

Memo



Date: June 15, 2011
File: 1340-50
To: City Manager
From: Planner Specialist-Urban Design
Subject: Bernard Avenue Revitalization Project - Local Service Area

Recommendation:

THAT Council receives for information, the Report from the Planner Specialist-Urban Design dated June 15, 2011 regarding the establishment of the Local Service Area for the Bernard Avenue Revitalization Project

AND THAT Council authorizes the City of Kelowna to include those properties identified in Map "A" for the proposed establishment of a Local Service Area for the Bernard Avenue Revitalization Project;

AND THAT Council approves Scenario 2 as the streetscape option that will be submitted to the property owners for funding endorsement;

AND THAT Council gives reading consideration to Bylaw No. 10557 being the "Establishment of a Local Service Area for the Bernard Avenue Revitalization Project";

AND THAT Council gives reading consideration to Bylaw No. 10558 being the "Loan Authorization Bylaw for the Bernard Avenue Revitalization Project";

AND FURTHER THAT Council directs staff to provide capital and operating budget submissions for the Bernard Avenue Revitalization Project for 2012 and subsequent years, for Council consideration, as required.

Purpose:

To secure Council approval to commence a City of Kelowna, Council-initiated Local Service Area Bylaw petition for the Bernard Avenue Revitalization Project.

Background:

The roadbed on Bernard Avenue --- Kelowna's main street --- from the Sails to Richter Street (Attachment 1) has a significant crown as a result of many years of asphalt overlay and patching and must be re-graded and the surface replaced. Because this construction must be done soon, it is an appropriate time to replace the underground utilities which are in excess of 40 years old and to upgrade the sidewalks, street furniture, landscaping and other streetscape elements that would create a more inviting and functional commercial street. These changes would also support economic development objectives that encourage a prosperous and vibrant future for Downtown.

Proposed Streetscape Design:

The roadway and utility upgrade project has created an opportunity to create a distinctive main street that could become a focal point for residents and visitors. Community stakeholders have said they want to create a great downtown that encourages people to live, work, shop, eat, and play downtown. They want a main street that presents a unique business precinct and improves the pedestrian experience. This feedback was echoed through the recent Downtown Plan consultation exercise that discussed the importance of place-making. Over the past two years, the City, in conjunction with community stakeholders, explored several design options for Bernard Avenue and ultimately two concepts were developed. Both concepts would reduce the roadway to two vehicle through-lanes, plus a centre turn lane as well as improved pedestrian and cycling infrastructure.

Scenario 2 (Attachment 2) was selected by a balanced and representative stakeholder group, including the Downtown Kelowna Association (Attachment 4), as the preferred option. The evaluation criteria took into consideration which option would best fulfill goals related to economic development, outdoor café seating and retail merchandising, enhancement of the pedestrian experience, safety for all users of the street, environmental impacts, infrastructure maintenance impacts, and parking accessibility. The full description of the evaluation is available at [kelowna.ca/city/projects/Bernard Avenue Revitalization/document centre](http://kelowna.ca/city/projects/Bernard%20Avenue%20Revitalization/document%20centre). The particulars of the preferred streetscape option was summarized as an information package (Attachment 2) which was hand-delivered to Bernard Avenue businesses in support of face-to-face discussions and mailed electronically to all businesses and property owners.

The preferred streetscape option provides parallel parking spaces and wider sidewalks for outdoor opportunities in front of all businesses for purposes of sidewalk cafes and retailing. Staff and the Downtown Kelowna Association concur that "Scenario 2 will result in making Downtown more economically viable and have a significant and direct benefit to stakeholders. The project will be an opportunity to make Bernard Avenue more aesthetically pleasing and create a distinctive streetscape making Downtown Kelowna BC's most desirable urban centre outside of Vancouver for commerce, development and entertainment."

The two main concerns for business owners are parking and impacts during construction. The development of Scenario 2 anticipates the reduction of approximately 41 parking spaces compared to existing conditions. City staff share the concerns expressed by merchants along Bernard Avenue and plan to address the impact as follows:

- 1) to look for short-term parking opportunities that would be in effect during the construction phase, and
- 2) to complete a Parking Management Plan that would provide a longer-term parking management strategy.

In 2009, the City conducted a parking study which showed that sufficient parking capacity exists within one block of Bernard Avenue. The DKA and City will work collaboratively to help ensure visitors to downtown are aware of available parking options as well as ways to access downtown other than by vehicle.

The City is committed to working with stakeholders and the DKA to determine a construction schedule that minimizes the impact on Bernard Avenue and adjacent businesses. Thirty-three of the approximately 160 businesses along the street responded to a survey regarding their preferences for a 1- or multiple-year construction schedule, recognizing that the ultimate

decision would rest on the outcome of the Local Service Area Bylaw petition and other issues as determined by Council. Thirty-one of the responses favoured a one-year construction period. This phasing approach would limit the potential impacts of construction on business profitability to a one year period and help to positively brand the construction project. The City and DKA have committed to jointly develop and implement a communications and marketing strategy to assist businesses during construction.

The one year construction time frame does however, present some challenges including:

- unforeseen conditions- Bernard Avenue is one of Kelowna's oldest roads;
- the scope and complexity of the project;
- the capacity of local contractors to undertake the project; and
- the need for high-quality workmanship.

A final decision regarding construction phasing will be made at Detail Design Phase and staff will report to Council once more information on construction phasing is known.

Establishment Local Area Service Bylaw No. 10557:

The benefitting property owners along the street would be asked to contribute 25% of the streetscape portion of the project costs. Construction would therefore be carried out as a Local Area Service Bylaw and property owners would be consulted to confirm that they will contribute. This would be done through a petition to be sent to each property owner. The proposed Local Area Service Bylaw will include:

- 1) the boundaries and legal parcels (Map A);
- 2) overall estimated project costs;
- 3) funding sources; and
- 4) the portion of costs to be borne by the benefiting area and paid by the property owners.

The Bylaw will be submitted for reading consideration.

Loan Authorization for the Bernard Avenue Streetscape Project Bylaw No 10558

It is anticipated that if the Local Area Service Bylaw is approved, most property owners will elect to have their payments amortized over 20 years and paid through their annual parcel tax. Some may elect to make a lump sum payment. Accordingly, staff will submit a loan authorization bylaw for reading consideration. Approval is required from the Inspector of Municipalities before the petition process can proceed.

Next Steps:

Pending support of the benefiting property owners and Council's endorsement, the next phase of the project would be to complete the detailed design stage followed by tendering the project for construction. Construction could begin at earliest, in spring 2012.

Internal Circulation:

Office of the City Clerk
 Director, Design & Construction Services
 Director, Financial Services
 Director, Community & Media Relations

Legal/Statutory Authority:

Community Charter - Section 210 - Authority for Local Service Areas
 Section 211 - Requirements for establishing a Local Service Area
 Section 213 - Local Area Service on Council initiative

Existing Policy:

The City's policy regarding financial participation of benefiting property owners is set out in the existing *Kelowna Downtown Plan (2000)* in the chapter entitled "Physical Form and Character".

Financial/Budgetary Considerations:

Project costs apportioned to the benefitting property owners of the Local Service Area are equivalent to 25% of the total cost of streetscaping with a total of approximately \$1,237,500 to be divided among property owners in proportion to the property fronting the street. The exact amounts allocated to each property are in the petition process of Local Service Area Bylaw 10517. The total project costs are shown below. The owners' portion would be recovered through property taxes over 20 years and in accordance with proposed Bylaw 10518.

Construction Components	Estimated Cost	Budget Source
Detail Design	\$1,300,700	Taxation
Demolition	\$906,400	Taxation
Water	\$589,500	Water Utility
Storm Sewer	\$565,900	Taxation
Sanitary Sewer	\$229,500	Sanitary Utility
Roadworks	\$1,163,400	Taxation
Traffic Lights	\$1,701,400	Taxation
Streetscape	\$4,950,500	25% Property Owners; 75% Taxation
General Conditions	\$732,600	Taxation
TOTAL	\$12,139,900	

A 20% contingency and the City's portion of the HST are included in each of the construction components.

External Agency/Public Comments:

The City of Kelowna, working in conjunction with the Downtown Kelowna Association (DKA), hosted a series of workshops with Downtown business and property owners to discuss the revitalization. The workshops started in January, 2010. As well, public open houses and an online survey were held in spring of 2010. A summary report on the public consultation process is included as Attachment 3.

The City worked closely with the DKA throughout the process. A letter of support from the DKA is included as Attachment 4.

Considerations not applicable to this report:

Existing Policy:

Financial/Budgetary Considerations:

Personnel Implications:

External Agency/Public Comments:

Community & Media Relations Comments:

Alternate Recommendation:

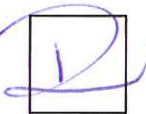
Legal/Statutory Procedural Requirements:

Submitted by:



Patrick McCormick, Planner Specialist-Urban Design

Approved for inclusion:

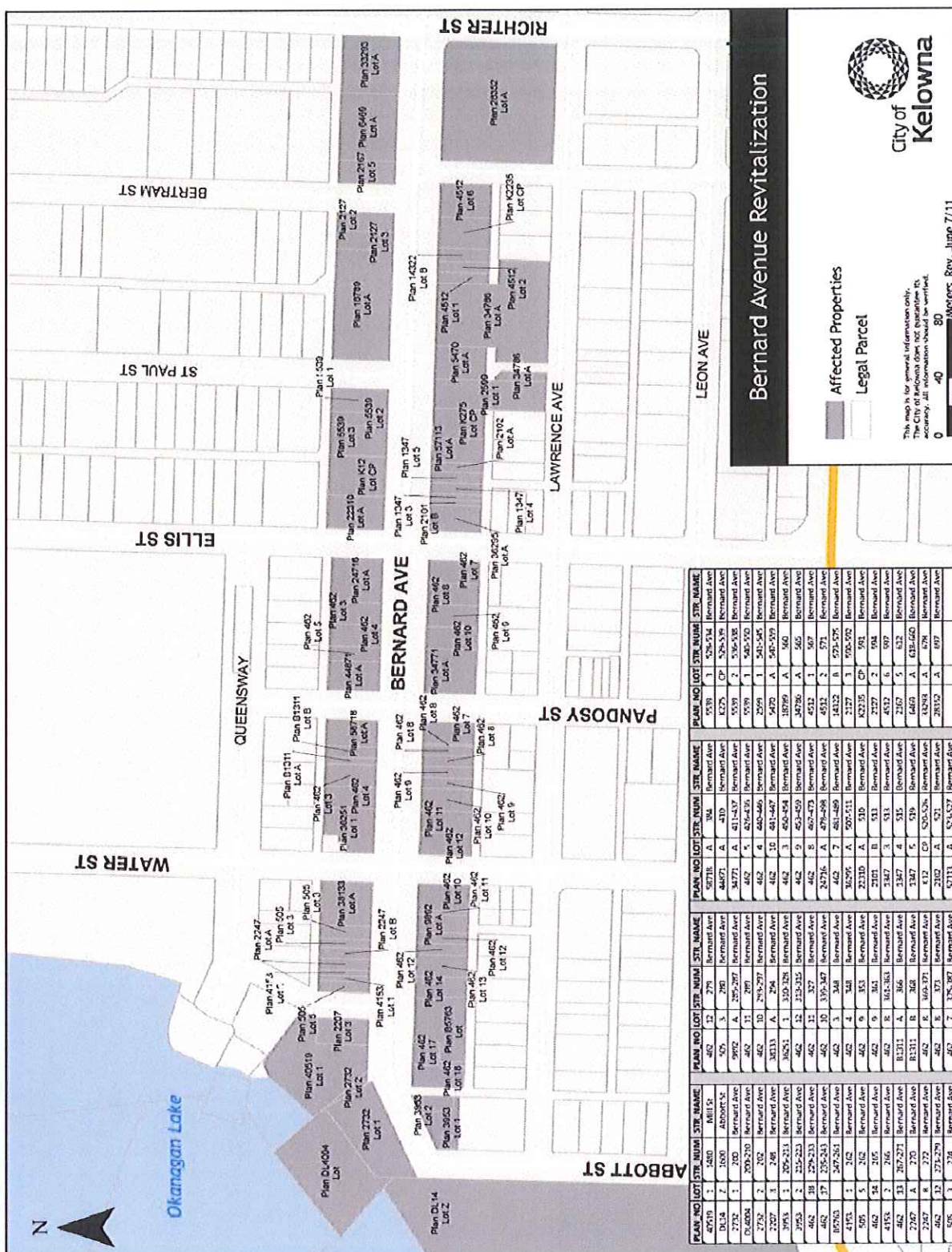


R. Cleveland, Director, Infrastructure Planning

Attachments:

- 1: Map of Benefitting Properties
- 2: Proposed Streetscape Design
3. Public Consultation
- 4: DKA Letter of Support

cc: General Manager, Community Sustainability
Director, Regional Services
Director, Design & Construction Services
Director, Civic Operations
Director, Corporate Services
Director, Financial Services
Director, Community & Media Relations



The Future for Business on Bernard Avenue – Keeping you Informed



The opportunity to complete a long-awaited renovation of Kelowna's "Main Street" is at hand. Decisions to be made in the next few months will set the course for decades to come.

This will be an opportunity to make Bernard Avenue more aesthetically pleasing. It'll also be an opportunity to make it more economically viable; to remake it as Kelowna's centrepiece, and to help shape a new and brighter image for Downtown.

In order to create a street that has the greatest potential for business success and that will serve your needs as a

Bernard Avenue business and/or property owner, it's important that you have complete and accurate information.

The purpose of the following information is threefold:

- 1** To provide business and property owners along Bernard Avenue with the most up-to-date information, including the rationale behind the preferred streetscaping concept and the intended outcomes for the project;
- 2** To discuss with the business owners, the options available for the timing and potential phasing of construction; and
- 3** To discuss with the property owners, the petition process and the cost estimate.



The underground utilities on Kelowna's main street are old and need to be replaced.

Because this construction must be done soon, it's a good time to upgrade the sidewalks, street furniture, and other elements that contribute to an inviting and functional commercial street.

The City of Kelowna and the Downtown Kelowna Association (DKA) hosted a series of workshops with Downtown business and property owners to discuss this revitalization. The workshops started in January, 2010. As well, public open houses were held in May and June of 2010.

The City explored several design options and ultimately two concepts were developed. Both concepts would reduce the roadway to two vehicle lanes, plus a centre turn lane. Images of the concepts are attached at the back of this document and a summary of the key features is included below. A map of the subject area and more information on the proposed designs can be found at: Kelowna.ca/CityProjects.

A formal evaluation of the 2 streetscape options was recently completed. An Evaluation Committee was struck with representatives from the DKA, the Urban Development Institute, and the Economic Development Commission taking part along with City staff. The evaluation recognized that great streets satisfy many criteria which were agreed upon by the Committee members before the evaluation took place. The evaluation looked at the following:

SCENARIO 1	SCENARIO 2
1.5m dedicated sidewalk depth for business use	3.0m dedicated sidewalk depth for business use
Larger curb bulb (30m2)	Smaller curb bulb (20m2)
3.35m wide driving lanes; shared use with bicycles	4.30m wide driving lanes; shared use with bicycles
Angle Parking	Parallel Parking
Street trees and furniture	Street trees and furniture

1 Economic Development

A "happening" street with many activities attracts customers. Some of these activities such as street entertainment can be programmed. A sense that the street is alive also comes from businesses that use the sidewalk to sell their goods and services. A report by Commercial Marketing Inc. highlighted the importance of these activities in attracting customers and in promoting the long-term economic health of the street.

In addition to closing the street to vehicles for limited periods, street entertainment and special events could happen in the areas next to the intersections, in the "curb bulbs". Although Scenario 2 would provide more room for retail to spill onto the street to help enliven Bernard Avenue (see Outdoor Café Seating below), Scenario 1 has slightly larger curb bulbs to accommodate programmed community activities.

2 Outdoor Café Seating

Restaurants generate walk-by traffic for other businesses and café seating brings a sense of vitality to commercial streets.

Of particular note is that restaurants make up 25% of all businesses along Bernard Avenue and 1/3 of the approximately 110 restaurants in Downtown. Along with other well-established businesses on Bernard Avenue, they draw customers from around Kelowna and throughout the Central Okanagan and provide spin-off effects for other businesses.

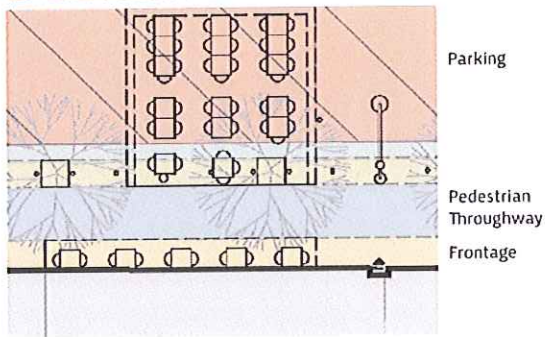
The report by Commercial Marketing Inc. indicated that Downtown's greatest opportunity is to "not be the mall". The report can be viewed at Kelowna.ca/CityProjects under Document Centre.

What this means is that Bernard Avenue's strongest asset is its mix of locally-owned, independent businesses. Restaurants, as such, account for a significant portion of business activity along the street. They help make Downtown distinctive in the minds of consumers and to distinguish it from the outlying car-oriented commercial developments.

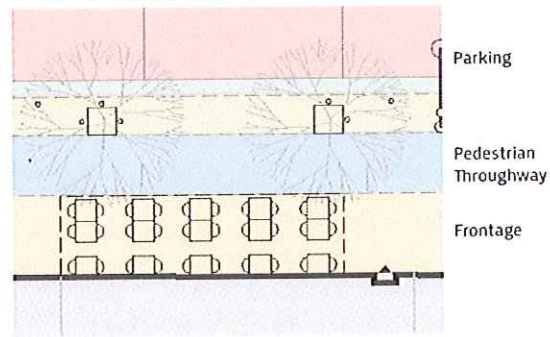
Scenario 2 is therefore a preferred option because it's more restaurant-friendly. As the use of parking areas for outdoor seating wouldn't be necessary in Scenario 2, all businesses would have an equal opportunity to use the outdoor areas immediately in front of their establishments. As well, by placing outdoor seating next to buildings rather than next to the roadway, Scenario 2 would provide a more pleasant place for café patrons. It would also allow restaurant staff to better keep an eye on seating areas to serve customers and to help restaurants comply with Liquor Board regulations.

UPDATE

Scenario 1



Scenario 2

**3 Safety**

A safety audit commissioned by the City found that motorists backing out of angle parking stalls account for a higher-than-average number of collisions with oncoming vehicles. With the direction to make Bernard Avenue more bicycle-friendly, it can be expected that bicyclists would also be at considerable risk when travelling alongside angle parking.

The audit also indicated that café seating areas located in parking areas are at risk from errant vehicles, particularly those entering and leaving parking stalls on either side of an outdoor seating area.

The safety audit recommended Scenario 2 as it would provide greater public safety:

- ▶ the wider vehicle lanes would give bicyclists more room to go around motorists opening their car doors;
- ▶ motorists leaving parallel parking stalls would better be able to see oncoming cars and bicycles;
- ▶ outdoor café patrons wouldn't be seated near moving traffic. Moreover, servers wouldn't have to walk across the pedestrian thoroughway on the sidewalk.

4 Environmental Impacts

Healthy trees reduce greenhouse gas emissions and make the street cooler in summer and more pedestrian-friendly. Reducing the heat-island effect decreases ambient air temperatures and cooling costs. The shade will also reduce the damage done to buildings and the sidewalk as a result of the harmful effects of the sun. As well, treed streets can increase retail sales and property values.

Scenarios 1 and 2 have approximately the same number of trees, although the trees in Scenario 2 would have healthier canopies because they would be about 1m further away from the buildings, allowing a healthier branch structure.

5 Infrastructure Maintenance Impacts

Maintenance costs include road and sidewalk cleaning such as snow removal, sanding and sand removal, litter clean-up, and emptying trash receptacles. Trees, vegetation, and irrigation systems also require attention.

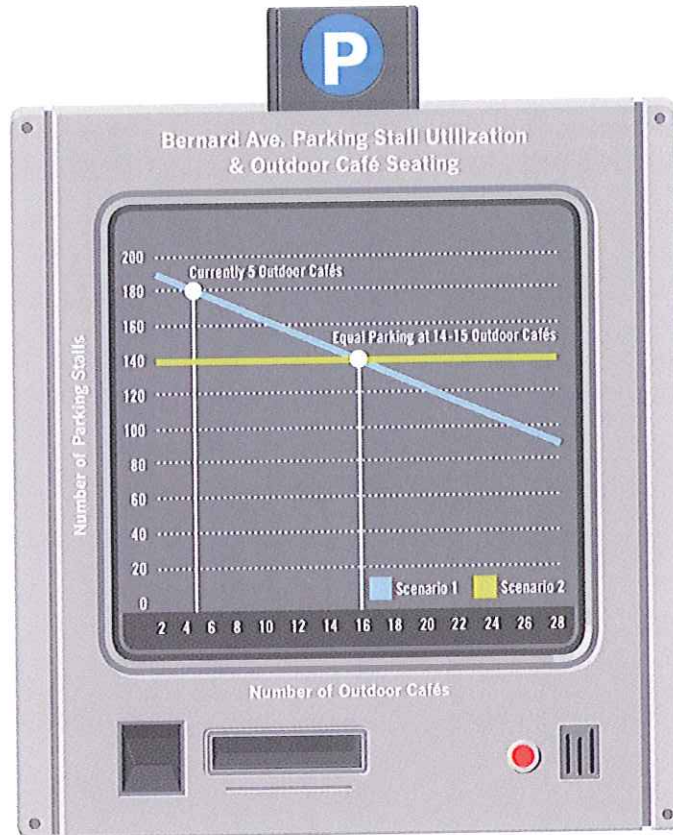
The outdoor seating in parking areas under Scenario 1 would make it more difficult for maintenance vehicles to manoeuvre the awkward angles along the street created by the outdoor seating areas. Scenario 2 is therefore preferred because there wouldn't be any café seating in the parking areas and this would reduce street maintenance costs.

6 Parking Accessibility

Scenario 1 would provide 10 more on-street parking spaces than exist today. Scenario 2 would provide 39 stalls fewer than available along the street today. However, a sufficient number of empty parking stalls are available on other streets within easy walking distance of Bernard Avenue. These stalls can compensate for a loss of parking if Scenario 2 is implemented.

Moreover, if the streetscape improvements attract more restaurants to Bernard Avenue, there could be greater demand for outdoor café seating. Given the importance of restaurants to the economic viability of the street, an effort should be made to accommodate that demand.

It should be noted however, that more café seating areas will erode the available parking if Scenario 1 were to be implemented. In fact, if 9 more seating areas were permitted along the 6-block stretch of Bernard Avenue (assuming each would use 3 parking stalls), the available parking along the street would be the same under the angle parking scenario (Scenario 1) as under the parallel parking scenario (Scenario 2). Beyond this number, the amount of available parking in Scenario 1 would be reduced below the number of stalls provided in Scenario 2.



The future of outdoor seating and the role of restaurants within the overall retail mix is closely linked to the parking supply on Bernard Avenue. Scenario 2, by not relying on parking areas for outdoor seating, provides greater certainty and in the longer term, could ensure more parking stalls than Scenario 1. The graph here illustrates this possible outcome.

Overall, Scenario 2 better satisfies the evaluation criteria. Please review the full evaluation at [Kelowna.ca/City Projects](http://Kelowna.ca/CityProjects) under [Bernard Avenue Revitalization/Document Centre](#).

Public Opinion

An online survey conducted by the City showed that 64 per cent of respondents said they wouldn't be deterred from visiting Downtown if the number of on-street parking stalls was reduced on Bernard Avenue. The survey also showed 55 per cent supported a parallel parking scenario to make room for pedestrians and outdoor café seating. The results of the survey can be viewed at [Kelowna.ca/City Projects](http://Kelowna.ca/CityProjects) under [Bernard Avenue Revitalization/survey](#).

Lastly, an evaluation was conducted by the people who attended Workshop #3 in April, 2010. The result of that evaluation was that Scenario 2 is the preferred option. The results can be viewed at [Kelowna.ca/City Projects](http://Kelowna.ca/CityProjects) under [Workshop #3/Process Evaluation](#).

Based on the Evaluation Committee's work, and the assessments by the retail and traffic safety consultants, the

recommendation to Council will be that the City begin construction of Scenario 2 in spring, 2012 to support a prosperous and vibrant future for Bernard Avenue.

Construction Impacts

The City will take every step to ease construction impacts. More discussion with business and property owners about what to expect will be provided this fall and over the winter, leading up to the construction date.

One critical issue that needs to be resolved is the construction phasing. As a business owner, if construction could be completed in 1 year, or be spread over 2, or even 3 years, what would be your preference?

Banff recently completed major renovations to its main street. The consultant on this successful project, completed in one year, identified the followings factors to its success:

- ▶ A project communications team that included the business and property owners, the municipality, the contractor, and the consultants;
- ▶ Branding of the project; and
- ▶ Event planning during construction to create a festival-like atmosphere.

Construction Options

The following information outlines the pros and cons of each option. The timelines are based on the best information available. However, due to the risks described below, the City of Kelowna does not guarantee that these timelines can be achieved. For more information on what is involved in the construction process, please visit [Kelowna.ca/City Projects](http://Kelowna.ca/CityProjects) under [Workshop #4/Construction Phasing Options](#).

UPDATE

One Year

Duration of Construction

Construction is expected to start in 2012, as soon as weather permits (most likely March). With a one-year phasing option, construction would hopefully be completed by early December. It's not known at this time at which end of the street construction would begin. Pedestrian access to each store would be maintained throughout the construction project through fencing and temporary access routes. There may be short periods without access to connect the utilities or to pour the sidewalks. Construction would be staged to maintain traffic flow at key intersections (Water, Pandosy, Ellis, and Richter Streets).

Impacts

The street would be disrupted over the spring, summer and fall retailing seasons.

Risks

The underground conditions aren't known. It's possible that the project could be delayed beyond December if unexpected conditions were found. In this case, construction crews would make sure all services and the road were in a functioning condition until work could be resumed and the project completed in spring, 2013.

Advantages

The street would be disrupted for only one year.

Two or Three Years

Duration of Construction

In a 2-year scenario, the street would be under construction for approximately 7 months each year. In the 3-year scenario, the street would be under construction for approximately 5 months each year. In either scenario, construction would start as soon as weather permitted. It's not known at this time at which end of the street construction would begin.

Impacts

A portion of the street would be disrupted over the summer retailing season in each year. Even though only a portion of the street would be under construction in either of the 2- and 3-year scenarios, it's expected there would still be impacts on businesses. These impacts include noise and dust from equipment operation as well as the inconvenience of traffic disruption. Bernard Avenue would still be "under construction".

Risks

The construction could take longer if unforeseen underground conditions were found. Construction costs would also be higher. A portion of these costs would be passed on to the property owners and ultimately, the business owners.

Advantages

Because the construction would take place over fewer months compared to the 1-year option, there would still be time before winter to finish the work if construction was delayed for any reason.

HOW TO INDICATE YOUR PREFERENCE

If you are a business owner, please let us know your preference for the 1-year, 2-year, or 3-year options. Your preference can be indicated on the feedback form below. **One response per business please.** Responses should be returned no later than **May 31, 2011** to:

Bernard Avenue Response
c/o Infrastructure Planning
City Hall, 1435 Water St.
Kelowna, BC V1Y 1J4
Fax: 250-862-3363

☐ One Year

☐ Two Years

☐ Three Years

COMPANY NAME: _____

CONTACT NAME: _____

PROPERTY ADDRESS: _____

I WOULD LIKE TO SUBSCRIBE TO
E-UPDATES FOR BERNARD AVENUE:

(please print email address) _____



What Your Response Will Mean

There are many technical criteria that will influence the decision about construction timelines. These will be taken into consideration by City staff in making a decision. However, the preferences of the business owners along Bernard Avenue will also be considered. The results of the vote will be posted on the City website by June 7, 2011.

kelowna.ca

Q&A

Why is Scenario 2 the preferred concept?

A number of criteria were used to evaluate the two concepts including economic development, public safety, distribution of parking, environmental benefits, and maintenance & operation costs. Scenario 2 is able to satisfy these criteria significantly better than Scenario 1.

Why is parallel parking preferred over angle parking?

The angle parking option will initially provide more parking stalls, but reductions in available parking could result from the addition of more sidewalk cafés and/or street merchandising. The parallel parking option protects a set amount of parking stalls over the long term for Bernard Avenue while providing equitable access for business owners to participate in the sidewalk café and/or street merchandising program on the sidewalk directly in front of their establishments.

Why is outdoor café seating important?

Restaurants and other food and beverage businesses currently account for 25% of the businesses along Bernard Avenue. These businesses are in part what makes Bernard Avenue distinctive and sets it apart from the regional malls and other commercial areas. They add a sense of vitality to the street and generate walk-by traffic and impulse buying for other retailers.

Did business owners and property owners have a chance to provide input on the design of the street?

The City has undertaken a public consultation process as part of the Concept Design Phase of the project. There have been numerous opportunities for the business and property owners to provide input to the project and become familiar with the issues including:

- ▶ a series of four workshops over a two year period (2010-2011) with notices emailed to the business and property owners through the DKA and advertised in the local newspapers;
- ▶ two public open houses in 2010, also advertised in the local newspapers;
- ▶ information posted on the City's website including an on-line survey;
- ▶ visits in 2009 from City and DKA staff to business along Bernard Avenue.

Where are customers going to park if Scenario 2 is built?

A parking study was conducted by the City in 2010 that showed there is unused parking available within one block (a 5 minute walking radius) of Bernard Avenue at all times of the day and week, including peak hours. This message needs to be communicated to the public. In addition, the City is currently working on a long-term Parking Management Plan that aims to better manage the available supply of parking by promoting the use of under-utilized parking areas, and encouraging employers and employees to use the parkades and parking lots rather than on-street parking.

What will happen to the existing outdoor seating areas?

The restaurant owners will be given notice before construction begins so that they can remove their outdoor seating areas. Owners will be responsible for removing any structures at their cost, as per the terms of their permit with the City. If Scenario 2 is constructed, there will be opportunities for all restaurants along the street to have outdoor seating areas, and not just the ones that have seating today. Because all seating will be on the sidewalk, structures on the roadway won't be necessary, nor will they be allowed.

Will businesses have to close during construction?

It is expected that customers will be able to walk along both sides of the street and to use the front doors of the businesses throughout the construction period. There could be short interruptions to connect utilities and/or construct new sidewalks.

Where will my customers park during construction? Where will my staff park?

There is surplus parking within a five minute walking distance of Bernard Avenue including the side streets e.g., Lawrence and Leon Avenues, surface parking lots, and the two Downtown parkades.

How will deliveries get to the stores?

Service deliveries will continue to be from the alleys behind the businesses.

Will the City provide free parking during construction?

The City will develop a traffic management plan to deal with bus routing, emergency vehicle access, and parking for customers, business owners and employees. As part of this plan, the City will consider free or reduced-rate short-term parking.

What is the plan for construction?

The construction period could last one to three years depending upon the appetite for business disruption and the extra costs of phased work. This is discussed in the brochure.

Why are there so many trees? How will customers see the business signs?

Street trees are important infrastructure to achieve the community's environmental goals. Street trees make the street a more aesthetically-pleasing and comfortable place to shop. Tree canopies will be pruned over time so that business signs at street level and window displays will remain highly visible.

Who will keep business owners informed during construction?

The City and the DKA will be developing a communications plan so that all business owners will be kept up to date on a day-by-day basis during construction. The City has taken advantage of lessons learned from recent construction projects including the main street in Banff and Cambie Street in Vancouver. Businesses owners will be informed about any unexpected delays or unforeseen events that will affect their businesses and/or the construction schedule.

Will property taxes increase because of this project?

The City's proposed funding strategy relies on several different sources including taxation, utility rates and property owner contribution. No property tax increase is needed to fund the construction of this project.

Q&A

Why are property owners being asked to help pay for the construction?

The streetscape improvements would result in more revenues to the businesses along the street and are therefore considered a benefit to the property owners. Moreover, it's the City's policy that property owners pay the full charge for any streetscape improvements.

However, the City acknowledges that Bernard Avenue is a major street within the community, and is therefore willing to fund most of the cost. This approach was used when the South Pandosy streetscape was done in 1997. At that time property owners in the area agreed to pay 25% of the streetscape costs.

How much would the new street cost the property owners?

The anticipated cost is \$770 – \$1090 per lineal metre of street frontage. This is a cost estimate prepared by the consultant. It assumes a range of materials, hardware, and finishes. More information can be viewed at Kelowna.ca/cityprojects under [Workshop #4](#). The cost to be charged to each property owner is being finalized and will be included in the petition.

How would the rest of the project be paid for?

The rest of the project would be paid for from taxation revenues and utility fees.

How can payments be made?

A lump-sum payment can be made to the City once construction is completed. Alternatively, the City can finance the property owner's charge over 20 years. The repayment charge would include interest and be added to the property-owner's annual tax levy.

Why does there have to be a petition?

Provincial legislation requires a petition whenever property owners are being requested by the municipality to pay for some, or all of the costs of an infrastructure upgrade.

When will the petition be circulated?

It's expected the petition will be sent to the property owners in July, 2011.

How does the petition work?

The City will circulate the petition to each of the property owners along Bernard Avenue. Information on the design, estimated costs, and timeframe for the project will be included.

The petition is based on a question regarding the property owner's willingness to participate in the cost of the project. At least 50% of the owners representing at least 50% of the total assessed value of the properties along the street would be needed to pass the petition. Property owners will have four weeks to respond.

What happens if the property owners vote against a financial contribution to the streetscape?

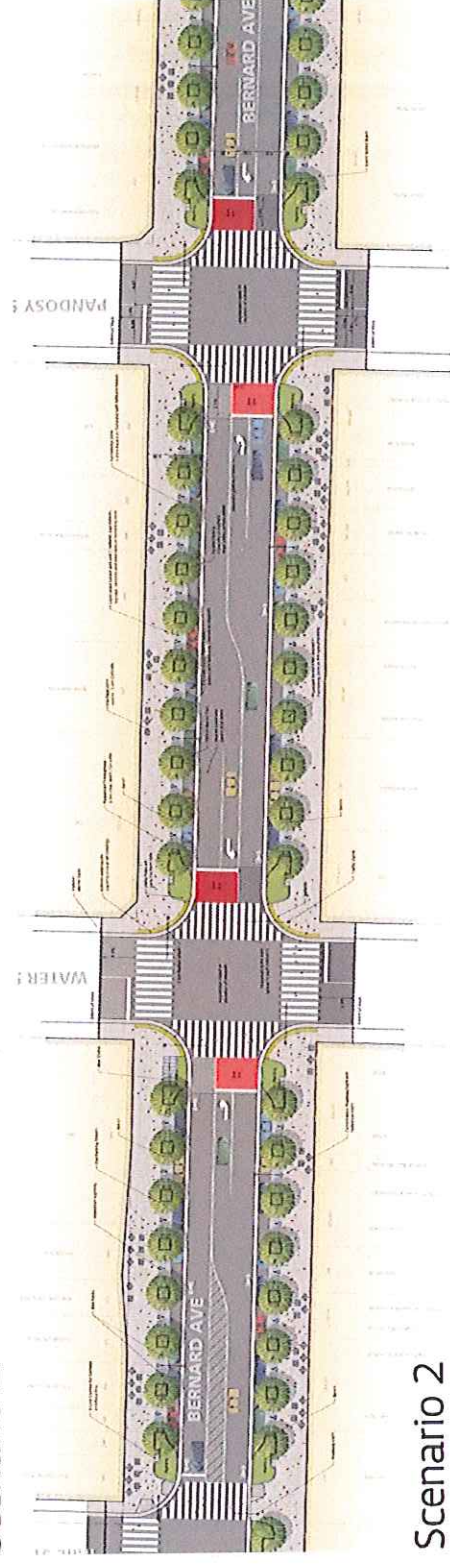
The utility work has to be done regardless. So one option would be to do the utility work and repair the road as necessary, but leave everything else as is. City Council could also choose to do whatever streetscape work is possible without a property owner contribution. This would result in a lower level of outdoor space for businesses and the public.

What are the next steps?

The next step will be a presentation to City Council in June to initiate the petition process. A petition must be circulated to the property owners for four weeks. Staff will report back to Council later in the summer with the results. Construction of Bernard Avenue could happen as early as 2012 pending the outcome of the petition.



Scenario 1



Scenario 2

Bernard Avenue Revitalization Project
Proposed Streetscape Plans

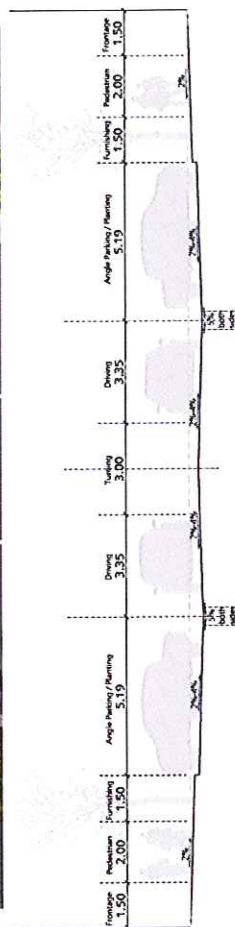
February 2011





Bernard Avenue Revitalization Project Street Character (Scenario 1)

February 2011



Bernard Avenue Revitalization Project Street Character (Scenario 1)

February 2011



Bernard Avenue Revitalization Project Street Character (Scenario 2)

February 2011

Frontage	Petroleum	Turning	Parallel Parking	Drawing	Turking	Drawing	Parallel Parking	Petroleum	Frontage
3.00	2.00	1.95	2.40	4.30	3.00	4.30	2.40	2.00	3.00

Attachment 3: Public Consultation

City staff began discussions in 2010 with the Downtown Kelowna Association (DKA) and Downtown business and property owners. Consultation included four workshops between January, 2010 and February, 2011. Public open houses were held in May and June of 2010. An online survey was conducted in May and June, 2010.

Prior to submitting a council report to initiate the petition process, staff conducted further consultation directly with the business and property owners to help ensure they have accurate and complete information.

An information brochure was sent electronically by the DKA to its members (including business and property owners). The City's Urban Design Planner and the DKA's Marketing Director followed up with visits to the merchants along the street on May 26 and 27, 2011. The aim was to explain the rationale behind staff's recommendation regarding the streetscape options, to outline a strategy to mitigate the impacts of construction, and to answer any questions.

Property owners were contacted by telephone. They were offered an opportunity to meet with staff to review the merits of each of the streetscape options, the associated costs of the preferred option, and the petition process. The public consultation process is summarized below.

Event	Date	Location	Attendees/Audience
Workshop #1	January 18, 2010	Royal Anne Hotel	Business & property owners
Workshop #2	March 1, 2010	Royal Anne Hotel	Business & property owners
Workshop #3	May 4, 2010	Royal Anne Hotel	Business & property owners
Open House #1	May 30, 2010	Parkinson Recreation Centre	The public
Open House #2	June 4, 2010	450 Bernard Avenue (24 Sales Centre)	The public
Survey	May, June, 2010	City website	The public
Workshop #4	February 7, 2011	Royal Anne Hotel	Business & property owners
Business Owner Outreach	May 26, 27, 2011	Door-to-door visits	Business owners
Property Owner Outreach	May 31 - June 3, 2011	Phone calls	Property owners

Attachment 4: Letter from the Downtown Kelowna Association



June 6, 2011

City of Kelowna
1435 Water Street
Kelowna, BC V1Y 1J4

Re: Letter of Support to the City of Kelowna for the revitalization of Bernard Avenue

Dear Pat McCormick,

The Downtown Kelowna Association (DKA) would like to communicate its support of the revitalization of Bernard Avenue and specifically the City Staff recommendation to Council to proceed with "Scenario 2" as presented in the "The Future for Businesses on Bernard Avenue – Keeping You Informed" document. The DKA Board of Directors' decision to support "Scenario 2" was made after careful consideration of the long-term impacts of the project on Downtown and after reviewing the following documents: A survey conducted by the City of Kelowna, a survey regarding parking preferences conducted by the DKA, an Evaluation Team Summary Report, a Retail Assessment of the effects of the Project and The Future for Businesses on Bernard Avenue – Keeping You Informed.

It should also be noted that DKA staff:

- a. communicated the DKA's support of "Scenario 2" to all Downtown Kelowna stakeholders;
- b. communicated the DKA's reasons for supporting "Scenario 2"; and
- c. provided all Downtown Kelowna stakeholders with the above noted information that was used to evaluate the two scenarios.

The primary concern expressed by our stakeholders was the length of the construction period and the impact that construction will have on their businesses. For this reason, the DKA would request that the project be supported by a comprehensive communication and marketing plan, and permanent parking way-finding signage.

It is the Downtown Kelowna Association's belief that "Scenario 2" will result in making Downtown more economically viable and have a significant and direct benefit to our stakeholders. The project will be an opportunity to make Bernard Avenue more aesthetically pleasing and create a distinctive streetscape making Downtown Kelowna BC's most desirable urban centre outside of Vancouver for commerce, development and entertainment.

Sincerely,

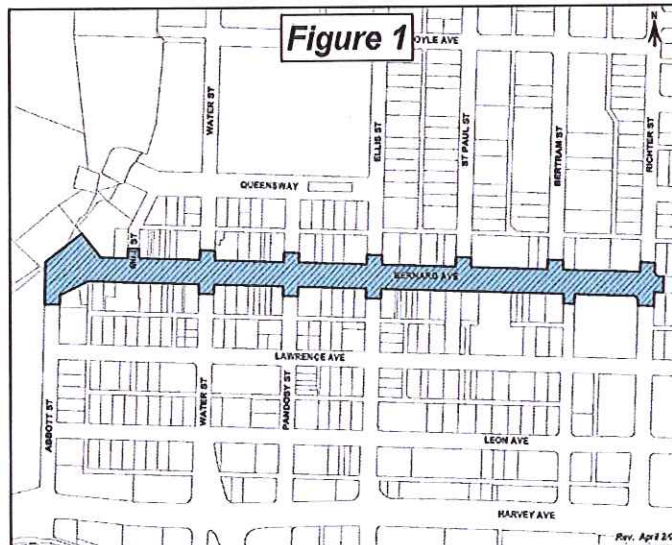
Peggy Athans
Executive Director

Downtown Kelowna Association
200-287 Bernard Avenue, Kelowna, BC V1Y 6H2
Phone: 250-862-3515 Fax: 250-862-5204
info@downtownkelowna.com

BERNARD AVENUE REVITALIZATION



Figure 1



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Re-grade & Resurface Roadbed



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Replace Utilities Concurrently

- storm
- sanitary
- water
- electrical



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Streetscape opportunity




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EXISTING CONDITIONS







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Stakeholder consultation

- Partnership with DKA
- 4 Workshops
- 2 Open Houses
- Online survey
- Business & property owner outreach



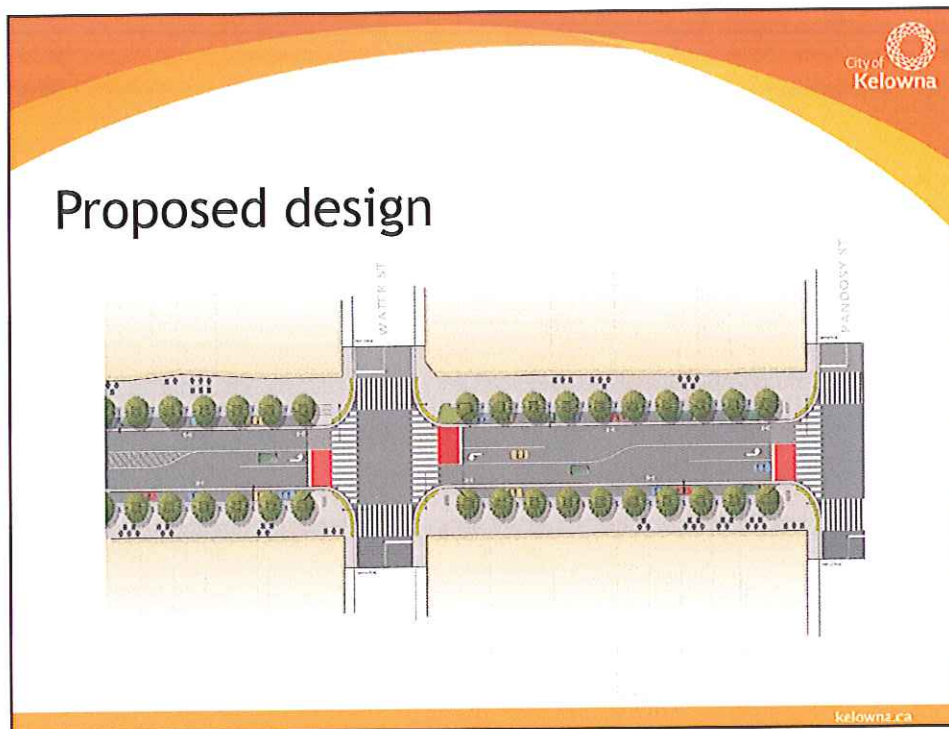
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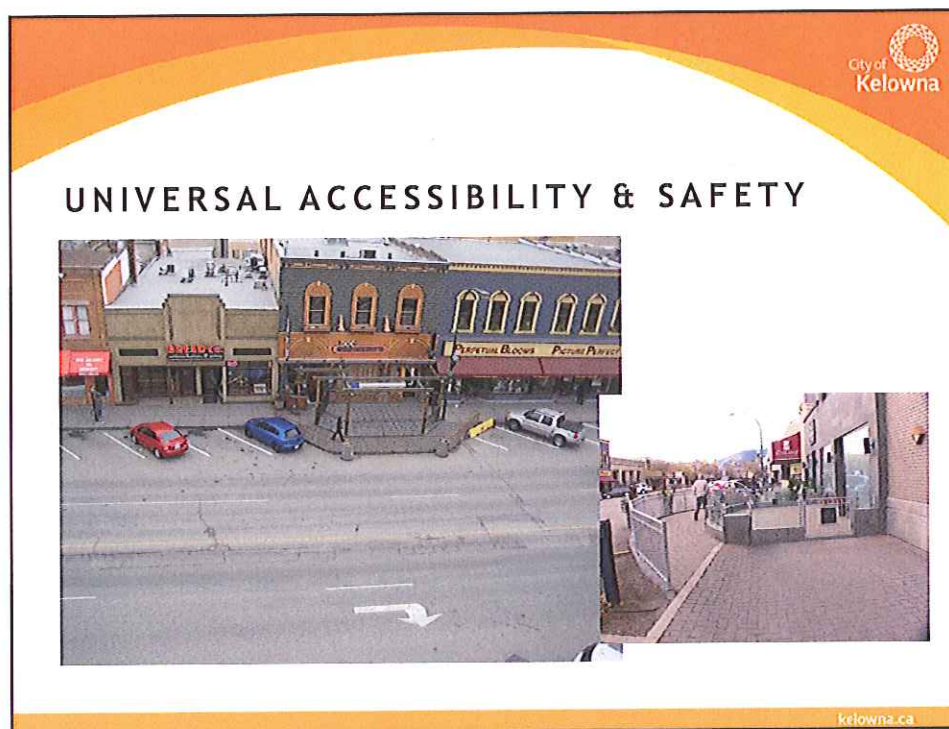
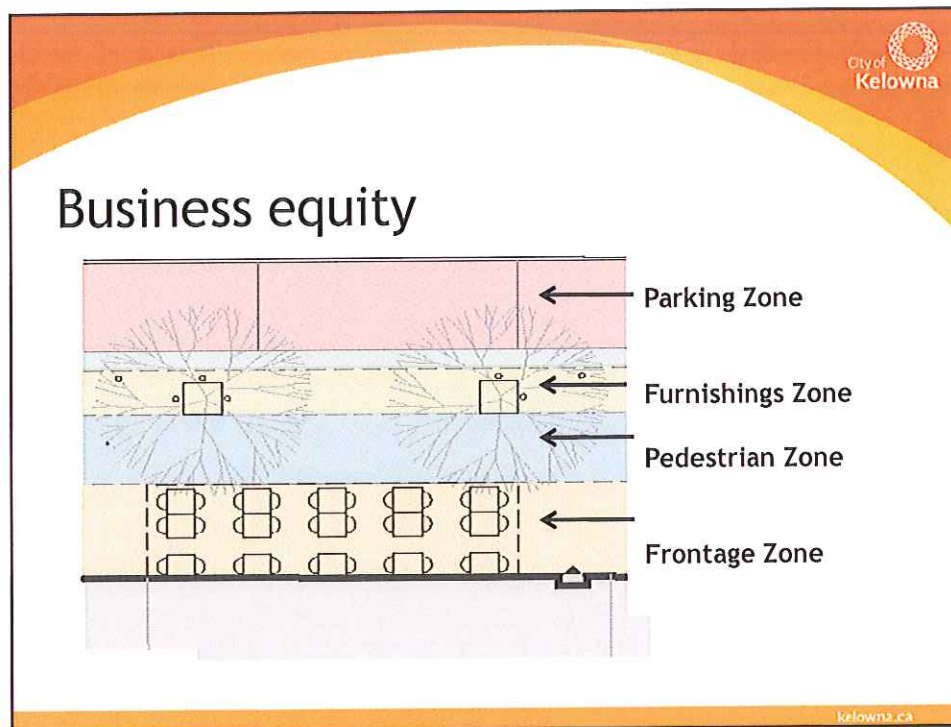


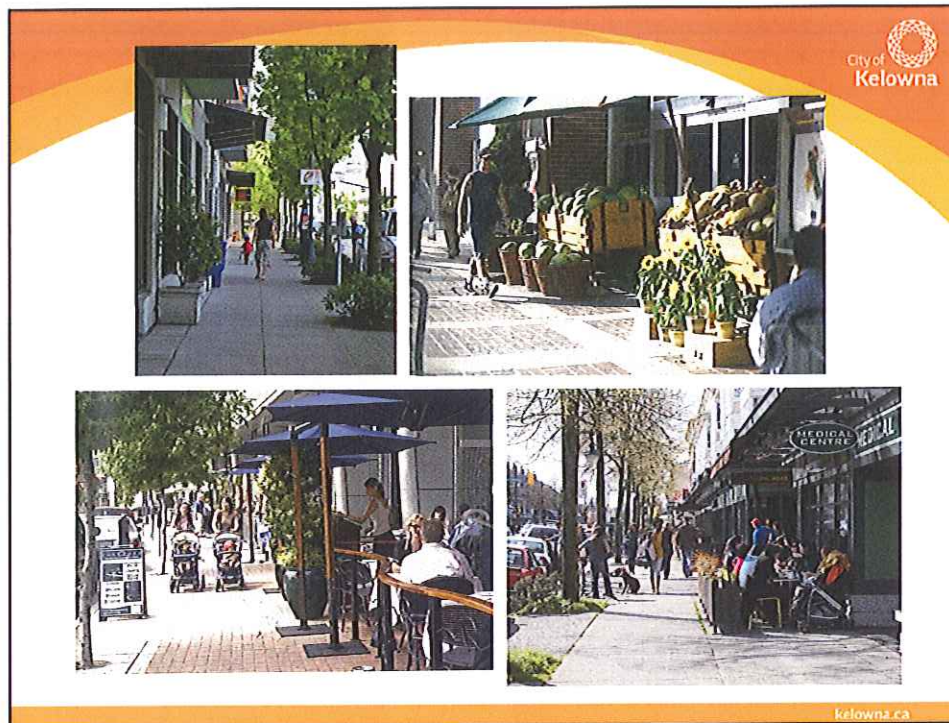
Other design input

- Urban design & engineering
- Retail analysis
- Safety Audit
- Parking study
- Formal evaluation (UDI, DKA, EDC, City)

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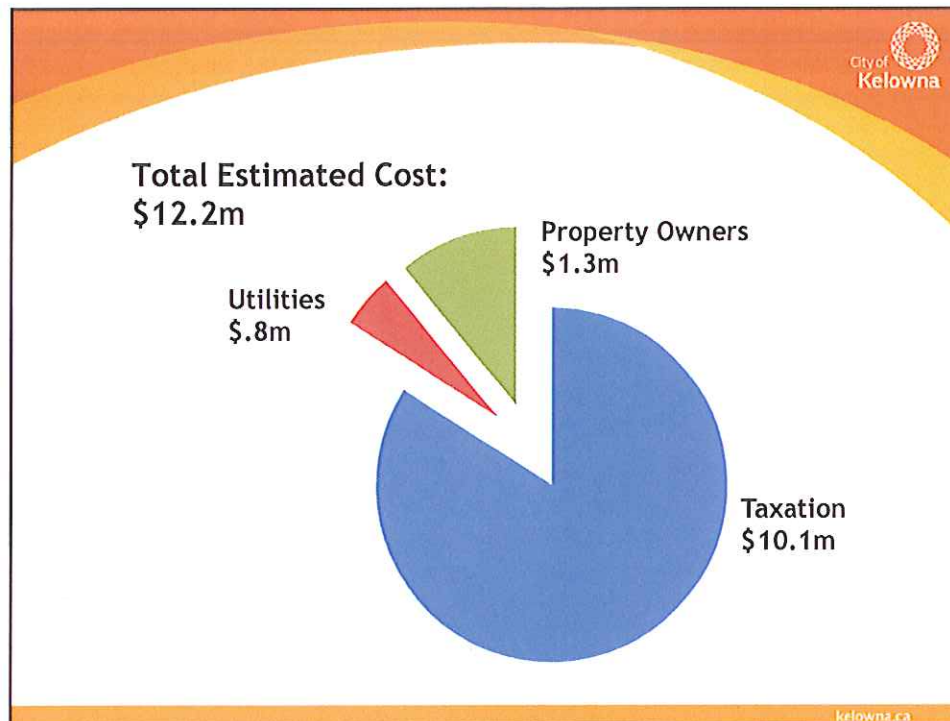






Streets for people





Construction mitigation

- Construction phasing
- Communications plan
- Branding strategy
- Parking plan



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Local Service Area Bylaw

- Property owner contribution - 25%
- Approx. \$1.3m; ≈\$1.1k/lin.m
- Petition required
- Requires loan bylaw

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Schedule

- Ministry Loan Bylaw Review- 2 weeks
- Petition notice- 2 weeks
- Petition circulation- 4 weeks
- Verification- 2 weeks
- Report to Council- September 2011

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