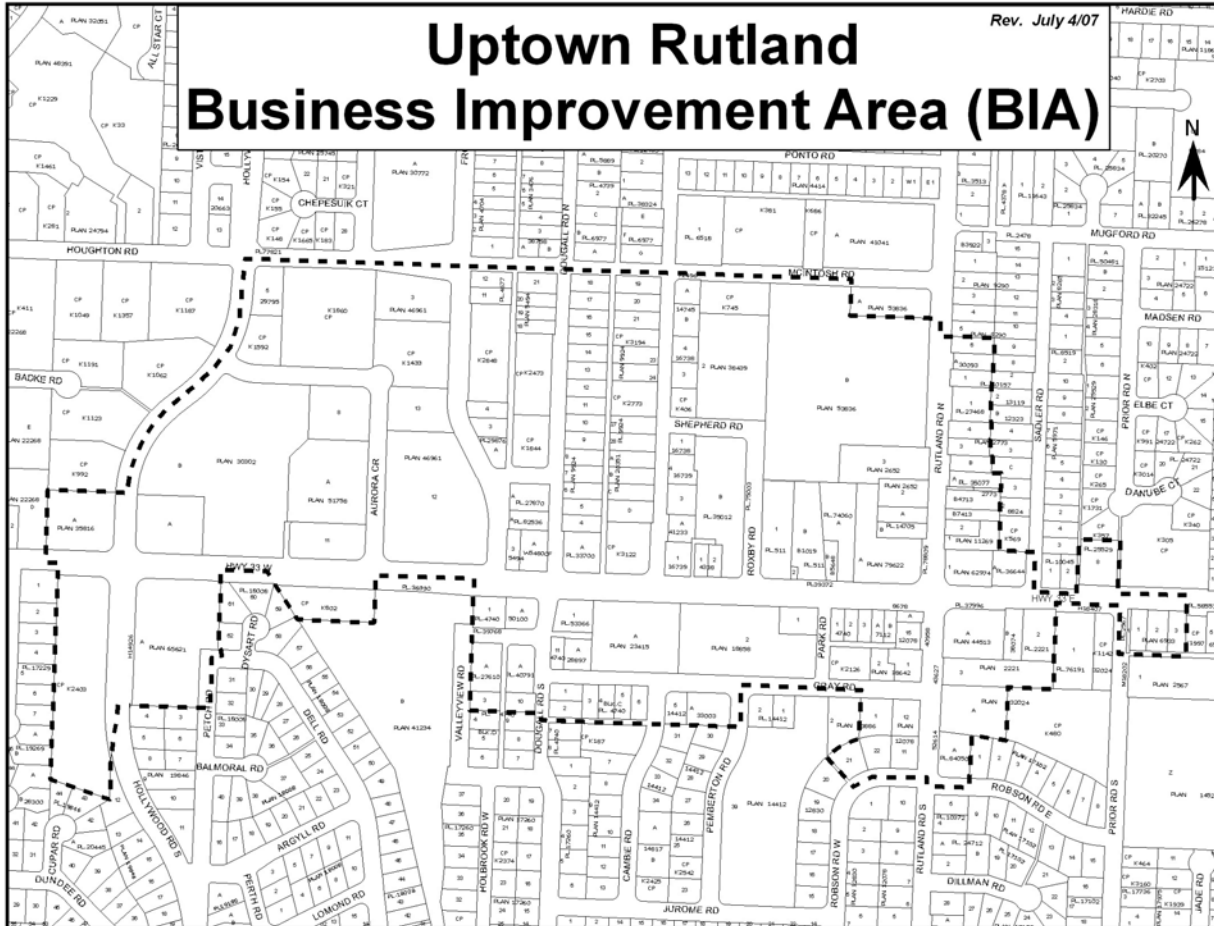
Adopted by the Municipal Council of the City of Kelowna this day of , 2007 .

Mayor

City Clerk

Rev. July 4/07

Uptown Rutland Business Improvement Area (BIA)



UPTOWN

Rutland Business Improvement Area

2008 BUSINESS PLAN
July 18, 2007

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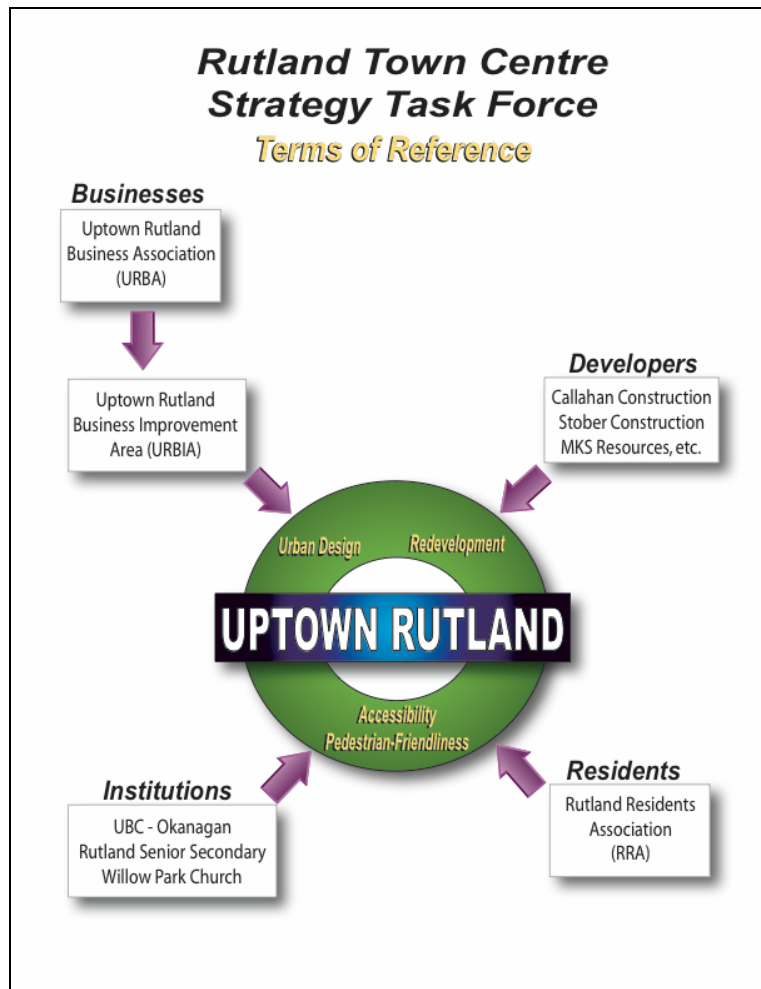
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1.0 Executive Summary

There are many stakeholders that share the common goal of revitalizing the town centre of Rutland. Over the years, Rutland has evolved from an independent municipality to a thriving community within the City of Kelowna. Over 30,000 residents call Rutland their neighborhood. Over 30,000 vehicles travel to and from the business district daily. Uptown Rutland is the gateway to UBCO, Big White, the YMCA, Rutland Sports Fields and Arenas and is the centre of a thriving and growing population. The business community is strong, but it has lacked a coordinated and effective mechanism to leverage further opportunities.

The City has recognized that urban growth is best fostered through the development of the town centres. Rutland is a natural town centre that is overdue for urban development. The City of Kelowna recently appointed the Rutland Town Centre Strategy Task Force (Task Force) to advise Council on initiatives to make Rutland a desirable place to live and work. Priorities of this Task Force include Redevelopment, Urban Design and Pedestrian-Friendliness and Accessibility.

Figure 1



With respect to the Redevelopment initiative, the Task Force is a catalyst in fostering community dialogue regarding a Business Improvement Area (BIA). Councilor Brian Given (Committee Chair of the RTCS Task Force) has initiated dialogue with the Uptown Rutland Business Association (URBA). URBA is proceeding with a mandate to develop a BIA for the year 2008. A BIA is a fundamental aspect of the revitalization of the Rutland Town Centre (Uptown Rutland). This business plan serves to outline the services that the BIA will initially provide and will be the basis for URBA's application to become the Uptown Rutland BIA (URBIA).

One of our greatest challenges as a BIA will be Highway 33. Highway 33 divides this community, and poses some challenges to urban design. Over 30,000 cars travel this highway everyday – many of these cars carry residents to and from the community to work. Rutland is nearing 30,000 people, which makes it a destination for business in recent years. Similarly, the area boasts excellent community services (i.e., Rutland Sports Complex) and is one of the most affordable areas to reside in Kelowna. The City of Kelowna recognizes the need for a Transit Exchange in Rutland. In 2005, a Rutland Transit Exchange Workshop was sponsored by the City of Kelowna to recommend prospective sites for a new Transit Exchange. While this initiative is still in the planning stages, it does underscore the transit theme as a cornerstone of the redevelopment of Uptown Rutland. It is hoped that the colour and shape of the Uptown Rutland logo will reflect a positive urban image that is associated the Transit theme. Uptown Rutland is a community that is moving forward – a community in transition.

2.0 Vision

2.1 *Mission Statement*

To develop and market Uptown Rutland, in conjunction with community stakeholders, as an excellent area to do business, live and play.

2.2 *BIA Objectives*

Short Term

- To help increase business and investment in Uptown Rutland, as defined by the C7 zoning, by organizing business promotion and cross promotion through organized events and communication of activities. We will achieve this through regularly scheduled events for the businesses located Uptown.
- To help promote and establish a Rutland Spring Festival that leverages off of the success of the existing Rutland May Days Festival.
- To help promote and establish a Rutland Winter Festival that leverages off the success of the existing Living Nativity production at the Willow Park Church.

Long Term

- To improve arts and culture investment in the area defined by the BIA
- To increase the population living in the BIA
- To maintain, improve and beautify the municipal lands in the BIA
- To market the area as a safe destination for shopping by improving retail and hospitality services
- To attract and recruit business investment in the BIA
- To develop cooperative relationships with the Rutland Residents Association, City of Kelowna, and University of British Columbia Okanagan

3.0 Uptown Rutland Business Improvement Area

3.1 What is a BIA?

A Business Improvement Area is a defined geographic area of a town, city or district where business ratepayers vote to invest collectively in local improvements that are additional to those already provided by the local government. Businesses are asked to vote on an increase in their tax levy; these funds are used to finance the delivery of improved services as defined by a business plan. Typically, management of the BIA is led by a Board of Management, which is established from the private sector.

3.2 Uptown Rutland Business Association (URBA)

In this case, dedicated and motivated Rutland business people have established the Uptown Rutland Business Association (URBA) to coordinate business improvement initiatives. The aim of URBA is to collectively work on a business plan to determine the local requirements of the Rutland town centre. This plan will detail the new “services” and increases in the “tax levy” that will be required to deliver these services. The business plan will be submitted to the City of Kelowna and, if approved, will be put to a vote to all business in the proposed BIA.

3.3 Tax Levy

If local businesses support the new BIA, the City of Kelowna can initiate collecting the tax levy through the creation of a new Bylaw, of which a draft copy is attached. These funds will be used to help the BIA operate and achieve the objectives as written in the business plan. In addition, these funds will be used to “leverage” additional financial support from the public sector. Typically, the tax levy will be between 1.41 -1.71% of the assessed property value of each business.

3.4 Benefits of a BIA

- Coordinated marketing activities
- Branding of the business district
- Safer town centre through planned initiatives that leverage business, institutional and government funding

- Improvements that make the business district a more attractive and welcoming place to do live, shop and do business
- Improved and more diverse retail and hospitality services resulting from coordinated efforts to market and improve the business district and ultimately a more prosperous and successful town centre

3.5 Proposed BIA Area

The boundary of the proposed BIA is similar to that as put forth by the City of Kelowna's initiative to rezone the Rutland Town Centre for C7 designation (Appendix 1). Once rezoned to C7, property owners in this area can apply for multi-level developments, which could be over ten stories. This area has been considered to sufficiently represent the Rutland business district and town centre. It consists of approximately 250 businesses, which will provide a viable tax base to sustain the new BIA organization. It is anticipated that over the next 5 years the average yield from the tax levy will be approximately \$134,600.00 annually.

4.0 Organization

4.1 URBA Membership

The process of becoming a BIA can be lengthy as it involves the local and provincial governments. The Uptown Rutland Business Association has been established to gather membership and encourage the drive to become a BIA. At present, URBA is working to garner membership for the majority of businesses in the community of Rutland and, specifically, Uptown Rutland. Each business is required to pay \$150 plus tax to become URBA members; these funds are used to offset administrative costs.

4.2 URBA Advisory Board

URBA has established a large Advisory Board to gather input and expertise from a broad range of individuals in the community. The following is a list of key individuals who are participating in URBA's drive to become a BIA.

Todd Sanderson – President
Dave Willoughby – Vice President
Garry Benson – Treasurer
Joe Ianfrancesco – Director at Large
Dave Donaldson – Board Advisor
Jennifer Warawa – Board Advisor
Joyce Van Norman – Board Advisor
Wendy Nelson – Board Advisor

The leadership of URBA reflects the priorities of its membership. This group represents business people, however the board also encourages public participation from other advocates of the Rutland Community. It is hoped that this Advisory Board will become the basis of the Board of Management of the new BIA once it is achieved.

5.0 Proposed Services

What will the Uptown Rutland BIA do? There are three major services that the BIA proposes, which are: marketing, promotions, and beautification.

5.1 Marketing

A great benefit of a BIA is a cohesive marketing strategy. It is very important to understand who the area customers are and how we can create effective promotions to retain the customer base. In addition, a great deal of effort must be placed on business recruitment. URBA plans to work with property owners to ensure that available space is occupied and that an optimal business/service mix is created for the area. During the first year the BIA plans to focus marketing efforts on website development and newspaper advertising. Both of these media are cost effective and will emphasize event promotion and business recruitment.

The main goal will be to establish “Uptown” as the brand for businesses in the BIA.

5.2 Promotional Events

The short-term objectives of URBA are to promote a Spring May Days Festival and a Christmas Winter Festival. We will leverage off of, and partner with, the success of existing events to cross promote additional retail business.

Spring May Days

Rutland May Days has been established for many years. This family oriented event involves businesses and residents of Rutland over the May Long Weekend. Specifically, May Days has a variety of activities that include a parade, sports tournaments, games and, in the past, a carnival. Currently, URBA is working with the existing network of individuals who organize Rutland May Days. It is hoped that a new influx of energy and support from URBA will revitalize this traditional event. In fact, it is a main objective of the proposed BIA to make Rutland May Days into a premiere event through organized marketing and promotion.

May Days is a 3 day event that can be leveraged to increase business for Uptown businesses. A focus of the BIA will be to harness the success of the event and to work towards increasing retail business for our members during the three days. This may be achieved through special events such as side walk sales, out-door cinemas, and banner implementation.

Christmas Winter Festival

URBIA plans to create an annual winter event in mid-December. There are many ideas that could attract people and shoppers to Uptown Rutland during the holiday season.

- **Christmas Light Up** – A large Christmas Tree, established in a local town square, would give children a place to meet Santa. This event could initiate the festive atmosphere of the Christmas Winter Festival. Rutland has had a Christmas Light-Up in previous years, however this event is currently not active. We would work with business owners, and retailers, to coordinate existing decorative activities so as to leverage the impact and increase participation.
- **Bows & Boughs Campaign** – URBIA proposes to encourage the Christmas Winter Festival by promoting a Bows & Boughs Campaign. Uptown Rutland businesses would be supplied with cedar boughs and colorful red bows. Volunteers will be organized to help businesses decorate, which puts staff and customers in the Holiday Spirit.
- **Living Nativity at Willow Park Church** – On Highway 33, the Willow Park Church hosts the Living Nativity production that has become very successful in recent years. Last year, thousands of people enjoyed the three-part interactive Christmas presentation in Rutland. URBIA can help build Christmas spirit that runs concurrently with the Living Nativity production through cross promotion. In particular, an opportunity may exist to promote Uptown's restaurants and eating establishments.

5.3 Beautification

URBIA will have important impact on the beautification of Uptown Rutland. Four major initiatives are planned in this respect: Seasonal Banner Decorations, Cleanup/Flower Program, Streetscape Enhancement, and Signage Improvements.

Seasonal Banner Decoration

URBIA will work toward creating a unique and pleasant environment for customers and retailers by promoting banners that would change with each season. For example, wreaths and Christmas lights could be hung on Highway 33 during the winter months. This initiative would work in conjunction with the Bows & Boughs Campaign. Similar banners could be established for the spring, summer and Fall Seasons. Willow Park Mall and Plaza 33 all ready have banners that hang on light standards in each parking lot. As well, the City of Kelowna has been erecting wreaths on light standards on Highway 33. The BIA would work to coordinate these initiatives with a common marketing image that would have a positive impact for business in each of the four seasons.

Cleanup/Flower Program

In an effort to keep Uptown Rutland attractive, URBIA proposes a Cleanup/Flower Program. The BIA would work with the City, and existing programs to better coordinate our response to graffiti. An employee would be hired to help remove graffiti and cleanup refuse in the local area. The BIA would act as the “go-to” organization for promoting clean buildings and attractive spaces through out the business district. In addition, the organization would take responsibility for planting and maintaining hanging flower baskets and/or flower barrels throughout the BIA.

Streetscape Enhancement

URBIA is keen to work with the community stakeholders to improve the streetscape of Uptown Rutland. Creating a unique and pleasant environment is imperative to enhance the customer experience. Specifically, initiatives will be looked at to improve lighting, street furniture, and sidewalk treatments.

Signage Improvements

While it remains to be determined what the new image of Rutland will look like – it is clear there is room for improvement. Improved signage within, and at the gateway, of Uptown Rutland will help to create a unique identity for the area. Within Uptown Rutland, URBIA proposes to change some street signs to promote a common cultural theme. At first, signage changes will be limited to the main roads in Uptown Rutland to promote local points of historical interest. In conjunction with other branding efforts for Uptown, our goal will be to create a shared point of reference for Uptown businesses and their customers. A similar signage program has recently been implemented in Downtown Kelowna by the Downtown Kelowna Association.

The other major signage initiative involves highway signage at the gateway entrance into Uptown Rutland. URBIA proposes to work with the City of Kelowna Transportation Department and the B.C. Ministry of Highways to develop overhead signage on Highway 33. This signage would utilize LED technology to further promote Uptown Rutland services and could also serve to promote public safety (i.e., Highway 33 Advisory, Amber Alert). Given that Highway 33 is under provincial jurisdiction, a major role for the BIA will be to coordinate, and communicate the shared needs of businesses for appropriate gateway signage. The BIA would lobby MLA's, and work with senior government staff, with the goal being a partnership in designing and maintaining gateway signage.

5.4 Safety & Security

One of the concerns for businesses and residents in the Uptown Rutland Area pertains to safety and security. URBIA plans to focus resources on the development of a security patrol to clean up the parks and providing a “Safe Walk Program”. Specifically, this patrol will consist of a group of trained security personnel who will work out of a central office; they will be responsible for responding to safety and security issues in the uptown area and liaising with the local RCMP office.

Cleanup & Park Safety

There are two major parks in the Uptown Rutland Area: Centennial Park and Lions Park. Over the years these parks have been a haven for undesirable individuals and the illicit activity that follows them. The Uptown Patrol will help to discourage these individuals from using these parks in order to prevent future problems. As well, the patrol will play a key role in cleaning up the parks as they can remove garbage and any hypodermic needles that may be present. Efforts to cleanup refuse and remove posters will extend to the whole Uptown BIA during their regular patrols.

Safe Walk Program

URBIA also plans to use the Uptown Patrol to implement a "Safe Walk Program" for employees who work in the area. Employees who have safety concerns can use the Safe Walk Program to ensure they can safely walk to their car or transit station. During their routine patrols these individuals can help report graffiti and unsafe conditions and even provide medical attention to those in need.

Uptown Ambassador Patrol

In addition to responding to disturbances and property vandalism, the Uptown Patrol will play a large role as business ambassadors to the area. These individuals are well positioned to provide information and directions to visitors in the area as well as helping to deliver communication to local businesses. There are many missed opportunities to build relationships and provide information regarding local attractions, parking and accommodations.

6.0 Financial Analysis

6.1 Operating Budget

1. Assessed value of the planned BIA area 86,804,900.00
2. Proposed BIA levy per \$1,000 of assessment 1.41
3. Un-leveraged operating budget 122,395.00
(round to 122,000.00)
4. No provision has been made for leveraging of revenue and grants
5. Proposed BIA term is 5 years
6. Average rate of inflation for revenue adjustment 5.0%
- 6.1 Average rate of inflation for expense administration 2.5%
7. Office rent for BIA administration is estimated at approximately \$600/month
8. A part time coordinator will be required as follows at \$2,500 per month

Proposed BIA Budget					
	2008	2009	2010	2011	2012
Revenue	\$ 122,000	\$ 128,000	\$ 134,000	\$ 141,000	\$ 148,000
Operating expenses					
Marketing					
Website	3,000	2,000	2,000	3,000	3,000
Newspaper	3,000	2,000	3,000	3,000	3,000
	6,000	4,000	5,000	6,000	6,000
Promotions					
May Days Festival	5,000	7,000	7,000	7,000	7,500
Christmas Winter Festival	5,000	7,000	7,000	7,000	7,500
	10,000	14,000	14,000	14,000	15,000
Beautification and Signage					
Seasonal banner program	20,000	5,000	5,000	10,000	10,000
Cleanup and flower program	15,000	20,000	20,000	20,000	20,000
Signage and streetscape enhancement	15,000	20,000	20,000	20,000	20,000
	50,000	45,000	45,000	50,000	50,000
Safety and Security					
Uptown ambassador program	11,000	21,000	25,000	25,000	30,000
General and administration					
Insurance	3,000	3,075	3,152	3,231	3,311
Membership dues	500	513	525	538	552
Office and rent	7,200	7,380	7,565	7,754	7,947
Telephone and internet	400	410	420	431	442
Wages and benefits	30,000	30,750	31,519	32,307	33,114
Professional fees	500	513	525	538	552
Capital expenditures	3,000	1,000	1,000	1,000	1,000
Total expenses	44,600	43,640	44,706	45,799	46,919
Net revenue	400	360	294	201	81

7.0 Summary

The timing is right to develop a BIA in Uptown Rutland. URBIA will provide many needed services to this growing community and will work closely with other stakeholders to encourage redevelopment and the building of a new Transit Exchange.

7.1 Development/C7 Zoning

URBIA will support the responsible development of Uptown Rutland. Recently, the City of Kelowna approved many properties in the area to C7 designation. This designation enables property owners/developers the opportunity to establish larger buildings (i.e., over ten stories). The Uptown Rutland Business Association (URBA) was involved in this process and solicited over 100 local businesses for feedback on this initiative. URBA gathered survey results via two town hall meetings and two fax-outs. It should be noted that 99% of businesses responded in favor of the C7 rezoning. The C7 zoning, coupled with other City development initiatives, represents a great opportunity for new development, and redevelopment of some key properties in the business district. The BIA will work to promote these opportunities.

7.2 Transit Exchange

URBIA will encourage improvements in transit infrastructure, as it is a key to the revitalization of Uptown Rutland. In November 2005, the City of Kelowna held a Rutland Transit Centre Design Workshop. This workshop determined the appropriate location for a transit centre in Uptown Rutland. It was found that the preferred location of the Rutland Transit Exchange was on Shepherd Rd. between Asher Rd. and Dougall Rd. And Dougall Rd., between Highway 33 and Shepherd Rd., was deemed to be appropriate as a "High Street", which would be suitable for pedestrian and retail activities. The location of the proposed Rutland Transit Exchange is suitable for Uptown Rutland. In fact, this location works well with the proposed services of URBIA (i.e., Beautification, Development, Promotions).

The development of the Rutland Transit Exchange is beyond the scope of the proposed BIA, however it is an important aspect of the revitalization process as effective public transit is at the centre of every evolving community. URBIA plans to work closely with the City of Kelowna and the Rutland Town Centre Strategy Task Force to establish these initiatives. Once established, the C7 zoning and Transit Exchange will become a catalyst for future development.