

CITY OF KELOWNA

BYLAW NO. 10730

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 (2013-2017).

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 2013-2017 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 2013-2017 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 Seventy Six Thousand One Hundred and Sixty Dollars (\$176,160.00) 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. The URBIA shall submit to the Council of the City of Kelowna, annually, on or before March 15, financial statements in accordance with generally accepted accounting principles (GAAP) that include a Notice to Reader.
8. The URBIA shall have a Review Engagement Audit performed in the fifth (5) year namely fiscal year ended 2017.
9. 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.
10. The URBIA shall not incur any indebtedness or other obligations beyond each budget year.
11. 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.
12. 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.
13. 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.

Bylaw No. 10730 - Page 3

14. 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.
15. 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).
16. 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.
17. This bylaw shall be effective from the date of adoption through December 31, 2017 inclusive.
18. This bylaw may be cited as "Uptown Rutland Business Improvement Area Bylaw No. 10730."

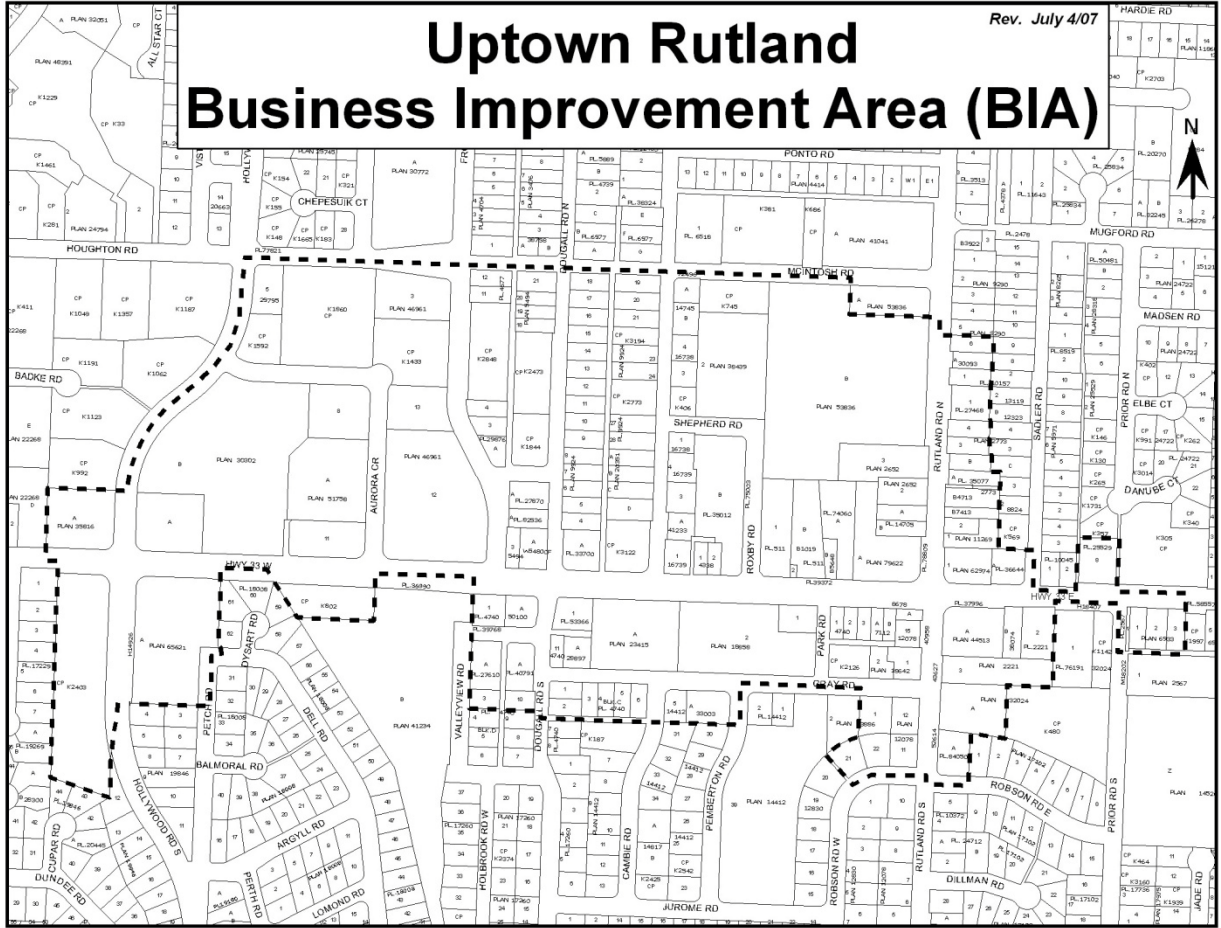
Read a first, second and third time by the Municipal Council of the City of Kelowna this

Adopted by the Municipal Council of the City of Kelowna this

Mayor

City Clerk

Bylaw No. 10730 - Page 4
SCHEDULE A – Map



SCHEDULE B – Business Promotion Scheme



Renewal 2013

Table of Contents

| | |
|--|---------|
| 1.0 Executive Summary | Page 2 |
| 2.0 Vision | |
| 2.1 Mission Statement | Page 2 |
| 2.2 URBA Vision for the Rutland Town Centre | Page 2 |
| 2.3 URBA Objectives..... | Page 3 |
| 3.0 Uptown Rutland Business Improvement Area . | |
| 3.1 What is a BIA?..... | Page 4 |
| 3.2 Uptown Rutland Business Association (URBA)..... | Page 4 |
| 3.3 Benefits of a BIA..... | Page 4 |
| 3.4 Early Accomplishments..... | Page 5 |
| 3.5 Tax Levy..... | Page 6 |
| 3.6 Proposed BIA Area..... | Page 6 |
| 4.0 Organization | |
| 4.1 URBA Membership..... | Page 6 |
| 4.2 URBA Board of Directors..... | Page 6 |
| 5.0 Uptown Rutland - The Next Five Years 2013 - 2017 | |
| 5.1 Investment, Revitalization & Community Development..... | Page 7 |
| 5.2 Cleanliness & Security..... | Page 8 |
| 5.3 Marketing..... | Page 8 |
| 5.4. Information & Engagement..... | Page 8 |
| 5.5 Promotions and Event..... | Page 9 |
| 6.0 Financial Analysis | |
| 6.1 Operating Budget..... | Page 9 |
| 7.0 Appendix A - BIA Map | Page 11 |

1.0 Executive Summary

Over the past five years, the URBA board and members have had a direct, positive influence for the Rutland businesses and neighborhood. Through the BIA, URBA is working towards the anticipated revitalization that will ensure the Rutland Town Centre continues to be the heart of the Rutland neighborhood.

Revitalization of the Rutland Town Centre is an ongoing process; numerous first term objectives have been achieved, such as C7 zoning; amendments to the Revitalization Tax Exemption Bylaw; transit improvements; urban design workshops and charrettes; closer working relationships with the RCMP and city staff; community clean-up and streetscape improvements such as planters, banners and utility box wraps; events that animate the town centre and encourage people to visit the Rutland neighborhood.

As the Rutland Town Centre continues to revitalize, there is a need to develop new incentive programs tied to the revitalization efforts. Programs such as facade improvement grants, green zone implementation, awning, lighting and signage grants have worked well for other communities and could benefit the Rutland Town Centre. Early in our next term, URBA will survey our members to gather feedback on current and future BIA activities and programs.

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.

Since the start of the Uptown Rutland BIA (URBA), the Mission Statement has directed the activities of the URBA. At a board retreat in 2011, the Mission Statement was reaffirmed by the directors. The URBA focus in our first term was rebranding and value for members. This is being achieved through communication, advocacy, community events and service delivery by staff.

2.2 URBA Vision for the Rutland Town Centre

The focus of URBA in their second term is to ensure the town centre improvements discussed in the many Charrettes, Workshops and Public Open Houses are realized by continuing to work with City of Kelowna staff, Provincial Ministries and political representatives.

As the entrance to the Rutland Town Centre, URBA considers Highway 33 to be the most important component of our business area. Over the past two decades, Highway 33 has steadily deteriorated causing safety concerns and the neglected out-dated streetscape makes the entire Rutland Town Centre look uncared for. Highway 33 is integral to URBA's vision of a pedestrian friendly town centre. Over the past ten years, significant time, money and effort has been invested in the

formulation of designs, visions, workshops and reports for the Rutland Town Centre. URBA's goal is to see the efforts of City of Kelowna staff, Rutland businesses and residents rewarded with the implementation of this vision.

2.3 URBA Objectives

Short Term

- Working together with the City of Kelowna establish the Highway 33 corridor as a provincial government priority for long overdue upgrades and streetscape improvements.
- Partner with the city to redo Rutland Town Centre utility boxes.
- Replace URBA Seasonal Banners.
- Establish programs that connect UBCO faculty and students with Uptown Rutland merchants:
 - Student welcome packages with Rutland Town Centre information and coupons from our merchants.
 - Initiate a weekly Student Party night with a safe-ride program and restaurant and pub specials.
 - Create a rental link, matching available accommodation in Rutland with UBCO students.
- Collaborate with the Vernon BIA and Lake Country Chamber of Commerce on a tri-community event that would provide benefits to all three communities.
- Work with the Economic Development Commission of the Okanagan to develop a retail recruitment strategy to attract targeted retailers to the Rutland Town Centre.
- Place Gateway Signage at both gateways leading into the Rutland Town Centre.

Long Term

- Work with UBCO through a Community-Student partnership to develop 2D & 3D geometric models with interactive software of the URBA vision for the Rutland Town Centre.
- Expanding on the existing Art at the Roxby project, establish a sustainable and permanent Art and Culture investment in the Uptown Rutland Town Centre.
- Work with the city on extending the Houghton Road corridor as a pedestrian-biking route through the BIA to Rutland Road linking up with the improved transit.
- Promote student-rental development in and around the Rutland Town Centre.
- Continue to improve well-established events, Art at the Roxby, Kelowna Scarecrow Festival and Christmas Light-Up.
- Work with community associations such as the Rutland Park Society, the Rutland Residents Association and the Black Mountain Residents Association, to revitalize the Rutland Centennial Park and Hall.
- Together with the Downtown Kelowna Association host a Business Improvement Areas of BC Convention, introducing 300-400 people to the City of Kelowna.

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) and Who is a Member?

Guided by a volunteer board of directors made up of motivated Rutland Business people, URBA is the driver of the Uptown Rutland Business Improvement Area. The URBA Board works collaboratively with the City of Kelowna and Rutland associations to coordinate business improvement initiatives. A paid Executive Director chosen by the board administers the day-to-day operations of the association.

All commercial property owners and business owners located within the BIA boundaries are members of the Uptown Rutland Business Association, a not for profit society governed by the Society Act and funded by a special levy agreed to by Class 5 and Class 6 property owners.

There are two documents that control the activities of the BIA: The City of Kelowna Bylaw No. 10730 and the Articles of Incorporation, Societies Act, Province of British Columbia.

3.3 How the BIA Benefits You & Your Business

- **Coordinated Efforts** – Working together, everyone is able to achieve more than working alone. Whether it be addressing street issues, managing growth and development, or managing special events to increase visitation to the core, the efforts of the Association, its membership, and stakeholders has a dramatic impact in the community.
- **Sustainable Funding** – Through a five-year mandate, the BIA structure allows the Association to plan and execute multi-year programs. This has allowed the expansion of programs from ad hoc or seasonal to annual programs through a mix of core funding and leveraged dollars from government and corporate sources.
- **Self Reliance** – The BIA structure provides both the structure and mechanism for the Association to identify useful neighbourhood projects and allocate money towards those projects. Businesses benefit from the whole area coming together to leverage its resources verses each business trying to work independently.

- **Strong Public Image** – The activities and commitment of the Association to improve the Rutland neighbourhood through stewardship raises the profile of the Rutland Town Centre, creating an image of a “cared for” area in the community.
- **Community Benefit** - Consensus amongst economic development professionals, supported by numerous development reports, relate that the health of an entire community can be measured by the success of its business core and town centre. A strong and vibrant town centre, the heart of any community regardless of size, enhances the image and economy of the entire neighborhood.

3.4 Early Accomplishments

There’s nothing like a renewal effort to remind us that any community’s town centre is a work in progress. In the five years since the BIA was established, the Rutland Town Centre is seeing the start of the revitalization that is the vision of URBA.

This renewal process is an important opportunity for property owners, merchants, business owners, professionals and, ultimately, the residents we serve, to harness the power of community. The results of our collaboration, dedicated board directors and the contribution of our members sharing resources, time and money is helping to make the best of the Rutland Town Centre.

2008 - 2012

- URBA facilitated the design and placement of the Uptown Rutland’s seasonal banners that defined the Uptown Rutland Town Centre.
- URBA partnered with the City of Kelowna on the Uptown Rutland Market Assessment in 2010.
- URBA initiated Kelowna’s First Utility Box Wrap Project, a true community project which included the utility companies, Ministry of Transport and Rutland residents.
- URBA facilitated and participated in workshops on proposed transit improvements for the Rutland Town Centre. URBA is pleased that the many workshops and meetings they participated in resulted in the 2012 construction of the Shepherd Road Extension complete with transit amenities, decorative street lighting, new walkways and landscaping.
- URBA proposed changes to the Revitalization Tax Credit which was adopted by the City of Kelowna in 2011.
- In 2009, URBA supported the Rexall Drugs development on Highway 33 & Hollywood Road.
- URBA is pleased to welcome the Valley Credit Union and looks forward to the highly anticipated and longed-awaited development on the corner of Highway 33 & Rutland Road.

- The URBA Uptown After Hours monthly networking event was established early in 2008 and is a great opportunity for business owners to showcase their business and a place to discuss their successes and concerns.
- URBA initiated Art at the Roxby Outdoor Art Gallery, with a City of Kelowna grant. Art at the Roxby will be the start of an Art and Culture sector in the Rutland neighborhood.
- In 2008, URBA introduced their first event, The Scarecrow Festival, 25 Scarecrows and 100 people in attendance. Five years later, the Scarecrow Festival has grown to be one of Kelowna's best family events, attracting over 3500 people in 2011.
- URBA has been successful in leveraging their city funding with grants, sponsorships and in-kind donations.

3.5 Tax Levy

If local businesses support the BIA renewal, the City of Kelowna will 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. Typically, the tax levy will be between 1.41 -1.71% of the assessed property value of each business.

3.6 Proposed BIA Area

URBA suggests the current BIA boundary as proposed in Appendix 1 remain unchanged. The BIA area currently extends along the Highway 33 corridor from Hollywood Road to Prior Road, North to Houghton/McIntosh and south to Robson Road East.

4.0 Organization

4.1 URBA

The URBA membership as defined by the BIA boundaries consists of approximately 220 property owners, 250 businesses, retailers and restaurants.

4.2 URBA Board of Directors

URBA is directed by a Board of Directors, consisting of 12 Directors. The day-to-day business operations are managed by an Executive Director and one staff member.

The URBA board represents the business community. As BIAs are not just about business improvement but about overall neighborhood improvement, URBA also encourages public participation from other advocates and associations of the Rutland Community. URBA is often the first point of contact for Rutland concerns, neighborhood development and community celebrations. The following is a list of individuals who have been key contributors in the BIA's first term.

| | | |
|-----------------|----------------|------------------|
| David Donaldson | Kelly Hewson | Joyce Van Norman |
| Brian Given | Wendy Nelson | Karl Vollman |
| Mary-Ann Graham | Todd Sanderson | Dave Willoughby |
| Colleen Groat | Rose Shawlee | |

The 2012 Board of Directors are:

| | | |
|-------------------------------------|---------------------------|-----------------------------------|
| Dan Van Norman President | Vik Bains Director | Aron Meier Director |
| Crystal Maltesen 1st Vice-President | Len Cardiff Director | Frank Pohland Director |
| Susan Rayner 2nd Vice-President | Joe lafrancesco Director | Colin Basran Ex-Officio Alternate |
| Allan Kirschner Treasurer | Kevin MacDougall Director | Gerry Zimmermann - Ex-Officio |
| Nicholas Aubin Past-President | | |

5.0 Uptown Rutland: The Next Five Years 2013 - 2017

Looking forward, the Uptown Rutland Business Association will be asking the City of Kelowna to approve its mandate for the next 5-year term from 2013 - 2017. The mandate is based on a business plan and budget, developed by the URBA board and endorsed by the URBA membership, that would support the growth of new and existing programs that will benefit the entire Rutland neighborhood.

There are five major services that the URBA proposes, which are:

- Investment, revitalization and community development
- Cleanliness and safety
- Marketing
- Information and engagement
- Promotion and events

5.1 Investment, Revitalization and Community Development

- Establish Highway 33 revitalization as a provincial government priority.
- Work with the City of Kelowna and Ministry of Transport on Highway 33 improvements and explore the feasibility of City of Kelowna authorization over Highway 33 from Highway 97 to Muir Road.
- Establish a pedestrian-biking route by extending the Houghton Road corridor through the BIA.
- Promote student friendly rental in and around the Rutland Town Centre.
- Work in partnership with community associations to revitalize the Rutland Centennial Park and Hall.
- Explore funding opportunities and educate property owners on the benefits of Façade Improvement programs, building renovations and redevelopment.

5.2 Cleanliness & Security

- Working with the City of Kelowna and provincial ministries implement initiatives to improve safety and streetscape along Highway 33.
- Continue to lobby for pathways that are pedestrian and bike friendly throughout the BIA.
- With the city of Kelowna, develop a town centre cleaning and education program, similar to the Downtown Kelowna Association's Clean Team.
- Explore partnerships to make the Rutland Town Centre 'greener and cleaner'.
- Work with URBA members, public media, RCMP and City of Kelowna to implement security programs and initiatives that promote safe neighborhoods and alleviate the old misconceptions of the Rutland neighborhood.
- Continue to monitor issues related to the Rutland town centre and surrounding neighborhood including planning, social/street issues, economic changes, parking, transportation and development.

5.3 Marketing

- Establish programs that will market Uptown Rutland merchants to UBCO Students and Faculty.
- Partner with the Downtown Kelowna Association to host a BIA BC Convention.
- Develop interactive 2D & 3D geometric models that will show the URBA vision for the Rutland Town Centre.
- Install Gateway Signage to draw residents and visitors to the Rutland Town Centre.
- Develop a Business and Retail Recruitment and Retention Strategy that will attract new retailers and position Uptown Rutland as an attractive opportunity for investment.

5.4 Information & Engagement

- Utilize new forms of communications (e-news, social media, blogging, etc) to maintain contact with stakeholders, partners, members, visitors and guests.
- Continue to build our media relations in an effort to maintain accessibility and to share positive stories of what's happening in the Rutland neighbourhood.
- Develop and implement a marketing program for members to gain maximum exposure for their advertising budget while promoting the neighbourhood as a whole.
- Increase member engagement and input through surveys on general and specific issues.
- Continue the support of programs, such as the Uptown After Hours, that showcase the successes of established Uptown Rutland businesses and introduces new businesses.
- With input from our members develop programs that support businesses in our town centre with facade improvements, streetscape, technical expertise, marketing and forecasting.
- Continue to conduct regular evaluations of all programs, promotions, events and initiatives to ensure effectiveness, financial responsibility and value to our members.

5.5 Promotions and Events

- Continue to expand the URBA established events to engage the business community and highlight the Rutland Town Centre's best attributes: shopping, dining and services.
- Continue to explore grant opportunities and potential sponsors to leverage BIA funding and sustain events and promotions.
- Partner with other associations to co-promote events and showcase the Rutland Town Centre in other areas of Kelowna.
- Develop the Art at the Roxby from a summer-long event into a year-long sustainable project.
- Explore community-wide event opportunities with the Vernon BIA and Lake Country Chamber of Commerce that would see all three communities benefitting. For example, a GranFondo Biking Tour.

6.0 Five-Year Budget - 2013 - 2017

6.1 Operating Budget

Input from URBA Members, a Market Assessment completed in 2010, direction from the BIA Renewal Committee and input from the Board of Directors helped establish a clear list of priorities for the BIA. Programs are developed to address these priorities and a budget is prepared.

The BIA's revenue from the membership levy increased an average of 5% per year over the last five years, concluding with the 2012 contribution to the operation budget of \$148,000. Going forward, the BIA is proposing an increase of 10% for the first year, 2013 and then an average annual increase of 2% per year for each of the next four years, 2014 - 2017 concluding with an annual contribution of \$176,160 in 2017.

The proposed rate increase of 10% in 2013 is intended to cover two specific projects, new banners and new utility box wraps. Both the banners and the utility box wraps have been in place since 2008 and now requiring replacement. As well, the 10% increase in the first year provides a jump start for projects identified over the next five year term.

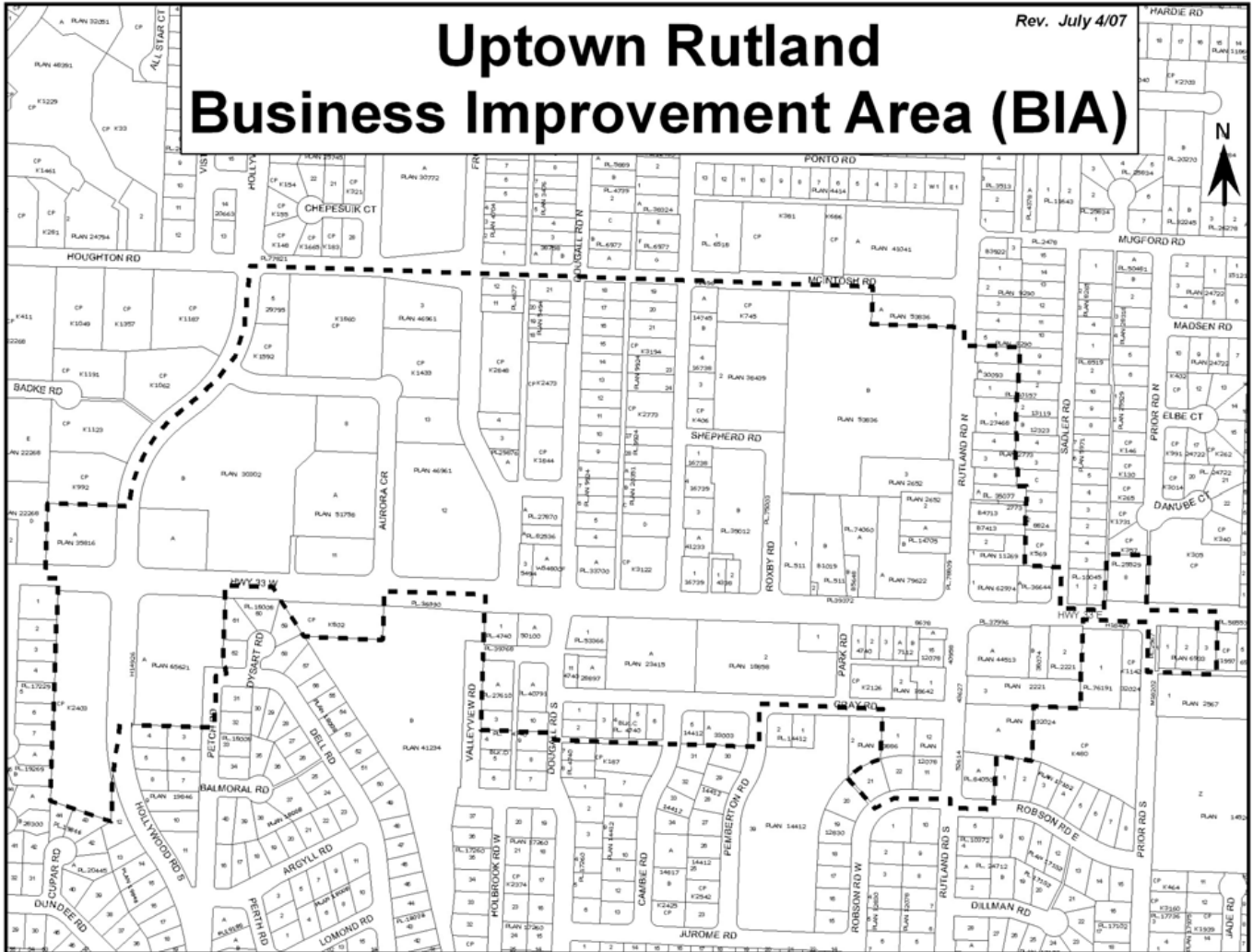
The 2% increase for the remaining four years is intended to cover inflationary cost increases and will enable the Association to deliver consistent value to its members. Over the past five years, URBA has successfully leveraged the BIA tax levy funding through events, sponsorships and government grants. URBA anticipates we will continue to leverage our funding and have included this in our proposed budget.

| Proposed BIA Budget | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 |
| Revenue | | | | | |
| City Funding Tax Levy (Capped) | 162,800 | 166,000 | 169,300 | 172,700 | 176,160 |
| Other Income Events, Sponsorships, Grants | 18,900 | 24,000 | 27,000 | 28,000 | 30,500 |
| Total Revenue | 181,700 | 190,000 | 196,300 | 200,700 | 206,660 |
| Marketing | 13,500 | 16,000 | 16,200 | 17,000 | 16,500 |
| Promotions | 26,000 | 32,500 | 34,000 | 35,500 | 34,500 |
| Beautification, Signage, Projects | 28,000 | 32,500 | 35,000 | 35,000 | 25,000 |
| General and administration | 114,200 | 109,000 | 111,100 | 113,200 | 130,660 |
| Total Expenses | 181,700 | 190,000 | 196,300 | 200,700 | 206,660 |
| Net revenue | - | - | | - | |

NOTES TO PROPOSED BUDGET

- The 10% increase in the first year provides for new banners, new utility box wraps and a jump start for the new term.
- Going forward, over the next four years, the 2% annual increase proposed in this budget is less than the 5% annual increase adopted in 2008 for the first 5-year term.
- Based on 2012 total assessment value of \$121,218,900, the tax levy will be \$1.34 per 1000 of assessed value. The 2008-2012 tax levy was \$1.41. Going forward, the tax levy is estimated at \$1.36 to \$1.45.

7.0 Appendix A: Uptown Rutland Business Improvement Area Map



URBA proposes the BIA Boundary Map as adopted in 2008 under By-Law 9813 remain unchanged.

**UPTOWN RUTLAND BUSINESS ASSOCIATION
RENEWAL 2013 - 2017
BUSINESS SCHEME**

Approved by Uptown Rutland Business Association

Signature

Signature

Dan Van Norman
Name (Printed)

Crystal Maltesen
Name (Printed)

President
Title

Vice-President
Title

Date

Date