



# LIFTING UP DOWNTOWN

Understanding revitalization practices and processes  
in Mission and Chilliwack, British Columbia

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# ABSTRACT

Downtowns are the metaphorical and geographical heart of a city. They play an important role in the city as a whole, serving as the locus of public gatherings and as a centre of economic activity. A vibrant and successful downtown is vital to the longevity and success of a city. However, over the last century, low-density urban development patterns have resulted in suburban sprawl, the spread of shopping malls, and increased reliance on the private automobile, leaving many downtowns in a state of decline and decay. This phenomenon has been particularly problematic for small and mid-sized downtowns. In response, hundreds of cities have attempted to reverse the fortunes of their cores by employing revitalization plans and policies. This research project examines how downtown revitalization occurs from the perspectives of stakeholders who are actively engaged in revitalization processes, using Mission and Chilliwack, British Columbia as case studies. The goal of this research is to identify the successes and shortcomings of Mission and Chilliwack's revitalization endeavours and understand the reasons for them. Development in both cities continues to be more feasible and profitable outside the core and, to date, neither downtown strategy has been able to reverse this trend. Political strife surrounding the revitalization process in Mission and a perceived lack of safety associated with homelessness in Chilliwack have hampered revitalization efforts. Both municipalities understand the importance of public investment in revitalization and have recently begun investing millions of dollars into beautification and redevelopment projects in their downtowns. The findings from this research are used to compare the experiences of Mission and Chilliwack to one another and to formulate lessons and recommendations for the execution of similar projects in other cities.

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## RÉSUMÉ

Le centre-ville est le cœur métaphorique et géographique d'une ville. Il joue un rôle important pour la ville entière, servant de lieu de rassemblement public et de centre d'activité économique. Un centre-ville dynamique et prospère est essentiel à la longévité et au succès d'une ville. Cependant, au cours du siècle dernier, les modes de développement urbain à faible densité ont entraîné l'étalement des banlieues, la multiplication des centres commerciaux et une dépendance croissante à l'automobile privée, laissant de nombreux centres villes dans un état de déclin et de décroissance. Ce phénomène a été particulièrement problématique pour les petits et moyens centres-villes. En conséquence, des centaines de villes ont tenté d'inverser le déclin de leur centre grâce à des plans et des politiques de revitalisation. Ce projet de recherche examine comment la revitalisation du centre-ville se déroule du point de vue des intervenants qui y participent activement, en utilisant Mission et Chilliwack, en Colombie-Britannique, comme études de cas. Le but de cette recherche est d'identifier les réussites et les échecs des efforts de revitalisation de Mission et Chilliwack. Le développement dans les deux villes continue d'être plus faisable et rentable en dehors du noyau urbain et, présentement, aucune des stratégies de revitalisation du centre-ville n'a pu inverser cette tendance. Les conflits politiques qui entourent le processus de revitalisation à Mission et la perception d'un manque de sécurité associé à la présence de gens sans abris à Chilliwack ont entravé les efforts de revitalisations. Les deux municipalités comprennent l'importance de l'investissement public dans la revitalisation et ont récemment commencé à investir des millions de dollars dans des projets d'embellissement et de réaménagement de leurs centres-villes. Les résultats de cette recherche sont utilisés pour comparer les expériences de Mission et Chilliwack entre elles et pour formuler des leçons et des recommandations utiles à l'exécution de projets similaires dans d'autres villes.



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## INTRODUCTION

Cities operate in many different ways and serve a variety of functions. They can be viewed as generators of wealth, vectors of social interactions and creators of political power and ideas. Urban change is a complex process that involves the simultaneous interaction of social, political, cultural, economic and environmental forces. The complex phenomena of cities reveal individual narratives that describe the people and processes that change and shape the urban landscape. This Supervised Research Report (SRP) is a tale of two cities and the main actors and factors that function within them. This report explores the nature of urban growth and change, and provides some explanation as to why and how change occurs in one place versus another.

Downtowns are the metaphorical and geographical heart of the city and evoke sentimental qualities among the members of the community. Vibrant and successful downtowns are vital to the longevity and success of a city. As such, vibrant downtowns are more than cosmetic. The role downtowns play is important for the city as a whole, both for their concentration of buildings with symbolic meanings and as the locus of public gatherings as well as a “potential place of interaction and negotiation of difference” (Isenberg, 2004, p. 5). While this ideal of downtown may still resonate, the form and function of downtown has changed over the last century. This change can be attributed to predominantly low-density development patterns, which have resulted in suburban sprawl, shopping malls and the increased necessity for the private automobile. Over time, these trends have left downtowns in a state of decline and decay. The inability to revitalize their downtown cores is a contemporary urban planning challenge facing many small to mid-sized cities across North America.

The two cases chosen for this study, Mission and Chilliwack, are exurban communities located in the Fraser Valley of British Columbia (Figure 1 below). They have similar physical attributes such as quaint, intimate, and historic downtowns. However, Mission and Chilliwack also face challenges, such as a comparative lack of pedestrian activity and an unwelcoming sense of place, which do not capitalize on the quaint and intimate nature of their downtowns. Economically, these cities have struggled to attract and maintain new businesses in recent decades, a problem that was exacerbated by the 2008 economic downturn. Auto-oriented development patterns outside the cores of Mission and Chilliwack and the advent of large shopping malls in the 1960s and 1970s, syphoned the economic life out of these downtowns, which have remained stagnant over the subsequent years. The municipalities in question have each shown an eagerness to revitalize through various means, yet despite their efforts, little evidence of improved vitality exists. While Chilliwack and Mission are experiencing population growth, this growth continues to be directed to low-density developments away from their downtown cores. With little activity in the downtown most of the day, and with many social services concentrated in the downtown, sizeable homeless populations have begun to call the downtown home in both Chilliwack and Mission, a factor that some people deem to be a major problem.

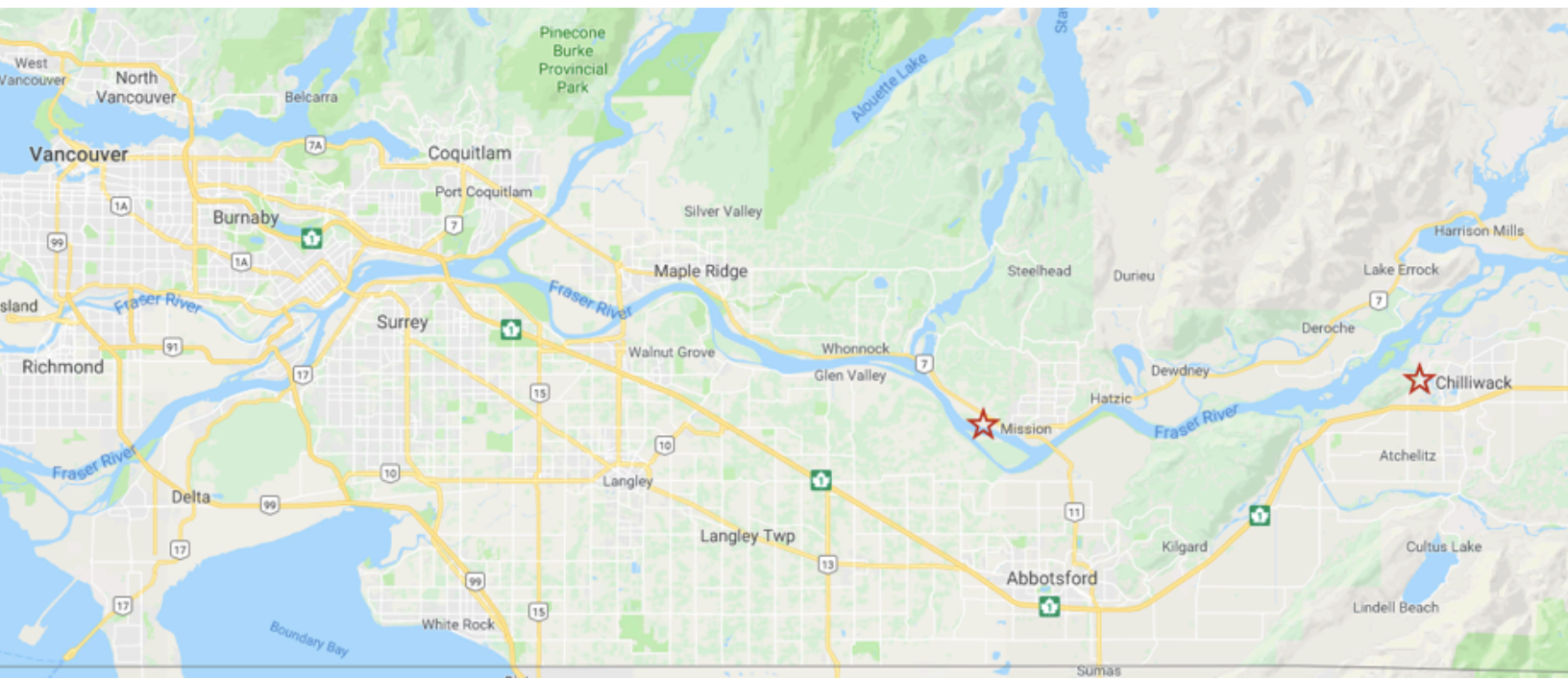


Figure 1. Map of the Fraser Valley highlighting Mission and Chilliwack;  
Base map Google (2018)

Many people have maintained a penchant for downtowns and have refused to acquiesce in their decline. Communities are rediscovering the importance and value of their downtowns. As the nature of shopping trips transformed, something was missing – the same things people know and love about downtown: the sense of community, pride of place, somewhere to call the heart of the community, a bustling centre for activity and entertainment. Societies began to realize that historical downtowns add a tremendous amount of value to their communities. In the rush to embrace new forms of commercial development, the city's most important asset, the downtown, was neglected. The communities of Mission and Chilliwack recognize the need for a vibrant downtown. Each City is embarking on major intervention for their downtowns in different ways. Rising real estate prices in the Fraser Valley are beginning to make downtown development feasible for developers. Both cities are also very eager to help the vulnerable groups that congregate downtown to make the main streets welcoming for the whole community. Both Mission and Chilliwack have therefore adopted downtown revitalization policies. As this SRP will reveal, these respective policies seem to be having different impacts.

### Research Questions and Methodology

The objective of this research is to gain an in-depth understanding of how downtown revitalization occurs in Mission and Chilliwack. This research seeks to identify how Mission and Chilliwack have been successful in implementing revitalization measures and where there has been resistance or failure.

This research project poses the following four questions, which were used to structure the methodology of the research:

1. What are the aims of Mission and Chilliwack in the revitalization of their downtowns and what planning, regulatory, and financial tools do they use to achieve those aims?
2. What are the strengths and weaknesses of the policies, plans and programs in Mission and Chilliwack and how effective are they at achieving outcomes?
3. What have been some of the factors that have helped facilitate revitalization in Mission and Chilliwack to date and, conversely, what have been the main stumbling blocks?
4. What changes could be brought to Mission and Chilliwack's revitalization strategies to increase the chances of successful downtown revitalization?

Starting with a literature review, downtown Mission and Chilliwack were contextualised in terms of the changing role of downtowns over the past century, how smaller downtowns differ from those of larger metropolitan areas, and what downtown revitalization is, in general. Three examples of “successful” revitalization efforts were studied for comparison, and to identify best practices. These topics provided the necessary theoretical footing upon which the remainder of the report could be built. Next, a detailed planning framework review was conducted, examining the high-level provincial plans and government acts, all the way down to the finer-grained downtown plans, policies and programs Mission and Chilliwack employ. The websites for the respective organisations and business groups dealing with revitalization were also analysed (as well as the websites of developers' associations, business improvement associations, chambers of commerce, and civil society organisations, etc.).

The revitalization process in Mission and Chilliwack is then analysed through interviews with public-sector planners, engineers and economic development officials who implement downtown revitalization policy and projects and a developer who is conducting a development project in downtown Chilliwack (who also has familiarity with development in Mission). The McGill Research Ethics Board granted research ethics clearance for the interviews. The selection of interviewees was based primarily on their personal experience in downtown revitalization planning, policy, and projects. Convenience sampling was used to identify key informants who meet the criteria. Elected officials were also interviewed, as they constitute the group that makes all final decisions in downtown planning including the final adoption of plans and the granting of development approvals. Interviews took place between February 13th and 21st.

In total, ten interviewees were approached, one of whom were available for an in-person interview. The Mayor of Chilliwack, the one interviewee not available to meet in person due to time constraints, answered a list of prepared questions electronically (the same questions asked to the in-person interviewees). Personal interviews were semi-structured and a set of interview questions was prepared for the interviewees depending on their affiliation and position (see Appendix A for a sample interview questionnaire). The questions were designed to be open-ended to allow the interviewee to provide

complete and thorough thoughts. Probes were used to encourage the interviewee to elaborate on topics of interest. The intentions of this research were fully explained to all interviewees. Confidentiality was observed to the highest degree and interviewees were made aware that the interview or recording could be stopped at any time. All interviewees except one agreed to have their names, positions and affiliations to be published in this report. The one exception was the Chilliwack developer who asked that his company name not be published. Interviewees were required to give full consent to proceed with the interview. All personal interviews were face-to-face, individual, and in a private setting. All nine interviewees allowed the interviews to be recorded.

The principal investigator (PI) maintained email and telephone contact with the interviewees to revisit any topics that needed further clarification. The Executive Director of the Downtown Chilliwack Business Improvement Association was also approached via email (once in-person interviews had ceased) to provide information that was not readily available online. This individual also signed a consent form and agreed to have the information from the communication used in the research report.

Reports in the media and the PI's first-hand knowledge with the case-study cities supplement the overall body of research.

The concluding chapter provides a thematic comparison between revitalization process in Mission and Chilliwack, and how the body of literature that was previously reviewed compares to these processes. The report finishes with a set of lessons learned from this experience. These lessons inform a set of recommendations for the municipal bodies of Mission and Chilliwack and to the planning profession in general.

### Introduction of the case studies

Mission and Chilliwack, British Columbia, the two cases chosen for this research report. It is crucial for the reader to understand the necessary historical and demographic information prior to reading about the changing nature of downtowns and revitalization, and the applicable planning frameworks in subsequent chapters.

#### **Mission, British Columbia**

There are approximately 1400 people residing in downtown Mission (Statistics Canada, 2017). There are approximately 100 businesses in the downtown core, within the area drawn by the municipality shown in figure 2. These numbers are fluid and difficult to track. There are approximately 500 jobs in downtown Mission. With no employers exceeding 15 employees, each business operates with an average of 5 employees (Crawford, 2018, personal communication).

Geographically, Mission has a lot of topographic relief (figure 2), which can create beautiful views looking south, but also poses challenges to downtown development.

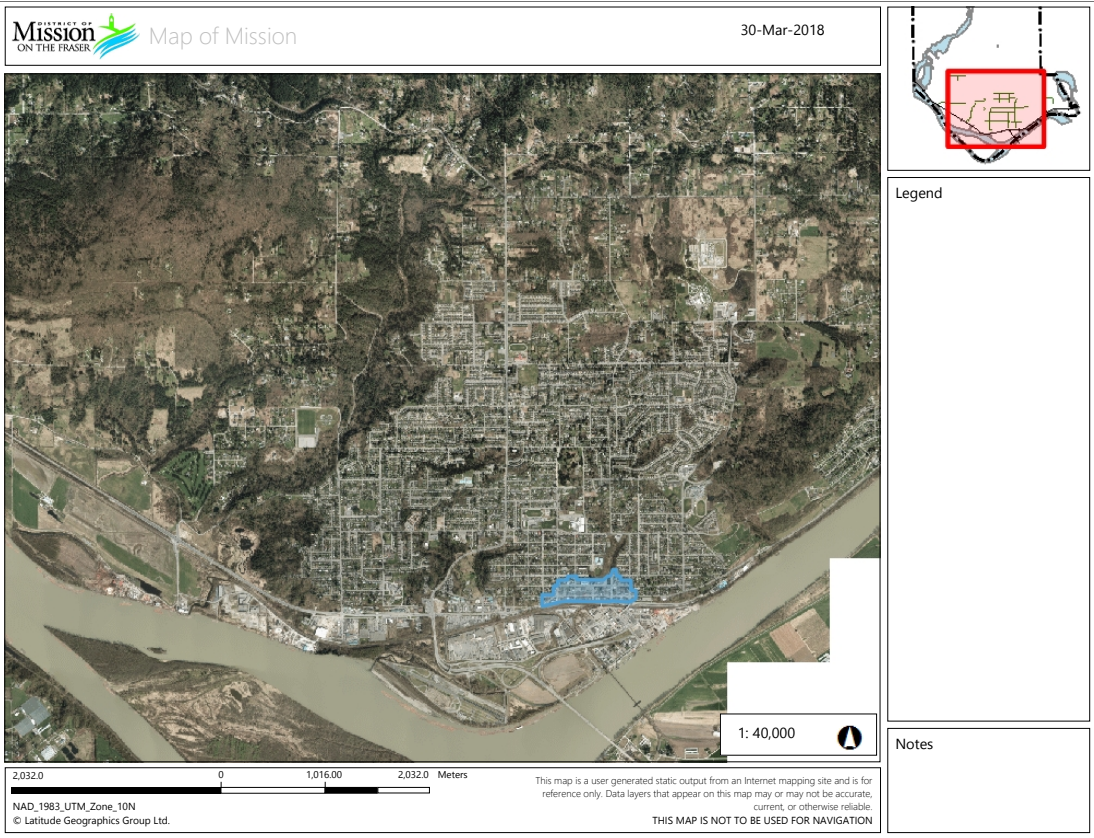


Figure 2. Mission (downtown highlighted);  
Base map: District of Mission, (2018).



Figure 3. Downtown Mission;  
Base map: District of Mission (2018).

### *History of downtown Mission*

Mission grew and evolved around its downtown. The arrival of the Canadian Pacific Rail (CPR) line in 1885 was a major catalyst for Mission's early development. This CPR line continues to operate to this day, carrying freight and commuter passengers along the West Coast Express commuter train into Vancouver (Culture & History, 2015). Further, Mission was the only rail junction at the time that had access into the United States, a very attractive trading factor. In the late-nineteenth century, much of the lands that make up what is still the present-day downtown were auctioned off at the Great Land Sale of 1891 (Mission Museum, 2018). James Welton Horne was the major buyer at the sale and is considered to be among the main founders of Mission. Horne was a developer well versed in urban planning, having recently founded Brandon, Manitoba (Mission Museum, 2018). Horne quickly subdivided the 300 acres of the downtown and surrounding areas into 5,000 lots and 50 streets (Mission Museum, 2018). To this day, James, Welton and Horne are all north-south streets that run into the downtown.

The downtown operated effectively throughout the early-to-mid-twentieth century, with numerous shops and businesses opening during this time period (Mission Historical Society, 2005). However, in the year 1973, an automobile bridge was constructed connecting Mission to Abbotsford and Langley, formerly rural agricultural areas south of the Fraser River that had recently been connected to Vancouver via the Trans Canada Highway. The intent was to connect Mission to these areas to open its downtown up to their larger markets. Perhaps unsurprisingly, the exact opposite effect occurred, and the downtown began to suffer as a result of freeway expansion: a factor that could be considered the first stage of decline for downtown Mission.

Abbotsford's connection to the Trans Canada Highway Vancouver is of important note as this caused a massive population increase for Abbotsford and brought the first major shopping mall to the region (Mission Museum, 2018). In October 1975 the Seven Oaks Shopping Centre opened in Abbotsford (Seven Oaks Shopping Centre, 2017), sending ripple effects north of the Fraser River to the downtown of Mission. Only one year after the opening of the mall, the Eaton's Store that had been operating as an anchor tenant in the heart of downtown Mission since 1947 moved across the bridge and into Seven Oaks. From this point onward, the downtown experienced substantial loss of businesses to shopping malls both inside and outside Mission. The Junction Mall, built in 1993, became Mission's first mall. This strip mall currently operates as one of Mission's retail centres with anchors such as a Save-On-Foods grocery store and a twelve screen cinema (Crawford, 2018, personal communication). As of 2016, the Junction Mall had a 96 percent occupation rate (Western Investor, 2016). Other smaller commercial and retail nodes were developed around the city. Certain businesses have been able to weather the economic waves over the years, although development outside the downtown has generally caused Mission's downtown to stagnate over recent decades.

## Chilliwack, British Columbia

Chilliwack is a mid-sized city with a population of 83,788 (in 2016). Its population has increased by 7.5 percent since the last census in 2011 (Statistics Canada, 2017). Chilliwack's population is expected to reach 129,029 by the year 2040 (Fraser Valley Regional District, 2014). It is approximately 102 kilometres from Vancouver, or a one hour fifteen minute drive. Approximately 54 percent of residents commute outside Chilliwack for work (Statistics Canada, 2017). A context map of the downtown in relation to the rest of Chilliwack is shown in figure 4.

There are approximately 14,341 people residing in downtown Chilliwack (City of Chilliwack, 2011). The downtown contains approximately 325 businesses in its historic core. The rough area of the core is shown within the blue circle in figures 4 and 5. Most of the basic retailers operate with two to four employees, although restaurants and office buildings and hotels have more. Businesses average six to eight employees, which amounts to approximately 2,000-2,500 employees in the downtown core (Williams, 2018, personal communication).

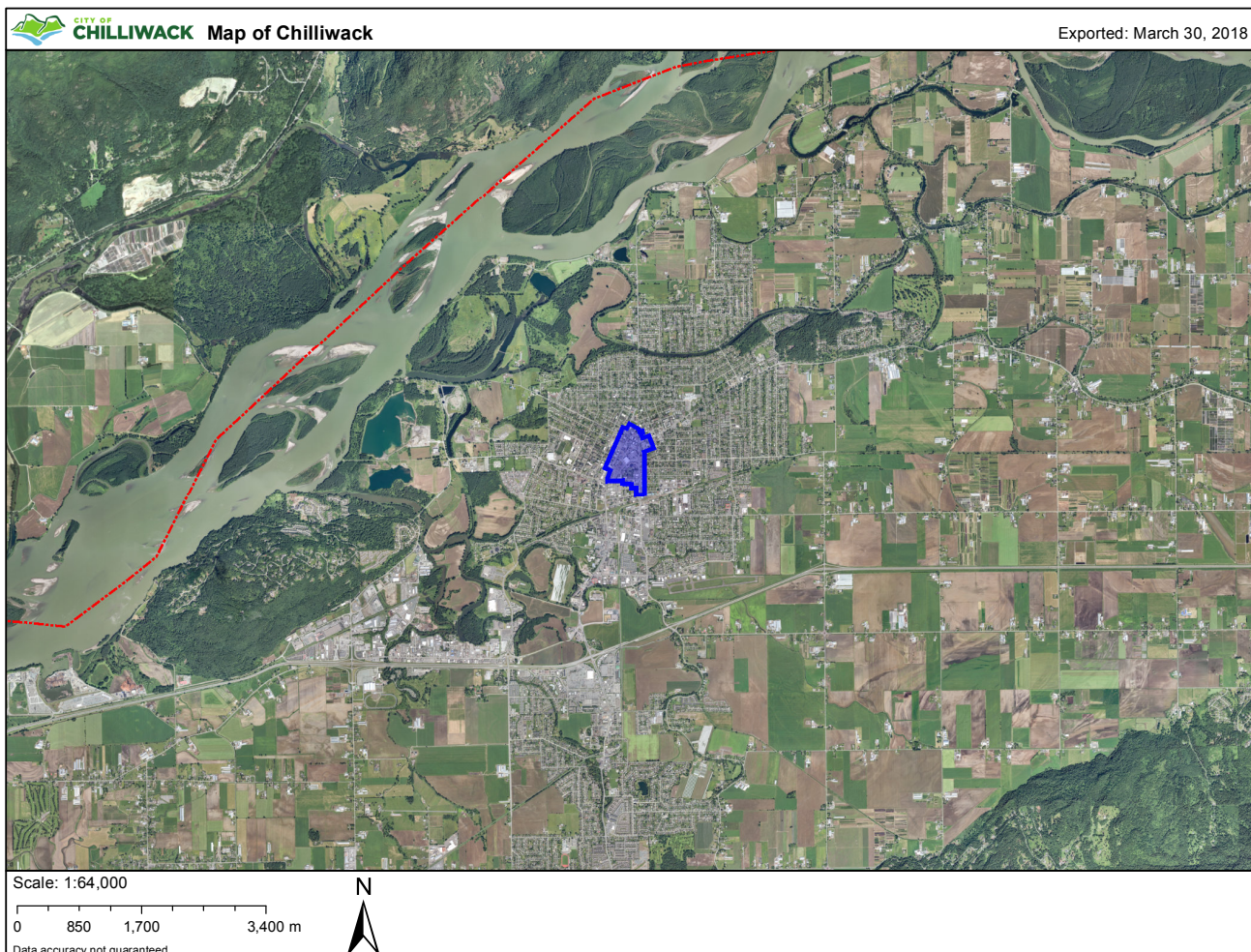


Figure 4. Map of Chilliwack (downtown highlighted);  
Base map: City of Chilliwack, (2018).

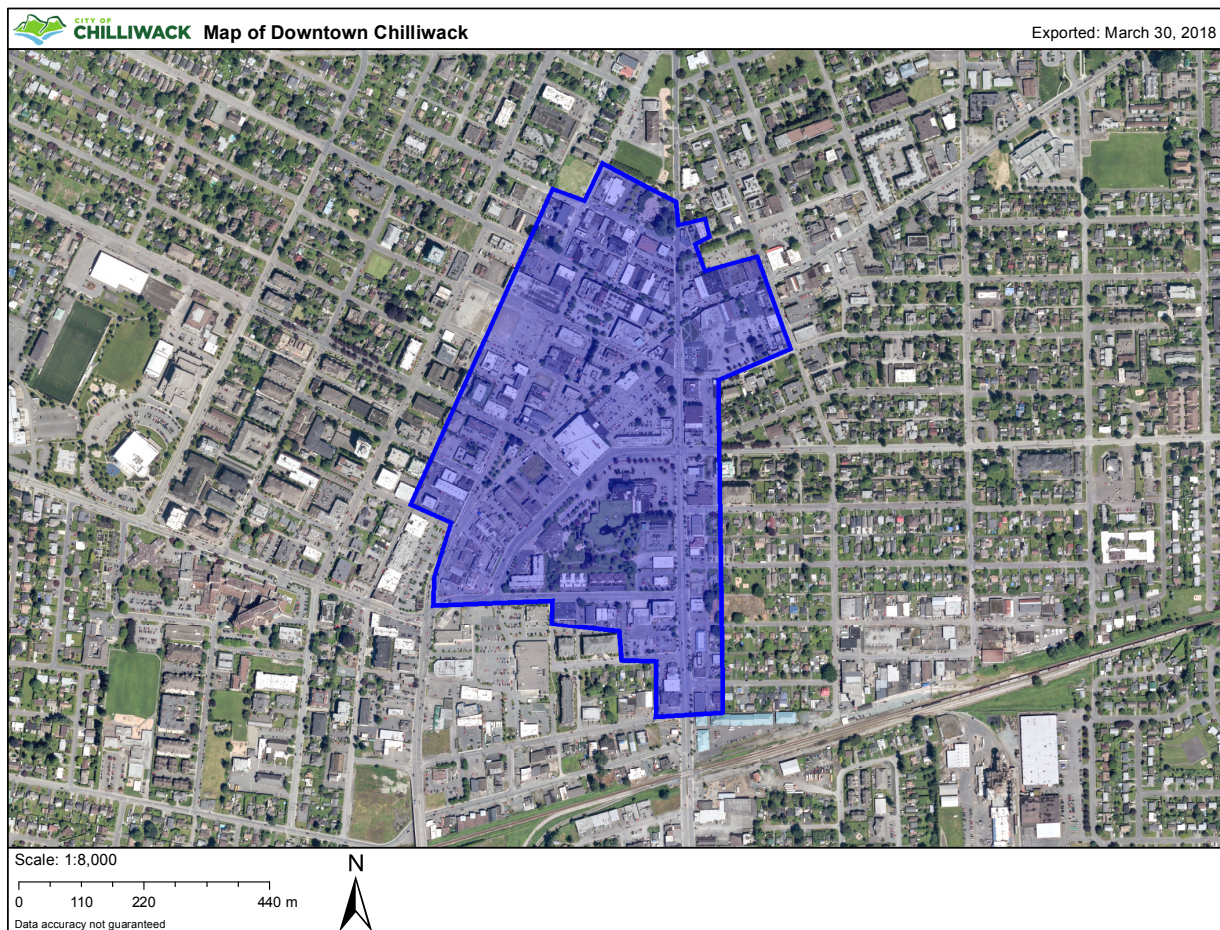


Figure 5. Downtown Chilliwack's historic core;  
Base map: City of Chilliwack (2018).

### *History of downtown Chilliwack*

The discovery of gold in the area in 1858 led to the first non-indigenous settlement in Chilliwack. Gold seekers began to settle on plots of agricultural land along the Fraser River, trading down-river to New Westminster to the west, which was the capital of British Columbia at the time (Chilliwack Museum, 1991). Smaller agricultural communities along the Fraser eventually needed a more centralized space to conduct trade, prompting settlement at the present day downtown at the Five Corners.

Expansion of the downtown continued as Yale road was constructed between 1874 and 1875 (figure 6) and the Canadian Pacific Railway ran track through Chilliwack in 1879 (Chilliwack Museum, 1991). The street grid and urban core that exists today resulted from the 1881 subdivision of the downtown, resulting in the creation of 'Centretotwn', as the city would be known until 1887 when it became Chilliwack<sup>1</sup> (City of Chilliwack, 2018).

<sup>1</sup> Note the letter 'h' in Chilliwack – "In 1887 the name Centreville was replaced by a more popular name, Chilliwack, and the area was incorporated in 1908 as a separate municipality, the City of Chilliwack. The City and the Township co-existed for 72 years, and finally in 1980 they merged to form the District of Chilliwack. In 1999 the District of Chilliwack changed to the City of Chilliwack." (Chilliwack Museum, 1991)



Figure 6. Yale Road looking east from Five Corners, ca 1920 (City of Chilliwack, 2018).

The downtown prospered for much of the early-to-mid-twentieth century as businesses established in the downtown and residential development emerged around it. The Royal Hotel, a local institution that continues to operate to this day, was built in 1909 (Chilliwack Museum, 1991).

The creation of the Trans Canada Highway through Chilliwack in 1959 moved major transportation away from the downtown core. Development, including malls, shifted away from the downtown to the south side of the freeway. Due to a change in shopping habits, the stores downtown stopped attracting the same number of shoppers and many shoppers started staying on the south side of the freeway (Gaetz, 2018, personal communication). As a result, Chilliwack's historic downtown has struggled over the years.

The following chapter, the literature review, will frame the rest of the report with the findings of scholars that have studied downtowns and revitalization. The key points of the literature will be used as a reference point for the Mission and Chilliwack case studies to determine if they are consistent with what the scholars deem to be best practices for revitalization.

## **CHAPTER 1**

# **LITERATURE REVIEW: UNDERSTANDING DOWNTOWN AND DOWNTOWN REVITALIZATION**

### **Background and context**

Downtowns evoke sentimental qualities for many people and are the metaphorical and geographical heart of the city. The role downtowns play is important for the city as a whole, both for their concentration of buildings with symbolic meanings and as the locus of public gatherings (Rypkema, 2003) as well as a “potential place of interaction and negotiation of difference” (Isenberg, 2004, p. 5). Downtowns constitute a major share of the tax base and have likely received considerable public investment over time (Robertson, 1999).

In spite of these positive attributes, the role of downtown has change over the past 150 years. Robert M. Fogelson’s book *Downtown: Its Rise and Fall, 1880-1950* (2001) tells the story of downtowns across the United States, documenting their height in the late late-nineteenth-early-twentieth century to the beginning of their decline in 1950. While Fogelson primarily highlights large city downtowns, there are similarities in the cultural attitudes North Americans hold that relate to the ideal of ‘downtown’, big or small. From their foundation up until the mid 1920s, North American downtowns were places that welcomed nearly half of the residents of a city on a daily basis. People took the rail-car or walked into the city and lived in close proximity to the core prior to the days of the automobile. Downtowns were places people went to go to work shop or to seek entertainment. While downtowns persist, their original role and meaning has drastically changed. As populations, and cities themselves began to grow and expand, and technology evolved, the once uncontested downtown started to have competition from outlying fringes and other nodes of the city. In the late 1940s and 1950s, cities began to see decentralization away from the downtown. This was once assumed to benefit downtown business interests due to increase of inhabitants in the periphery. However, the opposite proved to be true. At this time, it was likely unthinkable that downtowns would have such extensive competition from outlying areas. It was always assumed that the downtown would be the ‘only show in town’ for retail. The negative impacts of suburbanization were probably unforeseeable in the eyes of many.

It is widely understood that the predominant model of urban development, in particular in the decades following World War II, has been that of suburban sprawl (Filion, 2015). This is largely due to three main forces that Brueckner (2000) identifies: “growing population, rising incomes, and falling commuting costs” (Brueckner, 2000, p. 160). This low-density development pattern resulted in the increased necessity on the personal, private automobile. As myriad expressways were built throughout the 1950s and 60s, individuals started leaving the inner cities in favour of suburban residential subdivisions. Additionally, the baby boom following World War II may have also exacerbated suburbanization, as families increasingly wanted more land, larger homes, and front lawns. This excessive pattern of development, in turn,

reduced the incentive to redevelop lands near the town's centre. As sprawl became increasingly common, downtowns, which were so vibrant and bustling at their prime in the 1920s, were not seeing as much of an increase in residential base that housed patrons within close proximity of downtown businesses. Businesses started to move to meet the residents on the fringes, away from the downtown core.

The advent of the large suburban shopping mall further syphoned the economic life out of downtowns (Robertson, 1997). Businesses were detrimentally impacted by this decentralization as central business districts (CBDs) were losing employment to suburban business parks (Faulk, 2006). As such, there is general consensus that the overall decline in downtown areas has been a result of this suburbanization of North American cities (Bunting and Filion, 2000; Faulk, 2006; Filion et al, 2004). Suburban sprawl is a problem that required major attention; as David Gordon explains, "is considered to be an unsustainable form of development, and can have negative impacts on economic, environmental, and public health indicators" (Gordon, 2017, p. 2). Efforts to revitalize downtowns came almost in tandem with their demise between 1940 and 2000, as "virtually all mid-sized and large American cities have implemented redevelopment plans which have attempted to revive downtown retailing" (Robertson, 1999, p. 7). The same can be said for Canada, given the plethora of plans and policies sanctioned by the provinces, enabling municipalities to incentivize or partner with the private sector in revitalization projects (Province of British Columbia, 2017; Lauder, 2010; Ontario, 2017). With their fortunes linked to the success of the downtown from an economic perspective, downtown business interests were among the first groups to realize the detrimental effects of decentralization of cities occurring in the 1940s and 1950s (Fogelson, 2001). This prompted businesses people to form groups to address the impacts decentralization was having on their business. Ironically, planners, who play a major role in helping downtowns, were once involved in orchestrating the demise of downtown, favoring growth away from the core and enabling the development of freeways to reach the periphery of town (Fogelson, 2001). While their motives were not nefarious, the result was negative nonetheless.

Realistically, the opening of stores near or along the highway makes perfect commercial sense; one can attract not only downtown residents, but also people from miles around who drive in along the highway. The 'market area' (the area from which they can draw customers) of shopping mall stores is far greater than that of downtown stores, since the downtown can usually not accommodate the cars. Even if downtown stores retain their customer base, they are now competing with stores that can draw on large markets, and which can therefore offer more choice and lower prices. Eventually downtown shoppers realise this, and also start shopping in the suburbs.

The major push for downtown revitalization, however, came in the 1980s. It became widely understood (not just by businesses) that losing vibrancy and economic life in the downtown was a concern. In the obsession over highways and large shopping malls, many lost sight of the fact that under the right circumstances, strong downtowns could benefit private sector developers and act as a potential revenue generator for local government (Canadian Urban Institute, 2013).

As downtowns started to loose patrons to the suburbs, downtowns began to emulate suburban mall characteristics. In the late 1990s and early 2000s, Main Streets, especially in smaller cities, were in a state of existential crisis. Downtowns had not yet fully realized the niche role they had to play as special service and boutique retail providers. An analysis conducted in the United States looked at 200 cities

that completely closed off their streets to cars and transforming them into pedestrian-only promenades (Gibbs, 2012). Some even went as far as connecting the buildings on either side of the street with roofs. This experiment failed miserably, eliminating the ability for drivers to see the store frontages on their commute home or errand outing and taking away on-street parking deprives them the opportunity to make stops on impulse. Additionally, shoppers moving by car (who dominate the transportation demographic of small and mid-sized cities<sup>2</sup>) looking to make a quick purchase will likely choose the suburban mall option if parking is unavailable or in a remote parking structure in the downtown. To this day, only twenty of the 200 pedestrian-mall downtowns have survived (Gibbs, 2012). While this model or ideology may work in urban centres with a large quantity of nearby residents to draw from, suburban and smaller downtowns do not have this luxury. The urbanization of suburbia was another trend that suppressed downtown revitalization. By the year 2000, influenced by the likes of the “New Urbanism” movement, newer suburban shopping malls began desperately trying to fictitiously replicate the design patterns of downtown Main Streets with ‘streetscapes’ and ‘plazas’, (this idea is captured in figure 7) (Isenberg, 2004).



Figure 7. Satirical cartoon from August 1999. It depicts the notion of malls imitating Main Street (Isenberg, 2004)

While suburbanization was a concern for the downtowns of larger cities, the downtowns of small and mid-size cities felt the effects of suburbanisation to an even greater degree. Cities characterised as exurban, in other words, those that have no commuting or economic ties to a large city are a unique case: on the one hand, the lack of ties to a larger cities makes exurban areas more self dependent, while on the other hand, they lose out on the large population base who could potentially patronise these smaller downtowns (Nelson, 1992; Taylor, 2009; Taylor and Hurley, 2016). Once dispersed suburbanization starts, both the private and public sector become economically reliant on this model. For the private sector, economic forces make suburban development more feasible – i.e. there is less risk and more return on investment than developing in the downtown. The public sector stands to benefit from the development fees and tax base produced by suburban development. Additionally, citizens who choose to live in suburban areas have difficulty relinquishing their car and large suburban lot. Filion (2015) notes that dispersed suburbanization “constitutes fertile terrain for path dependencies”. While, as stated, much of the literature relies on cases from the United States, the degree to which suburbanization took place was not as great in Canada than as it was the United States. Compared to Americans, Canadians tend to be less car-dependent (utilizing transit to get to work instead of a car) and have a greater proportion of people residing within an urban area (England and Mercer, 2006; Bunting et al, 2002; Goldberg and Mercer, 1986).

An important remark to make is that much of the literature explored herein was written in the late 1990s early 2000s, a time in which downtowns were treated with a sense of pessimism and their revival was viewed as sceptical. Since that time, downtowns are on the precipice of resurgence. Suburban

<sup>2</sup> Small cities are generally characterized as having 25,000 – 50,000 inhabitants; mid-sized cities generally have 50,000 – 100,000 inhabitants

shopping malls have seen major decline in some cases (Sanburn, 2017). Research conducted back as early as 2003 showed that mall sales had dropped by 50% since 1995 (Growth Strategies, 2003). This could be a good opportunity for suburban downtowns to use this decline to their advantage. While the economic factors behind the decline of suburban malls is beyond the scope of this project, it is an important factor to note nonetheless.

## Differences between the downtowns of large and small/mid-size cities

As stated, downtowns or Main Streets are characteristics that cities large and small share. It is, however, important to recognise the key differences between large city downtowns and small to mid-size city downtowns and understand that drawing comparisons between the two can be difficult. Some of the distinctions to consider are:

- the downtowns of small/mid-sized cities are physically smaller and are more human scale
- the downtowns of small/mid-sized cities are not plagued with the challenges that face larger cities such as traffic or fear of crime
- the downtowns of larger cities are dominated by major corporate economic presence and economic influence
- small cities lack large signature projects that are key components of larger redevelopment efforts
- retail structure differs in smaller cities: regional and national chains are less interested in the smaller cities – this can be an asset for small businesses
- the downtowns of small/mid-sized cities are not divided into districts, resulting in a simpler planning framework
- smaller downtowns are linked closer to residential neighbourhoods
- smaller downtowns likely have a higher percentage of historic buildings

(Robertson, 2001)

Other differences include:

- difference in commercial rents between large and small downtowns: in suburbs, rents are cheaper in the downtown core compared to the fringes unlike larger cities where it is the opposite, thus it is more feasible for businesses to establish themselves downtown in the small city context<sup>3</sup>
- small city downtowns are typically within easier driving distance for residents than is the case in larger cities

<sup>3</sup> The price of land can ultimately be traced back to how 'productive' it is to its users or, in other words, how much profit per square foot a business can produce from it. In some cases, as stated by Burayidi, businesses people in smaller towns believe they can make more profit per square foot downtown than in suburban malls or business parks. Shoppers in suburbs prefer malls, therefore it is more expensive to operate a business in a mall. Startup companies in smaller towns, as the case studies will subsequently confirm, prefer downtowns as the location to launch their venture.

- large cities have multiple nuclei whereas smaller cities have most of the business activity within a relatively smaller space

(Burayidi, 2013)

### The role of retail and economic development in downtowns

In essence, downtowns decline when they no longer become attractive to their users or profitable for their businesses. The presence of people and commercial spending are key drivers of downtowns. We have seen that in suburban areas, freeways and malls have been a major contributor to the loss of downtown consumer spending, therefore eliminating the people who create a presence on downtown streets. Presently, in spite of the fact that commercial rents in suburban downtowns may be cheaper than in malls, mall purchases continue to make up the bulk of consumer spending.

Retail interests in small and mid-size downtown cores are constantly at odds with the suburban shopping mall. In terms of overall spending numbers, downtowns have little chance to compete with their suburban counterparts. They need to recognise that they have a nuanced role to play and should market their businesses as being able to offer certain niche services and shops not available in malls (Filion et al, 2004; Robertson, 1999; Ramsay et al; 2007).

Buildings in declining downtowns will naturally begin to physically decay if maintenance and investment are lacking and will become unattractive to users, dissuading them from congregating there. This then begins the feedback pattern of downtown decline; all of the factors of decline, listed in this section and earlier in this chapter, start to exacerbate one another.

Housing patterns are also an essential factor to consider. Simply put, if someone lives away from the downtown and a visit to the mall is a more convenient trip to cheaper goods, naturally this person will chose the mall. Conversely, someone living closer to downtown is able to capitalize on the convenience of the proximity of downtown.

Downtown living is certainly essential to provide a collective mass of residents; however, downtown housing is not a stand-alone solution for revitalization. Housing is one ingredient in the recipe for downtown success, as populated downtowns send a message to, and create an image of the city at large, allowing for the streets to be populated after hours. Downtown living must be accompanied by measures that attract shoppers, workers and entertainment seekers from outlying areas.

A frustrating reality that plagues the minds of planners and economic development specialists is how difficult it is to understand how retailers operate in time in space. Downtown retailers are “at the mercy of countless factors that are out of their control, [as] consumer spending and behaviour are influenced by numerous emotional and economic variables, resulting in drastic ebbs and flows of consumption” (Gibbs, 2011, p. 2). That being said, there are certain aggregate retail behaviours that can be fairly well understood even if they evolve over time. One well understood behaviour is the search for more choice and lower prices; another one is the willingness to pay a little more if the shopping experience is pleasant and/or convenient (Robertson, 1997).

Economic forces are essential to a downtown's revitalization. Downtowns stand a good chance of revitalizing if they can offer more choice and lower prices than malls, or if the price premium in the downtown reflects the willingness of shoppers to pay for added convenience or for a better shopping experience and atmosphere. Alternatively, if goods downtown are actually cheaper than in malls, this price savings also needs to reflect the lower levels of convenience and choice working against downtown businesses. This goes back to the feedback example: walkability and attractive sense of place can create an environment that legitimates higher prices, or can at least facilitate the opportunities for transactions to take place. As consumer spending moves away from brick-and-mortar establishments altogether, the experiential value of downtown becomes paramount; this is where downtowns, especially in small and mid-sized cities, can realize their competitive advantage. Given that residents only have a finite budget for shopping and entertainment, if downtown can begin to reclaim some (certainly not majority, but just enough) of this spending from malls, this will drastically improve their chances of successful revitalization. Ultimately, and as will be further explored at the end of the following section, there are certain external factors (e.g., natural amenities that attract tourism and retirees, characteristics that may attract certain jobs in technology or professional services) that may affect the likelihood of a downtown revitalizing successfully.

### *Types of downtown businesses*

A positive characteristic of local businesses in smaller cores (unlike the larger chains that choose to locate in shopping malls) is that they are often family-owned and -operated. These types of businesses are likely preoccupied with the overall success and longevity of the downtown and are in it for the long haul (Burayidi, 2013). As stated, in the 1980s unsuccessful attempts were made to create pedestrian malls to rejuvenate downtown retailing (Filion et al, 2004; Gibbs, 2012). However, they were conceived as poorly connected pseudo-streets that effectively acted as outdoor shopping malls and were unable to replicate the authenticity people appreciate about more traditional downtowns.

While every downtown is distinct in its composition of commercial tenants, small and mid-sized downtowns generally have smaller-scale businesses; rarely are they able to attract larger chains. They provide an element of variety and uniqueness to the downtowns, though on the whole, their limited hours of operation and "lack of discipline [can] negatively impact the sales of surrounding retailers" (Gibbs, 2012, p. 22). Conversely, they are essential to a retail centre or downtown "if their business practices can be aligned with proven industry standards and the shopping needs and desires of the surrounding community" (ibid.). Generally, businesses of hobby retailers' scale have slim profit margins and are vulnerable to fluctuations in the local economy. Often times, they are located at side street locations, not in prime areas.

Another retail type common in small and mid sized downtowns is the small owner-occupied business. It is commonly associated with market niches in areas such as specialty foods, jewellery, and clothing. It often has an established group of loyal clients who will make purpose-driven visits and is vital to the economic composition of the downtown (Gibbs, 2012).

Larger retail chains do not typically locate in smaller downtowns and will often choose larger malls or operate as stand-alone buildings with more parking. Planners and policy makers tend to discourage larger chains in smaller downtowns as they can disrupt the unique character smaller downtowns have. If a larger chain does set up shop, planners and municipal approval bodies will usually require that the form and character of the building adhere to vernacular of the area.

Shopping habits are changing. The rise in online shopping also poses opportunities and challenges for downtown. A 2017 report by KPMG discusses online-shopping habits around the world. The study found that while consumer spending online is no doubt increasing, products such as shoes, clothing, jewellery, and artwork were among the least likely to be purchased online (KPMG, 2017). These are the exact products that could be characterized as “boutique” items, and they are the perfect fit for downtown retail.

### **Factors and processes in successful revitalization**

Cities that engage in downtown revitalization are likely missing some key attributes that are typically associated with a vital downtown. Attributes of a vital downtown include: (i) visibility: the downtown has an integral and central role in the life of the city; (ii) vision: the downtown benefits from strong, bold leaders who collaborate to achieve success; (iii) prosperity: the downtown has a robust and innovative economy; (iv) livability: the downtown is vibrant, livable and connected to the rest of the city; and finally (v) strategy: the city is strategically investing in the future of downtown (Canadian Urban Institute, 2013).

The path towards successful revitalization starts with the creation of a clear vision for the downtown and the development of a clear plan to facilitate its implementation (Leinberger, 2005). Strong leadership and consensus on the direction of the development plans among the actors involved is also crucial. Further, municipal staff must be able to clearly articulate their plans and policies to the private sector (developers, business owners, etc.) as well as to the elected officials making the final decisions on development projects (Burayidi, 2001). Revitalization strategies vary in scope and can have different implications depending on where these strategies are applied. Often they make up a portion of the municipality’s Master Plan or Official Community Plan as downtown design guidelines – a vector for planners stipulating everything from form and character of buildings to public realm and streetscape provisions.

### ***Federal and provincial funding***

Funding opportunities available can impact the scope of a municipality’s revitalization effort. Canada and the United States, for example, have different federal bodies that offer funds pertaining to downtown revitalization. The United States has funding opportunities through the National Trust of Historic Preservation (Reconnecting America, 2013) and Canada has the National Trust for Canada: Regeneration Works (National Trust for Canada, 2017). Funding also varies by province. For example, Ontario has the Downtown Revitalization program tasked with providing “training and support to implement comprehensive revitalization initiatives” (Ontario, 2017).

## *Municipal incentives*

Another key factor to successful revitalization plans involves the tools at the disposal of the municipality to provide incentives. The province in question empowers (or not) a city to offer incentives to the private sector. Under the British Columbia Local Government Act (LGA) (2017) municipal council may adopt a bylaw which provides that part of the cost for the service for a downtown redevelopment project be borne by the city.

Much to the chagrin of the public-sector planner, these tools are limited and involve, for better or worse, a lengthy process and extensive oversight with the final decision out of the hands of planners (Kumar, 2002; Fainstein, 1999). Generally, the literature pertaining to the use of incentives to prompt revitalization is rather scarce due to the fact that cases studied are specific and relate to the particular municipality in question. The cases that do address incentives note that incentives are essential to motivate the private sector to get involved (Burayidi, 2001; Burayidi Birch, 2002; Faulk, 2002).

## *Building strong public-private partnerships*

Successful downtown revitalization strategies should emphasise a strong private/public partnership (PPP) (Robertson, 2001; Leinberger, 2005). With the failure of federally funded renewal projects, this model has become increasingly common (Frieden & Sagalyn, 1991). The case for PPPs is that the private sector can provide the financial capital, and in many cases, the personnel (necessary development services such as designers, engineers, architects, etc.), and the public sector deals with the bureaucratic municipal processes and acts as the arbiter for the public good. As Leinberger (2005) notes, in successful revitalization scenarios, the private sector takes the lead. Conversely, as Scribner notes: “PPPs can also drive rent-seeking behaviour, and create significant risk of improper collusion between political actors and politically preferred firms and industries... harming not only taxpayers, but the economy at large, as political considerations distort critical investment decisions” (Scribner, 2011, p. 1). As such, proper transparency and oversight is crucial.

PPPs sometimes manifest in the form of downtown Business Improvement Associations (BIAs). They are associations comprised of downtown businesses and property owners preoccupied with improving the conditions of their downtown. They are crucial, as their sole task is to focus on the wellbeing of the downtown (unlike municipal staff who deal with myriad other tasks on a daily basis).

BIAs are often touted as being an integral part of the overall implementation process and provide oversight during the revitalization processes. Municipalities provide taxation authority to BIAs so they can obtain funds through the implementation of property taxes to ameliorate their business environment (Burayidi, 2013; Mitchell, 2001). In British Columbia, BIAs determine organizational priorities and projects. For example, the BIA funds may be used for the implementation of a strategic plan for marketing and promoting the area to support economic growth. Funds can also be used to improve the physical environment, bring in public art, start a public awareness campaign, or to initiate any number of other projects that are designated as priorities for the improvement area (BIAs of BC, 2013). Critics of BIAs,

however, fear that they represent “another front in the steady ideological advance of the private, and retreat of the public sector that has marked the debate over governance in the last quarter century” (Briffault, 1999, p. 470).

### *Creating a ‘sense of place’*

Revitalization plans must place emphasise sense of place. It is among the most listed items in revitalization plans (Robertson, 1999; Paradis, 2000; Ravenscroft, 1999; Kumar, 2002). An example of ‘sense of place’ could be taking advantage of the city’s heritage and vernacular by preserving and reusing old buildings (Moulton, 1999). Contesting this notion of heritage preservation head-on, Kumar (2002) notes that while historic preservation may turn a downtown into a charming or attractive tourist destination, it may fail to create a truly *liveable* environment.

Sense of place is especially important for small to mid-size downtowns, as they typically occupy a more compact area containing lower buildings, which helps to create a downtown that is human scale, an asset to a strong sense of place (Robertson, 1999). Further, the downtown must be well established, with clearly defined boundaries. This allows both locals and visitors to have a firm grasp on when they have arrived in the space. Central features such as a public square or courthouse can serve as a point of arrival and act as a nucleus of sorts for these smaller downtowns (Burayidi, 2013). Unfortunately, there are many cities that do not outright define where the downtown is, thus reducing their chances of a successful revitalization (Faulk, 2006). As Burayidi (2013) notes, cities should implement prescriptive design guidelines to facilitate the creation of a sense of place. Further, he stresses the fact that “design guidelines are important in helping to influence the nature of redevelopment in the downtown” (Burayidi, 2013, p. 212).

### *Walkable streets*

Another key to successful revitalization involves the integration of walkable streets. Municipalities have become increasingly aware of the benefits of walkable and pedestrian-friendly environments, especially within the downtown (Robertson, 1993). High-quality pedestrian spaces, when focused along business streets, can have positive economic spinoffs for these businesses (Call, 2017). Additionally pedestrian friendly downtowns result in positive physical health outcomes by allowing people to get exercise by walking to and from their destination. They have also shown to promote better mental health outcomes by facilitating more social interactions with people (Rogers et al, 2011).

Southworth (2005) notes the following criteria for a successful pedestrian network:

1. connectivity
2. linkage with other modes
3. fine grained land use patterns

4. safety
5. quality of path
6. path context.

Conversely, however, carrying bags long distances from shops to transport or home may be difficult for those who are not capable of doing so (e.g. elderly people or those with mobility issues).

### *Emphasising mixed use*

Revitalization plans should emphasise mixing of uses in the downtown to attract and retain users around the clock. Keeping people in the downtown promotes vibrancy and offers economic opportunities for businesses (Robertson, 1999; Robertson, 1997). For smaller downtowns, mixed-use centres offer the same potential for diversity of shops and services as an enclosed mall, while capitalizing on the downtown's sense of place and historic buildings the indoor shops and malls lack. Common uses within these centres include retail, restaurants, and cafés, but are typically supplemented by office space for doctors, dentists or general offices, postal services, courthouses, and concert halls. These mixed-use centres, which are common in larger downtowns and European cities, have seen resurgence in the last 20-30 years within the context of small to mid-size downtowns in North America (Burayidi, 2001). In most cases, successful downtowns utilise mixed-use at the building level (commercial on the ground floor, residential or office on the upper floors) (Birch, 2002). While the nature of acquired rights or 'grandfathering' can make it difficult to retrofit older buildings with residential on the upper floors, new projects have the best change of integrating this notion of mixing of use within buildings. A revitalization plan will be more likely to succeed if the municipality is flexible to a degree when it comes to zoning ordinances (Leinberger, 2005). Strict use and density regulations (not allowing enough density) and excessive setback and parking requirements can undermine the character of the downtown.

### *Get housing back in the downtown*

Increasing residential use downtown is vital for the success of its revitalization. Flight of residents out of the downtowns is one of the main causes of their decline (Robertson, 1999; Moulton, 1999; Burayidi, 2013; Sohmer, 1999; Bunting et al, 2000; Birch 2002). Millennials and baby boomers have shown a recent desire to live in downtowns, which is a positive sign for downtowns (Sohmer, 1999; Birch, 2002). However, the degree to which this phenomenon is occurring is less profound for smaller downtowns than larger ones. Statistics continue to show a greater number of people moving to the suburbs than to downtown residences (Filion, 2015). Unfortunately, as previously stated, it is hard for municipalities to promote downtown housing development, as economic factors continue to perpetuate the development of suburban housing on the urban fringe (Sohmer, 1999). With design interventions that will ideally revitalize an area, rents could increase as a result. Embedded within the revitalization plan must be a strategy to maintain a level of affordability for housing and retain (and continue to produce) rental housing (Leinberger, 2005). This will make it more feasible for people to live and work within the

downtown, especially residents that make lower wages in the service industry.

However, as mentioned earlier, increasing housing downtown is not a stand-alone solution and must be part of a broader strategy of economic development. Although downtown residents will spend money in local stores, cafés, restaurants and other venues, businesses need to be attractive to a regional customer base to do well. And although the presence of local residents may increase the sense of liveliness and safety on downtown streets, it is not sufficient to make downtown attractive to a large number of people.

### *Parking*

The battle being waged over parking is ever-present in the downtown revitalization narrative. There is also a lack of consensus in the literature about how important parking really is. As Filion and Gad (2006) note, ample parking is important if suburban downtowns want to compete with the suburban shopping malls. Conversely, as Burayidi (2013) notes, this notion is often overstated by municipalities and business owners. In this case, the context is key. Placing parking away from key walking areas or business frontages seems to be the best course of action from a land use perspective. Eliminating the blight that an abundance of cars and parking spaces can cause on an otherwise attractive public realm (Paradis, 2000). Conversely, however, this can have an adverse effect for the patrons. There is a perceived notion that if a shopper cannot park directly in front of their desired business, it is not worth visiting. Economic development officials must then educate the public to convey the point that when they shop at a big-box grocery store with a large parking lot, they have no problem walking 100-200 metres from their car to the door of the store. This is roughly equivalent to walking one-third to a half city block. People are creatures of habit. When a favoured parking aisle is full or when the view of their destination store is blocked, shoppers become irritated and deduce that parking has ‘become a problem’. While this may be an unfair assessment of the situation, the reality is, that most consumers will not walk great distances if their parking space is far and out of sight from the store (Gibbs, 2012). A balanced parking program that meets the needs of downtown is key.

### *Word of mouth*

There is an important element to revitalization that is not easily measured: general word of mouth among residents as to the overall consensus of whether or not they feel that their downtown is attractive. As Burayidi notes (2013), word of mouth reflects the attitude locals have on their downtown, suggesting the likelihood that a resident may recommend the downtown to a tourist, or a local business owner will recommend that a prospective shop owners locate to the downtown. This positive attitude towards the downtown among locals plays to the overall narrative that the downtown is a success.

### *Revitalization takes time and must be tracked*

Finally, and perhaps most importantly, all stakeholders involved must understand that revitalization is an incremental and lengthy process that can take as long as 30 years to come to fruition. Strategies should balance quick fixes (such as street and façade improvements) and the longer-term solutions (attracting and maintaining businesses and more physical alterations to the urban fabric, etc.). In the early stages, it is important that those tasked with developing and implementing the revitalization plan develop a vision consisting of long-term goals about functional, physical, social and economic roles of the downtown. This will effectively serve as a sort of ‘branding’ for the downtown as a future success. In turn this will change the attitude of business owners and boost morale (improving with ‘word of mouth’) (Ryu and Swinney, 2011). Municipalities and economic development entities sometimes embark on a revitalization strategy without actually defining the criteria to measure well being or without any measureable indicators that will enable tracking success.

Planners, city officials and BIA members are relied upon to track success. Revitalization success can be tracked by measuring quantitative information such as increases in property values, upper floor occupancy in buildings, number of new restaurants and residential units. As Mullin and Kotval state, “Over time, increase in the number of retail businesses and a decline in personal service businesses on the street level are indicative of revitalization programs becoming more experienced in guiding development by intensifying ground floor retail uses and moving non-retail uses to secondary locations such as upper floors or side streets” (Mullin and Kotval 2003, p. 3). Qualitative measurement practices can also be employed, such as polling the public or holding events to gauge public satisfaction with the downtown. This will ensure that the downtown is on track to meeting its goals, and all parties involved are held accountable. A revitalized downtown will show signs of these success indicators and will evoke a positive attitude in the spirits of its users.

### Comparative Revitalization Cases

Certainly, what constitutes successful revitalization is a subjective term or set of ideas. Since downtowns can mean so many different things to different people, “successful” revitalization is in the eye of the beholder. It is fair to say that downtowns that have revitalized have managed to address a set of challenges by implementing some of the above referenced factors. A revitalized downtown is one that has gone from having bleak public presence, shops with frequent tenant turnover due to low profits, to one that is in essence the opposite (going back to the five key characteristics of a vital downtown at the beginning of the ‘factors and processes in successful revitalization’ section above). Additionally, the fact that many revitalization efforts are ongoing and in the early stages of what is often a 30-year process, it makes it hard to define “successful” revitalization.

With a general understanding of what constitutes successful downtown revitalization, the following sections will analyse cities that have successful revitalization elements, and to see how they compare to the scholarly literature. In order to illustrate how successful downtown revitalization factors identified in the literature work in practice, three examples have been chosen.

Penticton, British Columbia, Brandon, Manitoba, and Bend, Oregon, have all been chosen for their similarities with the case studies of Chilliwack and Mission, British Columbia. They share similar populations, geographic features, and economies. All three cases have different motives for revitalization and different approaches to facilitating their revitalization.

### *Penticton, British Columbia*

The City of Penticton sits in the Okanagan Valley of British Columbia and has a population of 33,617 (Statistics Canada, 2017). It has two large freshwater lakes and is surrounded by mountains by mountains - features that give Penticton its strong tourism economy (City of Penticton, 2012). Many North American cities in the twentieth century directed infrastructure investments away from the downtown towards suburban areas. Much of Penticton's municipal servicing infrastructure was built during the 1950s and 1960s and has started to deteriorate over the years (Union of BC Municipalities, 2013). The need to tear up the downtown streets and upgrade the pipes under them presented Penticton with the opportunity to rebuild these streets in a more pedestrian-friendly way, and one that could create a better overall sense of place. In 2012, the City of Penticton launched Vibrant Penticton, which forms two distinct revitalization projects that were deemed strategic priorities, titled: Downtown Revitalization and Waterfront Enhancement (City of Penticton, 2012). Each project had its own unique mandate and committee that oversaw planning and management. The planning process for the Downtown Revitalization project lasted from January to December 2012. The scope of the project includes several blocks of the downtown to the south of Okanagan Lake. The concept plan from the 2012 Downtown Plan is shown in figure 8.

Following consultation throughout 2012, the implementation of this plan finally began in 2013. Martin Street upgrades were completed by 2014, and the 100 and 200 blocks of Main Street were completed by the end of 2017 (figure 9). Revitalization of the 300 block of Main Street will soon begin as Penticton Mayor and Council have recently approved a local area service tax on the value of the properties and parcels within the set service area of downtown. Construction of the 300 block of the Main Street will start in February 2018 (Arstad, 2018).

Works undertaken by the City thus far involve improvements to streetscapes and the public realm including:

- reduction of traffic from three to two lanes, including more pedestrian friendly traffic light signalling
- curb and sidewalk upgrades including sidewalk grade crosswalks
- attractive street lighting
- landscaping and street trees

The City had to eliminate the plans to have a light canopy covering over Martin Street, as Penticton was unsuccessful in gaining funding from the federal or provincial government (Jung, 2016). The \$400,000 cost for decorative lighting could thus not be justified.

The Downtown Penticton Association (DPA<sup>4</sup>) formed in 1997 and is Penticton's downtown business association comprised of business owners that operate within the downtown with the mandate of encouraging more traffic and ultimately increase traffic and sales in their downtown core. The jurisdiction area can be seen in figure 9. The DPA acts as a key strategic partner who helped relay information on to downtown businesses and property owners during the revitalization process, liaising with all levels of their members to leverage the message that revitalization efforts are a partnership between the City and the DPA (Downtown Penticton Association, 2018).

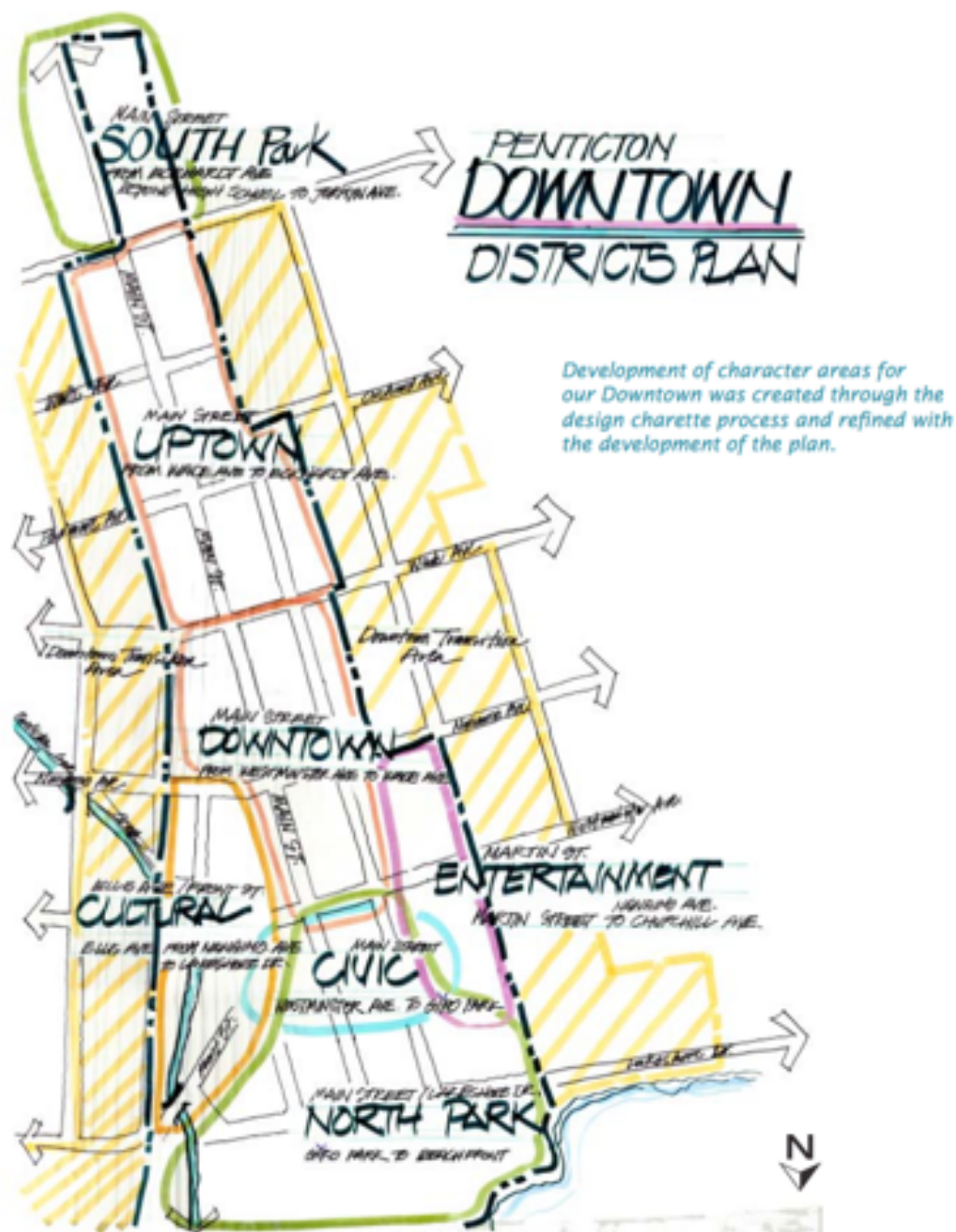


Figure 8: Penticton Downtown District Plan concept plan (City of Penticton, 2012).

4 Not to be confused with the abbreviation DPA of 'Development Permit Area' in Chapter 2.

To supplement the existing policy framework, the City with the DPA also launched the ‘Downtown Façade Improvement Incentives’ as part of their Downtown Economic Incentive Zone Program. The program works by providing businesses that spend over \$5,000 on façade upgrades a tax exemption equal to the amount spent on following year’s taxes (and subsequent years) owed taxes. More money spent results in a greater tax incentive (City of Penticton, 2017).

Throughout the various stages of construction, the City and the Downtown Penticton Association were very effective at informing the public and businesses owners which portions of downtown would be impacted by construction, as to not disrupt the businesses. This was done through extensive notifications on their website, including detailed construction schedules as well as a robust social media campaign. This was especially important for the Penticton Farmer’s Market. Is held every Saturday in the heart of downtown and has been an important event for the community for over 25 years. While some vendors expressed concerns over the reduced amount of parking during the construction period, council assured vendors that construction would not impact operations or the public’s access to the market (Fries, 2016).

Little documentation is available regarding unsuccessful revitalization efforts. Naturally, municipalities do not want to spend time highlighting their failures. In the case of Penticton, however, they have shed light on some of the shortcomings of their previous attempts at revitalization in the application document that they provided to the Union of British Columbia Municipalities (UBCM) in 2013 for a Community Excellence Award. Municipal staff note that previous attempts at launching these initiatives were unsuccessful at reaching the initiation phase due in part to the lack of public consultation. Community and stakeholder buy-in never quite culminated as there was not enough awareness of the initiatives in general and the benefits revitalization could bring to the community.

Penticton learned from their past mistakes knew public outreach needed to be better if they wanted to succeed. Going forward, branding for new projects was very effective. Initiatives happening around the city pertaining to Downtown Revitalization featured an orange ‘Vibrant Penticton’ logo and a blue one for Waterfront Enhancement initiatives (Penticton, 2012). Penticton, in fact, won the award for ‘Best Practices, Civic Engagement’ for Vibrant Penticton’s Downtown Revitalization and Waterfront Enhancement projects (UBCM, 2013). The success of Penticton’s revitalization comes in spite of the fact that the City was denied \$2.5 million in grant funding from the provincial and federal government, a major blow as the total project cost is estimated at \$4.2 Million (Jung, 2016).

What Penticton has that many other cities aspiring to revitalize lack, is a dry climate, two picturesque lakefronts, and thriving wine production, giving Penticton its thriving tourism sector which served as the primer for revitalization, attracting 1.2 million tourists per year (City of Penticton, 2017). Additionally, Penticton is experiencing a rise in retirees from the South Coast of B.C., many of whom are young and wealthy (Thom, 2017). Tourism and young retirees both present marketing opportunities that are ideal for a downtown such as Penticton’s, which is geared towards entertainment, restaurants and niche shopping.

Downtown revitalization was, and continues to be successful mainly due to the fact that the downtown is directly adjacent to the waterfront. Those wanting to visit the downtown can also visit the waterfront on the same trip or vice versa; this relationship benefits both areas.



Figure 9 Map of the Downtown Pentiction BIA. Business Improvement Area shown in green (City of Pentiction, 2017).

### *Brandon, Manitoba*

Brandon, Manitoba is a prairie town of 48,859 people (Statistics Canada, 2017). Brandon's downtown began to decline in the mid-to-late-twentieth century both physically and economically due to the decentralization of economic and residential activities away from the downtown core. This is due primarily to suburbanization and the building of the suburban shopping mall in Brandon. Ramsay et al. (2007) at Brandon University conducted a study on the revitalization efforts of Brandon from the 1980s to 2007. In their study, they claim that Brandon's downtown has experienced several false starts to the revitalization initiatives, but generally they are now on track and are "doing the right things" to mitigate this decline. They attribute this success to three main themes. Firstly was realizing that the downtown should play a unique economic role in terms of offering more experiential shopping and niche services than competing outlying malls. Secondly was the introduction and strengthening of associations such as the Business Improvement Association (BIA) and the Neighbourhood Renewal Corporation (NRC). Thirdly is the beautification and pedestrianization of the downtown.

The first attempt to revitalize the downtown came in the 1980s with the construction of 'The Town Centre' (TTC), a type of mall situated in the heart of the downtown. It functions differently from a suburban mall, as the structure is more pedestrian focused and is woven into the fabric of the downtown. In a city like Brandon, where winter temperatures can dip well into the -40s, this kind of development makes sense in this context. In the early years, TTC was successful, but later struggled due to its unsuccessful competition with the larger suburban mall, with its abundance of free parking and a wider variety of retailers. The TTC's success reemerged in the late 90s once it realized its role as a provider of niche retailers and anchor services. The Regional Health Authority (RHA) moved into the TTC in 1999 and acted as an anchor tenant. The TTC brings people into the downtown to patronize businesses as they wait for appointments (Ramsay, 2007). Additional anchor tenants such as the Regional Library and the Art Gallery soon moved in after the RHA. These larger tenants within TTC take on higher rents, subsidising the rents for smaller businesses, allowing them to establish in the area at a lower rent cost.

TTC is certainly not the silver bullet for the downtown, but has been a key factor in ensuring the longevity of the once failing downtown. As stated, Brandon's cold winters can relegate people indoors. TTC's anchor services are able to thus bring people downtown, who can then patronize surrounding businesses on the streets. Brandon must continue to improve the streets and public realm of TTC's surroundings to ensure the vitality of the downtown.

Two main bodies championed Brandon's revitalization efforts: the Business Improvement Association (BIA) and the Neighbourhood Renewal Corporation (NRC). The BIA formed in 1988 after being approved by Mayor and Council, a necessary step to creating this kind of body that uses taxpayers' money. Its mandate is to help the growth and sustainability of downtown Brandon in a way that consciously preserves Brandon's unique character and community (Horne, 2001). It also facilitates public-private partnerships (PPPs) to undertake the capital projects in the downtown. The BIA also helped form the NRC in 2000 by obtaining funds from the provincially funded 'Neighbourhoods Alive!' program. The NRC is made up of citizens, most of whom live in the downtown area of Brandon and

are interested in the physical rehabilitation and beautification of some of the more derelict areas and historic buildings. It also helps by building community and advocating for housing affordability and homelessness initiatives (BNRC, 2018).

Pedestrianization and beautification efforts (facilitated by the BIA, NRC and PPP's) help to make Brandon stand out as a successful example of revitalization. Downtown Brandon has improved its sense of place by adding better lighting, more seats, aesthetically pleasing paving as well as improvements to the façades of buildings and storefronts. As of 2007, \$3 million had been spent on beautification since the BIA began involving itself in such interventions back in the late 1980s (Ramsay, 2007).



Figure 10 The Town Centre's farmers' market ([thetowncentre.ca](http://thetowncentre.ca))

A fresh look at the revitalization strategies for downtown Brandon began in 2007 with the formation of 'Renaissance Brandon', taking over from the previous BIA. It is a downtown development corporation of the City of Brandon mandated to conduct activities related to downtown business development. This includes the purchase and sale of property, granting of loans, establishment of incentive programs and retention of proceeds from investments to then reinvest funds into downtown capital projects and initiatives (Renaissance Brandon, 2018). At the inaugural meeting in 2007, the key actors involved (government officials, municipal professionals, community organizations, and members of the business and development community) collaborated and agreed upon the boundaries of the revitalization area, shown below in figure 11.

The new Renaissance Brandon initiatives established a robust economic development plan to frame the strategy's implementation as well as track the level of success to ensure the Renaissance Brandon players are meeting their targets (City of Brandon, 2008).

In March of 2016, the City of Brandon, in partnership with Renaissance Brandon and the Province of Manitoba hosted, the Downtown Brandon Forum. Sixty people attended, including members of the business community, public officials and employees, and consultants specializing in revitalization. At issue were some of the key successes in the revitalization process to date, where it can improve, and the initiatives that are proposed going forward. Renaissance Brandon improvement projects are

## LIFTING UP DOWNTOWN

continuing to move ahead, funding increases annually, and new initiatives are being added, including the Downtown Façade and Storefront Improvement Program. Revitalization is a long-term process but it seems as though Brandon track to making meaningful change for the community.



Renaissance Brandon Boundaries **RED**  
Town Centre Mall **YELLOW**  
Interrupted Street Grid **GREEN**

Figure 11 Renaissance Brandon plan area. The Town Centre Mall, appearing as a parking lot, has parking on the roof (Bridgman Collaborative Architecture, 2012)

## *Bend, Oregon*

Bend, Oregon lies 260 kilometers from Portland in the central part of the state and has a population of 84,416 (U.S. Census Bureau, 2017). While the downtowns of the previously stated examples experienced decline as a result of suburbanization and large shopping malls syphoning economic activity away from the core, Bend's boom-and-bust economic history has been the cause of its struggles. The declining logging industry in the 1980s posed a major threat to Bend's economy. Numerous mills were forced to shut down and thousands lost their jobs (Mapes, 2011). Downtown businesses also suffered as a result as customers that were logging workers left the city to find other work. In response to this economic decline and in order to diversify the Bend economy, the City formed Economic Development for Central Oregon (EDCO) (EPA, 2015). EDCO essentially acts as a BIA for the region as a whole, with specific emphasis being placed on Bend, the largest and most populous city in the region. The EDCO has succeeded in attracting the aviation industry, which helped to mitigate the population loss stemming from the downturn in the economy. Low property values and the arrival of retirees, and outdoor enthusiasts attracted by the city's quality of life and scenic beauty were two contributing factors that facilitated Bend's repopulation. Throughout the 1990s, Bend's population rose at 6 percent per year, and from 2000 to 2012, the population rose by over 50 percent (Bureau of Labour Statistics, 2018). This population revival presented Bend with an opportunity to promote downtown revitalization and encourage more infill development near the core where it could have the best impact on local businesses. The city rolled out its Central Bend Development Program Area Plan for its 236-acre central business district and surrounding areas (Bend Development Board, 2001). Among the plan's guiding principles were the following:

- create a downtown center by giving high priority to the river and downtown core projects
- give high priority to human scale and quality of life
- increase downtown's role as a center for government and business activity
- maintain and develop cultural, historic, and entertainment resources

Much of the heavy industrial lands used for mills and lumber production were rezoned for mixed commercial and residential use. The previously contaminated lands were remediated through collaboration between the private and public sector. The Old Mill District, a former lumber mill, became an area complete with shops, restaurants, public spaces, and an outdoor concert venue that has played host to a series of well-known acts over the years. The Old Mill District maintained the historic character and is an attraction to both residents and tourists (Old Mill District, 2018).

The 2007-2008 economic downturn and housing bubble was especially hard felt in Bend. The once successful aviation industry that helped stimulate the economy after the decline in Bend's lumber industry had to declare bankruptcy and with it left many of the industrial and office jobs. The downtown was reeling yet again and just as it had done in the 1980s, the City and EDCO had to find yet another way to get employment and vitality back into downtown Bend. This time, they turned their attention to attracting more technology, medical services, and "creative class" type jobs (Florida, 2004). The EDCO

understood that the entrepreneurs in these sectors have a level of flexibility of location and that they seek out a lifestyle promoted by walkable, vibrant downtowns that offer quality of life. Bend is also known in the region for its myriad microbreweries, which serve as community hubs and enterprises ideal for downtowns of this size and scale (Sisson, 2017). Unlike many municipalities that try to attract these kinds of entrepreneurs by providing incentives and handouts that tend to benefit the entrepreneur over the city, Bend focused more on creating a nurturing and supportive environment for these businesses, such that it would benefit the city. Monthly talks are held where entrepreneurs can gather to collaborate and share ideas, working in an almost symbiotic relationship with one another and not a competitive one. The downtown economy is much stronger for this reason (EDCO, 2018). The influx of tech jobs into the downtown is also a result of the increase in cost of living in California's tech sectors in Palo Alto and Santa Monica. Today, Bend is known as one of the best locations for entrepreneurs in the United States and its population continues to grow at a rapid annual rate. Office and retail vacancy rates in the downtown are at record lows (Shoenfeld, 2012).

Much of the success of this economic recovery is due to effective action by EDCO and the promotion of entrepreneurship, a key reason being the emphasis on, and prioritization of, revitalizing the downtown. The City of Bend was able to accomplish this by placing downtown housing as a top priority (Bend Development Board, 2001). The City of Bend places special emphasis on providing affordable to residents housing, specifically on the downtown. In July of 2016, the City announced a combined investment of about \$5 million in local contributions to affordable housing (City of Bend, 2017). Availability of homes at all income levels means businesses have access to employees with fewer absences and workers are more stable and invested in their community. Bend was able to limit outward growth to the peripheral suburban areas through regulations and policies that favoured residential development in the core. Workers in the higher-income tech and medical service industries chose downtown Bend for the lifestyle it offers, as well as for the natural beauty of the surrounding area.

### *How do the findings from these three cases compare to findings in the literature?*

The factors that helped Penticton, Brandon, and Bend revitalize are in fact featured in the literature, such as emphasising residents in the downtown, improving the aesthetic of the public realm and streetscape, preserving heritage buildings and areas, and building a strong PPP taking the form of a downtown economic development body. The only element that was not explicitly referenced in the literature was the need to attract tech or other well-paying jobs, which Bend did to attract residents to the downtown and help businesses. This was after all a very case-specific factor and one that was in fact facilitated by the Bend EDCO. Each of these cases also substantiated the fact that revitalization efforts take a long time. In the case of Brandon and Bend, their efforts began to take shape back in the 1980s and Penticton's attempts began in the 90s but never took shape until the 2010s.

### *Other factors to consider*

Both Penticton, B.C., and Bend Oregon have attractive natural amenities that support a strong tourism sector which can enhance downtown revitalization efforts. Such factors are hard to replicate in areas that lack tourist attracting amenities. This is not to say that areas that cannot attract tourists are doomed to never revitalize; certainly, tourists are not flocking to Brandon, Manitoba yet they are on a good trajectory to revitalize. Tourism also likely means that retirees (with disposable time and income) are attracted to the area, further increasing a downtown's chance at revitalization. Bend is also attractive to professionals that have high-paying jobs and have an affinity for downtown living. These are only some of the many external factors that can contribute to a downtown revitalization that go beyond the confines of municipality's downtown planning interventions. Municipalities should be cognizant of their potential to capitalize on such factors.

### Conclusion of literature review

Many small to mid-sized downtowns have not recovered from the effects of suburbanization. Residents moving to low-density subdivisions and large shopping malls entering the suburban landscape have left downtowns in a state of turmoil. This phenomenon continues to this day in some circumstances. A municipality wishing to revitalise the downtown should partner with the private sector and form a BIA. Municipalities should provide incentives to draw development, while not giving too much away in the process. Developments should integrate design measures such as creating sense of place, walkable streets with a variety of uses, enforced through policies or regulatory frameworks such as design guidelines. Downtowns must incorporate residential use to generate constant users of the space. Retail businesses should play a nuanced role, offering niche services, competing with suburban malls is futile in many cases. Ideally, once the downtown begins to revitalize, the attitude of residents will change to being more positive. Revitalization is very context-specific and is a lengthy process, what worked for Downtown 'X' may not work for Downtown 'Y'. Meticulous consultation is necessary. Everyone must share the same priorities, intelligently address challenges and stay fixated on their vision for success. ....

For revitalization to occur, all the factors discussed in this literature review must coalesce in a plan that fits the context of the municipality in which it is being applied. The next chapter provides a description of the planning context as it relates to British Columbia and the selected cases of Mission and Chilliwack. Both of these cities have distinct revitalization strategies in place. The following chapter will focus on how downtown revitalization is referenced throughout the broader citywide plans and subsequently dig into the downtown plans and revitalization strategies themselves and who is mandated with implementing these strategies.

## **CHAPTER 2**

# **PLANNING FRAMEWORK AND CONTEXT**

The planning system in British Columbia, like in other jurisdictions is certainly vast and complex. It consists of large planning documents, plans, policies, and regulations with massive scopes and mandates pertaining to everything from land use, transportation, finance governance and political process and beyond. While this section will attempt to frame the general intent of these planning documents and summarize the planning process in British Columbia, a specific emphasis placed on matters that directly deal with downtowns and their revitalization in order to remain concise, focusing on the selected case studies of Mission and Chilliwack. This chapter will to begin with an explanation of British Columbia's provincial planning legislation (wide scope) and move closer into the local downtown plan level (narrow scope).

The case studies of Mission and Chilliwack evaluated in this research report follow to the planning hierarchy as described below:

Provincial Level (Ministry of Municipal Affairs and Housing)

Regional Level (Fraser Valley Regional District)

Municipal Level (City of Chilliwack/District of Mission)

### **British Columbia planning level**

The Ministry of Municipal Affairs and Housing (the Ministry hereafter)<sup>5</sup> is the highest level of government mandated with overseeing planning in the province of British Columbia. The Ministry sets planning goals and legislation, granting powers to the municipalities through the British Columbia Community Charter (the Community Charter hereafter Charter) and Local Government Act (LGA). The Community Charter and the LGA outline the base level of policies, programs and standards to which the subordinate municipalities must comply. The LGA stipulates the requirements for a Regional District's Regional Growth Strategy (RGS), and for a municipality's Official Community Plan (OCP) and (if implemented) Development Permit Area(s) (DPA). Both OCPs and DPAs contain the act as the guiding documents for revitalization plans and policies (which will be covered later). In addition to the clear and rigid frameworks of the Community Charter and the LGA, the Province will also periodically issue 'guidebooks' to help municipal staff and councils address a particular issue such as downtown revitalization and delineate how to create strategies and policies to address such challenges. In the case of downtown revitalization, the province has issued guidebooks titled *Guide to Community Revitalization*

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<sup>5</sup> The NDP Government, elected in 2017, named the branch of government with the mandate municipal affairs and local governments the 'Ministry of Municipal Affairs and Housing. As there are several documents referenced herein, this branch of government may appear as the 'Ministry of Community, Aboriginal and Women's Services', 'Ministry of Community Services', or the 'Ministry of Community, Sport and Cultural Development'.

(2003) and *Revitalization Tax Exemptions: A Primer on the Provisions in the Community Charter* (2008).

The *Guide to Community Revitalization* explains why now (as of 2003) is an ideal time for revitalization in British Columbia based on factors such as: changing demographics and economics, a renewed emphasis on the built environment, citizen demand, local governmental framework reforms, and increased competition between communities in terms of resident and business location trends” (British Columbia, 2003). It highlights essential features of a community revitalization project and how to facilitate a successful implementation process. It also outlines the tools permitted by the LGA that municipalities can utilize to facilitate the revitalization of their downtown.

*Revitalization Tax Exemptions: A Primer on the Provisions in the Community Charter* outlines the powers municipalities have that pertain to the implementation of property tax exemptions to designated areas – downtowns in this case. The following excerpt explains the legalities of how municipalities designate revitalization areas: Section 226 of the Community Charter provides authority to exempt property from municipal property value taxes. To use this authority, a Council must establish a revitalization program (with defined reasons for and objectives of the program), enter into agreements with property owners, and then exempt their property from taxation once all specified conditions of the program and the agreement have been met. Exemptions may apply to the value of land or improvements, or both. Councils are free to specify, within their revitalization programs, the amounts and extent of tax exemptions available.

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(British Columbia, 2008)

Planning frameworks are rooted in law. For this reason, it is important that the legal implications are clear for planners, elected officials, and members of the public.

### **Regional planning level: Fraser Valley Regional District**

Mission and Chilliwack are located within the Fraser Valley Regional District (FVRD). The geographic area of the FVRD is shown in figure 12. The FVRD is the governing body that oversees governance and management at the broader, regional level and has its seat and head office in Chilliwack.

The three basic roles of the FVRD are:

1. Providing region-wide services such as regional parks and emergency telephone services such as 9-1-1;
2. Providing inter-municipal or sub-regional services such as recreation facilities where residents of a municipality and residents in areas outside the municipality benefit from the service; and,
3. Acting as the general local government for the electoral areas<sup>6</sup> (lands which are not within an incorporated community) and providing local services such as waterworks and fire protection to unincorporated communities within the electoral areas.

(Ministry of Municipal Affairs and Housing, 2018)

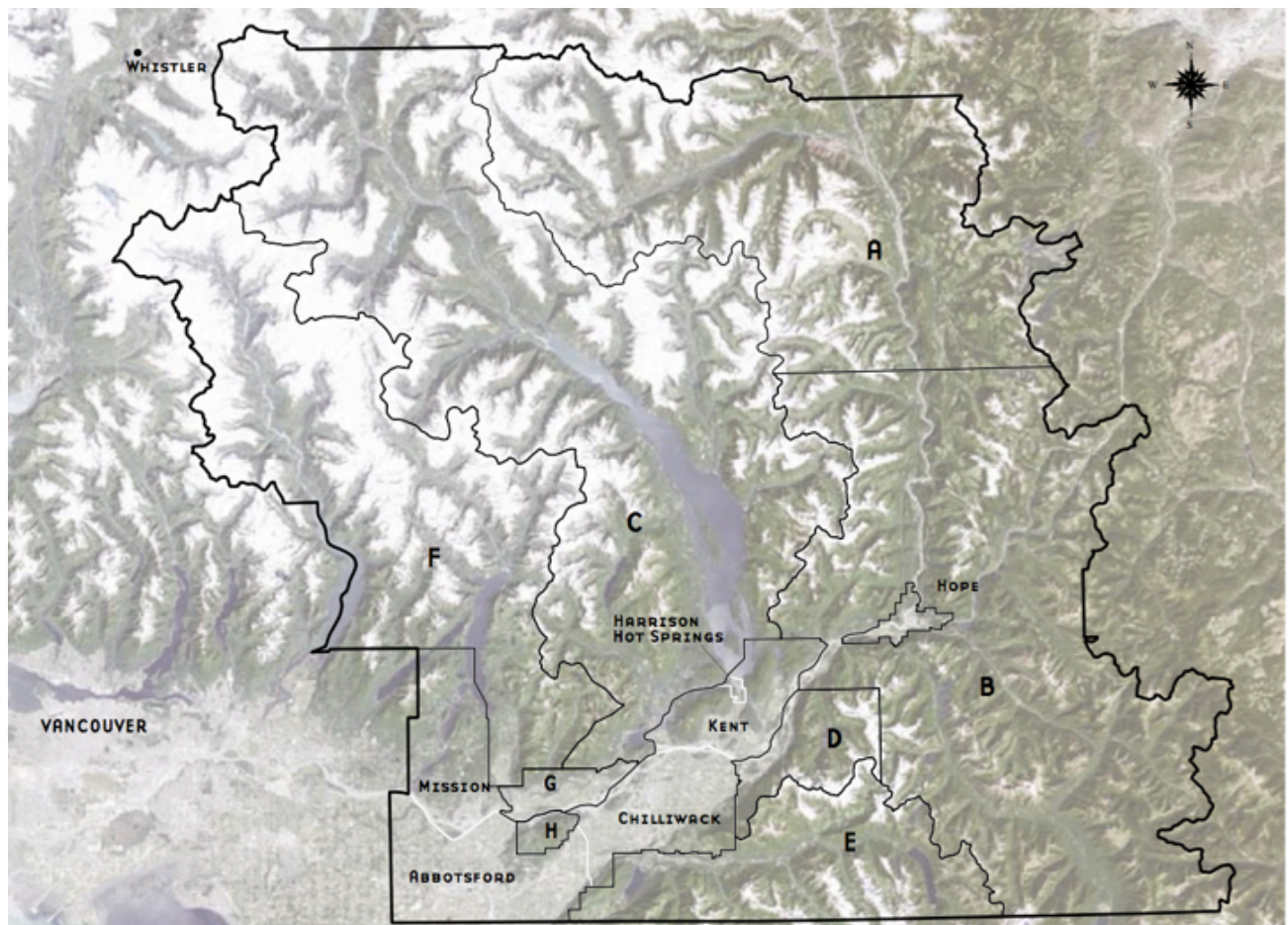


Figure 12 Map of the Fraser Valley Regional District (FVRD, 2004). The letters on the map are the names of Electoral Areas: lands which not located in incorporated communities; see footnote above.

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<sup>6</sup> The FVRD's eight electoral areas (letters A through H) include all of the unincorporated communities. The FVRD is responsible for governance, administration and services for the eight electoral areas, each named separately by letters of the alphabet, and represented on the board of the FVRD by a locally elected director. Electoral area residents pay only for municipal services provided to the electoral area in which they reside (Fraser Valley Regional District, 2018).

In addition to the previously-mentioned municipal services, the FVRD acts in a planning capacity for the region and may adopt a document called a Regional Growth Strategy (RGS). The Province has a specific definition for a RGS:

A [RGS] is a regional vision that commits affected municipalities and regional districts to a course of action to meet common social, economic and environmental objectives. It is initiated and adopted by a regional district and referred to all affected local governments for acceptance.

(Ministry of Community Services, 2005, p. 3).

An RGS also provides regional planning guidance for a municipality's Official Community Plan (OCP). A regional district is not required to have an RGS, nor is any provincial approval required to adopt one, unlike OCPs. The FVRD's RGS is a document broad in scope, and is meant to cover a range of topics; therefore, a RGS is unable to plan for each and every downtown within the region. As vague as it may be, one of the growth management goals of the FVRD RGS is to "manage urban land responsibly". In essence urban land is "managed responsibly" through the designation of regional Urban Growth Boundaries (UGB) to contain growth within a defined area of a municipality (Fraser Valley Regional District, 2004, p. 14). Municipalities are thus required to concentrate areas of higher density within their UGB to mitigate sprawl. The FVRD RGS is a rather old document and new issues have emerged in BC since the 2004 adoption of the RGS. Emerging issues include: housing affordability, climate change matters, and others. In response to these emerging changes, the FVRD issued a Draft RGS in 2014, which is currently being updated to account for these changes in the past decade. Both Mission and Abbotsford have considered the 2014 Draft RGS when they developed their respective OCP updates. Conversely, when Chilliwack updated their OCP in 2014, they could not take the 2014 Draft RGS changes into account given that the OCP process was completed before the 2014 Draft RGS update was released. The 2014 Draft RGS also takes into account the changing role of municipalities since 2004. For example, the City of Chilliwack is directing future development into a more concentrated growth boundary than set out in the original 2004 RGS.

Since the 2014 Draft RGS was written, the FVRD's role has changed in some areas. For example, since 2014 the FVRD has taken on a larger role in transit and has initiated the Fraser Valley Express transit service (Chilliwack-Abbotsford-Langley) and has recently (September 2017) initiated transit service to Hope (Fraser Valley Regional District, 2018). Interestingly, these three regional transit lines connect at the downtown transit exchange in Chilliwack – an opportunity for Chilliwack downtown revitalization.

### Municipal planning level

There are standard planning frameworks each municipality must have, although the precise features and provisions of said frameworks will vary from community to community to meet the specific needs of local residents. This section describes the frameworks Mission and Chilliwack employ as well as the process by which they are applied.

### *Official Community Plan*

An OCP is a planning document that outlines the long-term vision for a municipality in British Columbia<sup>7</sup> and is akin to Official Plans or Master Plans in other Provinces of Canada. It is the law that every incorporated municipality have an OCP (Ministry of Municipal Affairs and Housing, 2018). The *British Columbia Local Government Act* defines an OCP as “a statement of objectives and policies to guide decisions on planning and land use management, within the area covered by the plan, respecting the purposes of local government” (Province of British Columbia, 2018). Essentially, it is a key policy document to guide future residential, commercial, industrial, agricultural development and helps guide developers, planners, and municipal Council in the zoning amendment and decision-making process. OCPs can also set revitalization as a specific goal for the municipality and have a series of accompanying policies and provisions (such as development permit areas and incentive policies) that help them work towards that goal.

### *Neighbourhood planning level*

Plans at the neighbourhood level make up sub-sections of the OCP and give planners the ability to plan at a much smaller scale. Their names vary from one municipality to another. Surrey, for example, calls them Neighbourhood Concept Plans or NCPs; other municipalities may name them on a case-by-case basis, as does Mission and Chilliwack (e.g., Mission City Downtown Plan Area or the Chilliwack Downtown Land Use and Development Plan Area; each will be explained later).

### *Development permit areas*

When a municipality adopts a downtown plan or revitalization plan it allows the cities to prioritize areas for revitalization and serves as a tool to give planners more control and better focus on initiatives that pertain to the downtown. A downtown plan becomes legitimized once it is adopted as a schedule or appendix to the overall OCP and gets an associated Development Permit area (DPA) designation. An OCP may designate a DPA for the downtown in areas where commercial uses are permitted (Province of British Columbia, 2018). The OCP must justify why the proposed area should be designated as a DPA and have a set of guidelines and requirements detailing how development in this area will help achieve its objectives. DPAs are discretionary tools that give a municipality better control over the quality of development occurring within the designated area. An applicant must obtain a Development Permit (DP) prior to subdivision, construction, addition or alteration of a building (Province of British Columbia, 2018). In the case of downtown revitalization, a DP will usually pertain to the form and character of the buildings. They delineate the specific plans, drawings and materials of the proposed building that an applicant must submit. Once municipal staff are satisfied with the application, they may recommend that Council issue the permit, allowing the applicant to move forward with the development. DPAs can also be applied in other areas of a municipality, such as steep hillsides where geotechnical study is

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<sup>7</sup> Regional districts may also adopt their own OCP for the areas not located within an incorporated municipality. In the case of the FVRD, electoral areas A – G would be subject to the OCP of the FVRD.

necessary or in environmentally sensitive areas that may require assessment by a certified professional.

### *Community amenity contributions*

Rezoning a property can often cause the value of the land to increase, resulting in financial benefit to the owner. Municipalities can negotiate ‘Community Amenity Contributions’ (CACs) with the developer during the rezoning negotiation process to capture some of the value that would be generated as a result of the increase in land value. The LGA has a provision stating that newly subdivided land is subject to Development Cost Charges (DCCs) which go towards paying for municipal infrastructure such as roads, parks, water, drainage and sewer facilities (British Columbia, 2018). The monies acquired as a result of CACs, on the other hand, would fund projects not covered by DCCs such as libraries and community centres (Ministry of Community, Sport and Cultural Development, 2014). While perfectly legal, the acquisition of CACs by a local government can be perceived as tantamount to “selling zoning” to a developer. The municipality in question must thus tread lightly to diminish this perception.

### *The municipal planning and development permitting process*

Planning Departments are typically divided into two sub-sections: Long-Range and Short-Range Planning. The Long-Range Planning department is mandated with longer-term visioning and planning processes. Long-Range Planners, usually in conjunction with a private-sector planning consultant, draft plans and policies (such as the OCP, Downtown Plan, DPA’s etc.) and go through a public consultation process, whereby the members of the community have the opportunity to give input into what they want to see in the plans. Mayor and Council also play an integral role in the permitting process: once a plan has gone through the public consultation process, Mayor and Council have the final say in whether or not the plan is to be adopted into bylaw. Once adopted, the plan, now substantiated and upheld through bylaw, will be one of the documents that guide development in the city.

Short-Range Planning deals with the implementation of the adopted plans and policies by enforcing the OCP and Zoning Bylaw that were created by Long-Range Planning. When an applicant presents an application to the City, the Short-Range Planners check that the proposed development is consistent with the use and density provisions of the OCP and Zoning Bylaw (Sommer, 2018, personal communication; Stanton, 2018, personal communication). If an application meets the OCP and Zoning Bylaw’s use and density provisions, the applicant is permitted to move on to the DP stage and skip the process about to be described. Typically however, development proposals are not one-hundred-percent consistent with the OCP and zone, thus beginning a negotiation process between the developer and Short-range Planning to amend the zone and/or the land use designation of the OCP<sup>8</sup>. The developer is required to submit a series of documents<sup>9</sup> as part of the application process. Once the Planning Department is content that the development application is consistent with the regulatory frameworks and meets the

<sup>8</sup> At this stage, Engineering and other departments may weigh-in in the process to ensure that other municipal needs are met (traffic, municipal services, parks, etc).

<sup>9</sup> The documents and plans a developer may be required to submit will depend on the complexity of the application and where the application is to occur. Engineered and architectural plans, traffic impact studies, and a report delineating the nature of the application are among the documents that may be required.

needs of the community, a Short-Range Planner will draft a report to Council outlining the details of the application and, most importantly, whether or not staff supports the application. An applicant may still submit an application that is not supported by staff, but the chances of such an application being approved by council is low. Once the application is presented to Council at First reading or, Council may allow the application to proceed to second and third reading. At second and third reading, a public hearing is held, whereby the public is allowed to comment for or against the application. Council then weighs the input of the public against that of the application. Once Council approves the development application, the developer is permitted to move forward into the subdivision and subsequent building permitting process of the development (Sommer, 2018, personal communication; Stanton, 2018, personal communication).

As stated, the downtowns of both Mission and Chilliwack are DPAs, thus requiring developers to obtain a DP. There is far less room for negotiation in this process; if the applicant meets the DP requirements, Council must issue the permit (Sommer, 2018, personal communication). If Council denied a DP in spite of the applicant meeting the requirements, the legal ramifications for Council would be severe. While DPs are indeed approved by Council, there is no accompanying public hearing component, as is the case for zoning bylaw amendments or OCP amendments.

### **Downtown economic development**

Understanding economic development and the way in which businesses operate is especially important to understanding the economy of downtown. While the above-mentioned plans and planning processes are generally the same for both Mission and Chilliwack, the economic development offices are quite different in these two municipalities.

#### ***Economic Development in Mission***

The first body in charge of economic development in downtown Mission is the Economic Development Department (EDD), headed by the Economic Development Officer (EDO). The EDD, founded in 2004, is a department within the structure of City Hall overseeing and coordinating business retention and expansion, investment attraction, marketing and communications, tourism services, film production and workforce development in the District of Mission (Crawford, 2018, personal communication). The EDO is also in charge of implementing the Mission Downtown Development Incentive Program and is a signatory (along with the director of Development Services) for any applications under the Incentive Program.

The second body, working closely with the EDD, is the Mission Downtown Business Association (MDBA). The MDBA was formally incorporated in 1996, when the Business Improvement Area (BIA) was formed. The merchants were organized on an informal basis prior to this (Crawford, 2018, personal communication). The MDBA is made up of all the merchants and landowners in the BIA. The association's board comprises twelve merchants and business owners, who volunteer their time to

assist the efforts of the MDBA to promote and improve trade, commerce, economic and commercial development in the downtown area of Mission (Downtown Mission, 2014). The Mission Regional Chamber of Commerce (the Mission Chamber hereafter) is another group tasked with furthering the interests of local businesses. The Mission Chamber, founded in 1893, also comprises local business owners, though the mandate of the chamber mandate deals less with the downtown than the MDBA. There is one member of the Mission Chamber Board of Directors who is also a member of MDBA, acting as a liaison between the two bodies (Mission Regional Chamber of Commerce, 2018).

### *Economic Development in Chilliwack*

Chilliwack's main economic development body is called the Chilliwack Economic Partners Corporation (CEPCO) and was formed by the City back in 1998 (Chilliwack Economic Partners Corporation, 2017). CEPCO is a structurally unique economic development organization. Unlike Mission's EDD, CEPCO not a formal department within the municipality that serves almost as a "crown corporation" would. CEPCO's mandate includes the traditional economic development work that many economic development bodies conduct in terms of: attracting investment to the city, businesses retention and expansion. However, because CEPCO is not departmentally tied to the City, they are able to pursue development opportunities in a way that other economic development offices cannot (Coombs, 2018, personal communication). The CEPCO Board of Directors includes members of the business community as well as members of Chilliwack City Council and staff who act as liaisons between the City and CEPCO.

Chilliwack also has economic development interests in the downtown. The Downtown Business Improvement Association (BIA), founded in 1995, focuses on helping to create a better environment for downtown businesses and commercial property owners (Chilliwack Downtown BIA, 2018). The BIA's mandate is to promote special events, ensure that the streets of downtown are safe and clean, and assist with basic property upgrades. The Downtown BIA also helps organize, promote, and run community events in the downtown and surrounding area. The BIA also maintains regular communication with its partners such as the CEPCO, Chamber of Commerce, and many other associations dedicated to, and responsible for, the general improvement of the downtown and surrounding areas.

The Chilliwack Chamber of Commerce (the Chilliwack Chamber hereafter), founded in 1903, is another resource that local businesses have to draw from. The mandate of the Chilliwack Chamber is to work with partners such CEPCO and the Chilliwack Downtown BIA, as well as the City, to ensure the best interests of the business community are represented (Chilliwack Chamber of Commerce, 2018).

### **Mission's plans and policies**

Mission has a series of plans and policies that guide the planning and development process for the downtown and elsewhere. The following section lists and explains the various layers of planning documents, with specific emphasis placed on downtown.

### *Mission's Official Community Plan*

The downtown is an important part of Mission's OCP; the most recent version was adopted on January 8th, 2018. The downtown is a specific land use designation of the OCP. Out of the eleven vision points of the OCP the following two are pertinent to the context of downtown:

- businesses are flourishing in our vibrant downtown and commercial nodes
- with increasing employment, more people can work here where they live

(District of Mission, 2017)

Mission also outlines seven guiding principles to help realize their vision; the following three are directly related to the downtown:

- economic vitality: supporting the revitalization of downtown and the waterfront; developing policies to support existing businesses and attract and maintain new businesses to support more employment
- compact and complete community: establishing downtown as the centre of commerce with higher residential densities, multiple services, walkable distances, safe bicycle options, and good transit
- distinct character: promoting Mission as a unique community that differentiates itself based on the historic downtown, access to nature, arts and culture, affordability and recreation opportunities

(District of Mission, 2017)

Additionally, the OCP has several overarching objectives and policies that pertain to the improvement of the downtown, including:

- encourage mixing of land uses
- support a compact well designed and walkable downtown with higher density
- encourage infill

(District of Mission, 2017)

The OCP acts as a policy anchor, providing legitimacy to other local area municipal plans, including the local area plan of the downtown.

### *The Mission City Downtown Action Plan*

Following the series of challenges that plagued the downtown of Mission over the years (see the Introduction for the history and decline of Mission's downtown) local stakeholders including the municipal staff, Mayor and Council, business owners and citizens felt prompted to intervene with some form of revitalization efforts. This began the process towards creating the *Mission City Downtown Action*

*Plan* (the Action Plan hereafter) in the fall of 2012. This plan was made feasible as a result of \$150,000 of funding under the Federal Gas Tax Fund (Government of Canada, 2013). The Action Plan acts as a guide to development and outlines a set of interventions including design and planning policies, priority capital investments, and tools and incentives to support existing businesses and attracting future downtown investment (District of Mission, 2013). As stated, Mission's OCP places downtown revitalization as a high priority on its list of goals. The Action Plan was adopted in 2013 and the new OCP was adopted in 2018; many of the goals of the Action Plan are addressed through the land use, social, economic, and parks and recreation policies of the OCP. Mission's consistent population growth makes revitalization possible in the first place.

Mission's downtown (Plan Area shown below in figure 13) is adjacent to the Canadian Pacific Railway (CPR) lines that once served as a major economic driver for the community. Today, this rail line continues to transport freight but also acts as the eastern terminus for the West Coast Express line, a commuter train that takes passengers from Mission directly into the downtown core of Vancouver.

Residential land surrounds the northern portion of the downtown, while industrial and commercial uses dominate the south, separated by the CPR line. A pedestrian walkway runs over the tracks connecting a park-and-ride parking lot to the south with the West Coast Express terminal, which is situated within the plan area. First Avenue functions as the primary "main" street, with the commercial and mixed uses lining the north and south sides of the street. A Provincial Highway (Lougheed Highway) runs west through the downtown as First Avenue and east along the south as North Railway Avenue.

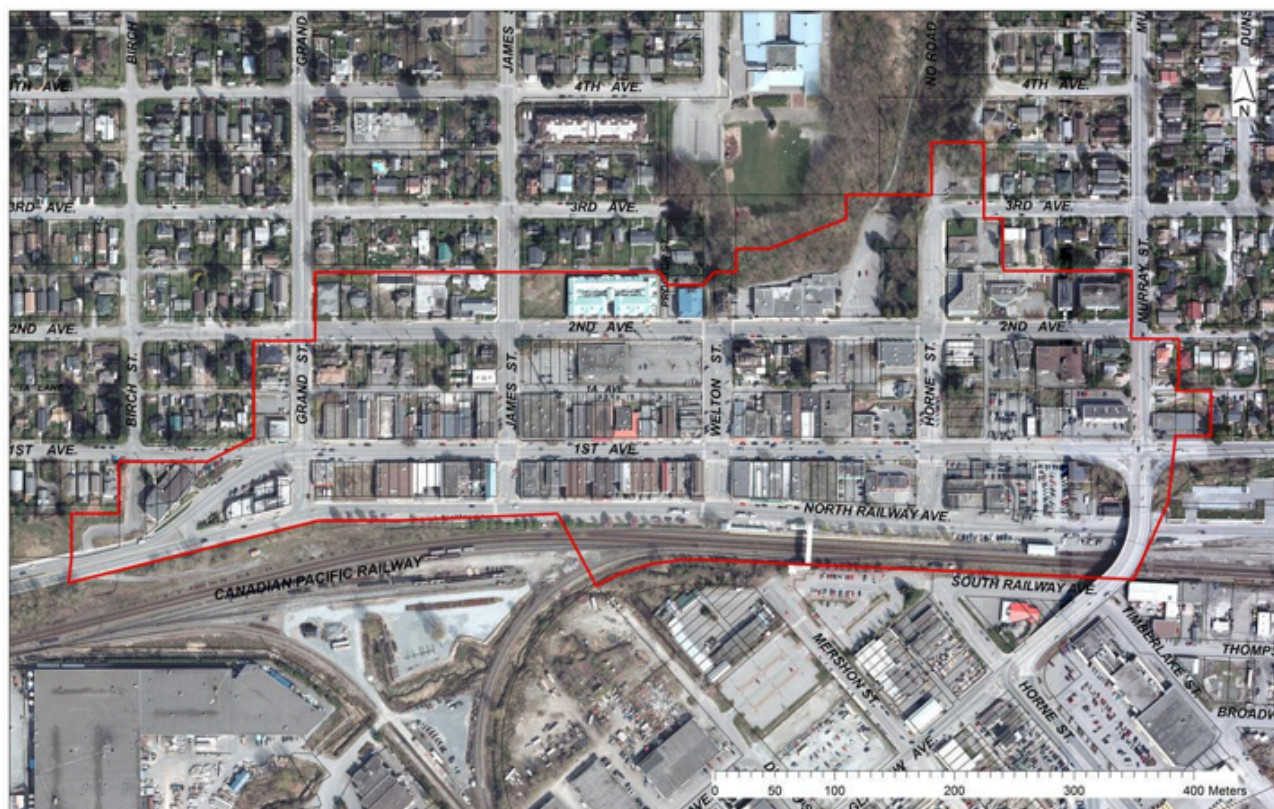


Figure 13 Downtown Mission Action Plan Area Plan Area (District of Mission, 2013)

The Action Plan seeks to address four major challenges that the City must address if they wish to revitalize the downtown:

- Creating more customers – downtown needs more people that are living and working downtown to provide the stable customer base that most businesses rely on.
- A safe, welcoming downtown – marginalized members of the community often congregate in the downtown in high foot traffic areas, creating the perception of insecurity.
- Creating a great pedestrian realm – the main provincial highway on the north side of the Fraser River passes right through downtown, and with it comes gravel and logging trucks as well as speeding traffic. This traffic needs to be better managed to ensure that pedestrians feel safe and comfortable downtown.
- Making development more viable – currently real estate development is marginal because land values and lease rates are low and there is intense competition from other parts of Mission and the region. In addition, factors such as parking requirements and some of the physical constraints in the downtown make development expensive. Making downtown development attractive will require a re-think of standards and incentives.

(District of Mission, 2013, p. iii)

These main challenges helped frame the strategies and recommendations that made their way into the completed plan and helped to form the vision statement of the Action Plan:

*Downtown Mission will be animated, safe and attractive with a unique sense of identity, heritage, and character. The Downtown will provide a range of mixed-use, residential, commercial, civic, educational, and community spaces to support a thriving local economy. A compact and attractive urban form will support walking and transit use while vehicle access and flows will be efficient and safe. First Avenue will be a pedestrian-oriented Retail High Street that attracts people from throughout the region. A mix of boutique shopping, restaurants, cafes and other entertainment uses integrated within a high quality park, plaza and open space network will support an active and safe downtown, both day and night. Continuous improvements to both public and private realms over the short, medium and long-term will ensure the Downtown becomes and remains a sustainable and vibrant hub for the community, starting tomorrow and well into the future.*

(District of Mission, 2013; italics in original)

To carry out this vision, the Action Plan highlights the ‘5 Fundamentals’ of a successful downtown as overarching goals to guide revitalization efforts. The ‘5 Fundamentals’ are:

1. A multi-modal transportation system that prioritizes pedestrian safety and comfort, supports transit and cycling and gracefully accommodates vehicles;

2. A mix of high density land uses and activity nodes that can generate the strong customer base that downtown businesses need to thrive;
3. A high quality public realm, parks and open spaces that provide the high quality pedestrian environment and visual interest that attracts and encourages people to spend time downtown;
4. Addressing social needs and community issues to create a more family-friendly downtown that is culturally diverse and welcoming for everyone; and
5. Creating economic conditions for successful development so that downtown development becomes more attractive to developers across the region.

(District of Mission, 2013, p. iv)

The '10 Big Moves' are the finer grained, distinct projects and interventions that would help achieve the '5 Fundamentals' listed above. They are visually represented below in figure 14.

The Vision, '5 Fundamentals' and '10 Big Moves' synthesize to form the overall Illustrated Concept Plan for the downtown seen in figure 15 on the following page.

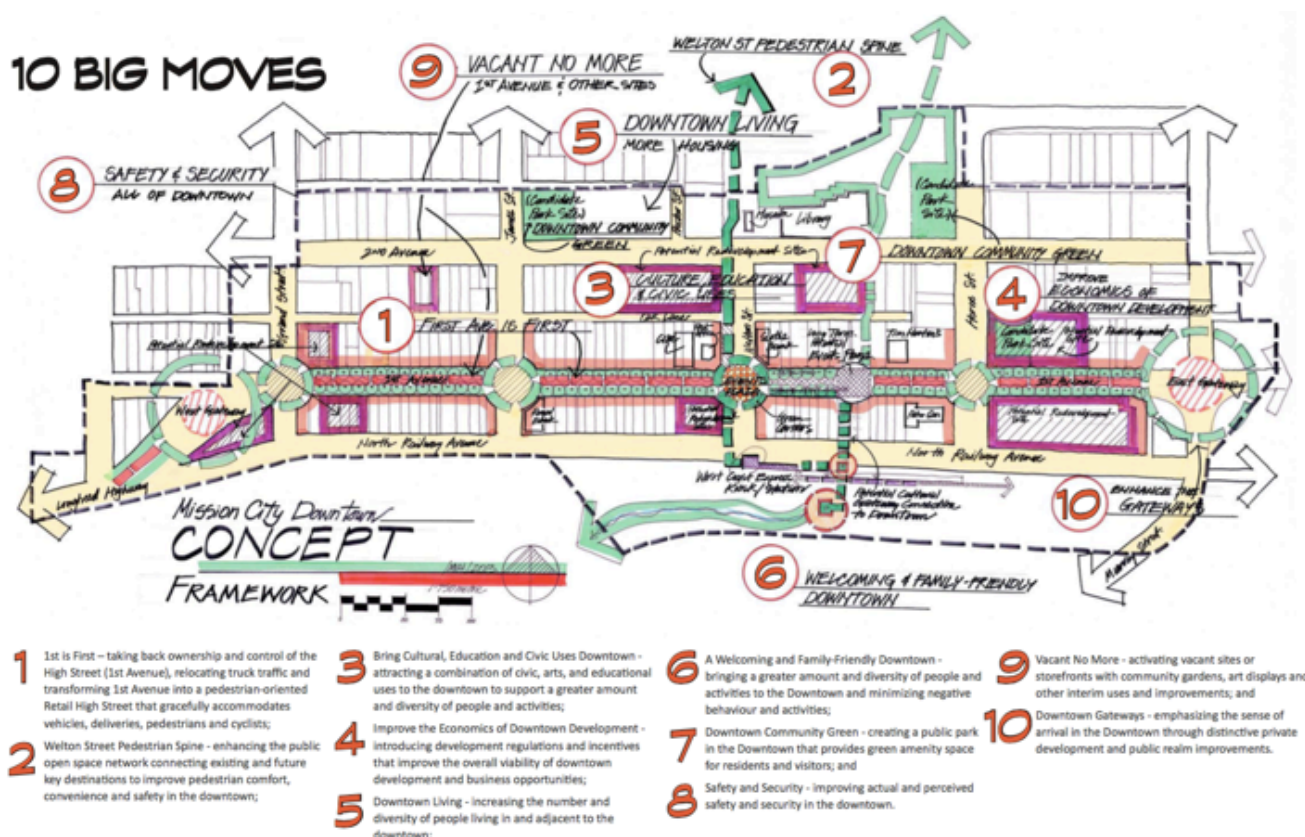


Figure 14. '10 Big Moves' to help achieve revitalization in downtown Mission, (District of Mission, 2013).

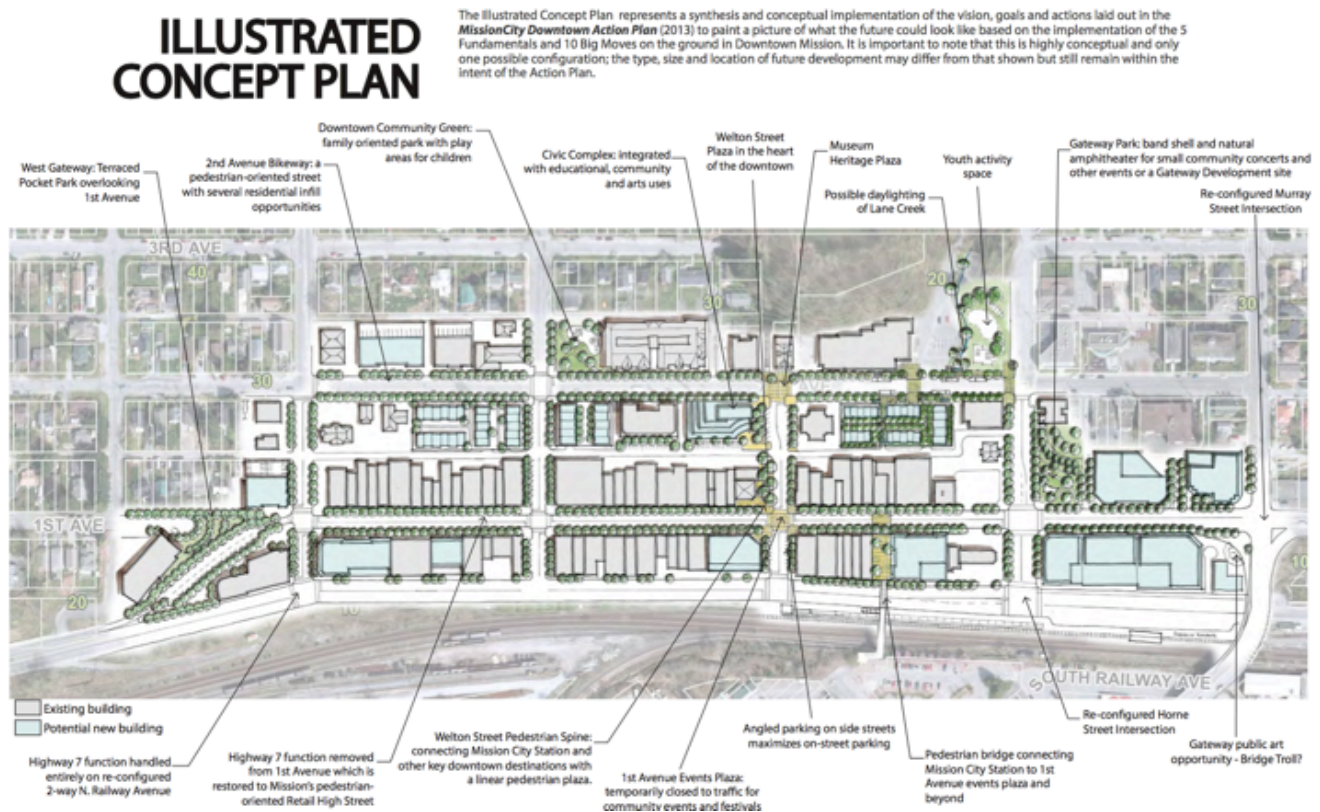


Figure 15 Illustrated Concept Plan of the Mission City Downtown Action Plan (District of Mission, 2013).

Major Big Moves of note include changing First Avenue from a highway to a local street, and the implementation of the Welton Street Pedestrian Spine (figure 16). As stated, Lougheed Highway runs through the Action Plan area along First Avenue, a notable nuisance to the downtown. Traffic flows quickly in a western direction, causing safety concerns resulting from vehicles stopping infrequently and drivers paying less attention due to the absence of conflicting traffic flow. Additionally, as this route runs westward, heavy truck traffic moves from the east carrying logs, gravel and other heavy cargo, further perpetuating this perception of danger. Local businesses also generally prefer two-way streets as they increase visibility for their shops. To amend this traffic configuration, Mission will need to coordinate with the Provincial Ministry of Transportation and Infrastructure to divert highway traffic along North Railway Avenue, a street with less commercial frontage. This will allow First Avenue to regain its role as a two-way, pedestrian-oriented, retail high street. The Action Plan also emphasizes several improvements to the public realm<sup>10</sup> of the downtown, most notably the First Avenue streetscape improvement project spanning from Horne to Grand Street.

Other recommendations of the Action Plan included the removal of what staff and Council deemed to be “nuisance uses” such as pawnshops, vaporizer/e-cigarette shops, and money-lending establishments. The rationale for removing these uses was to help create a more family-oriented downtown, one of the goals of the vision.

<sup>10</sup> The public realm comprises all publicly accessible land including streets, lanes, sidewalks, boulevards, parks and public open spaces (District of Mission, 2014).

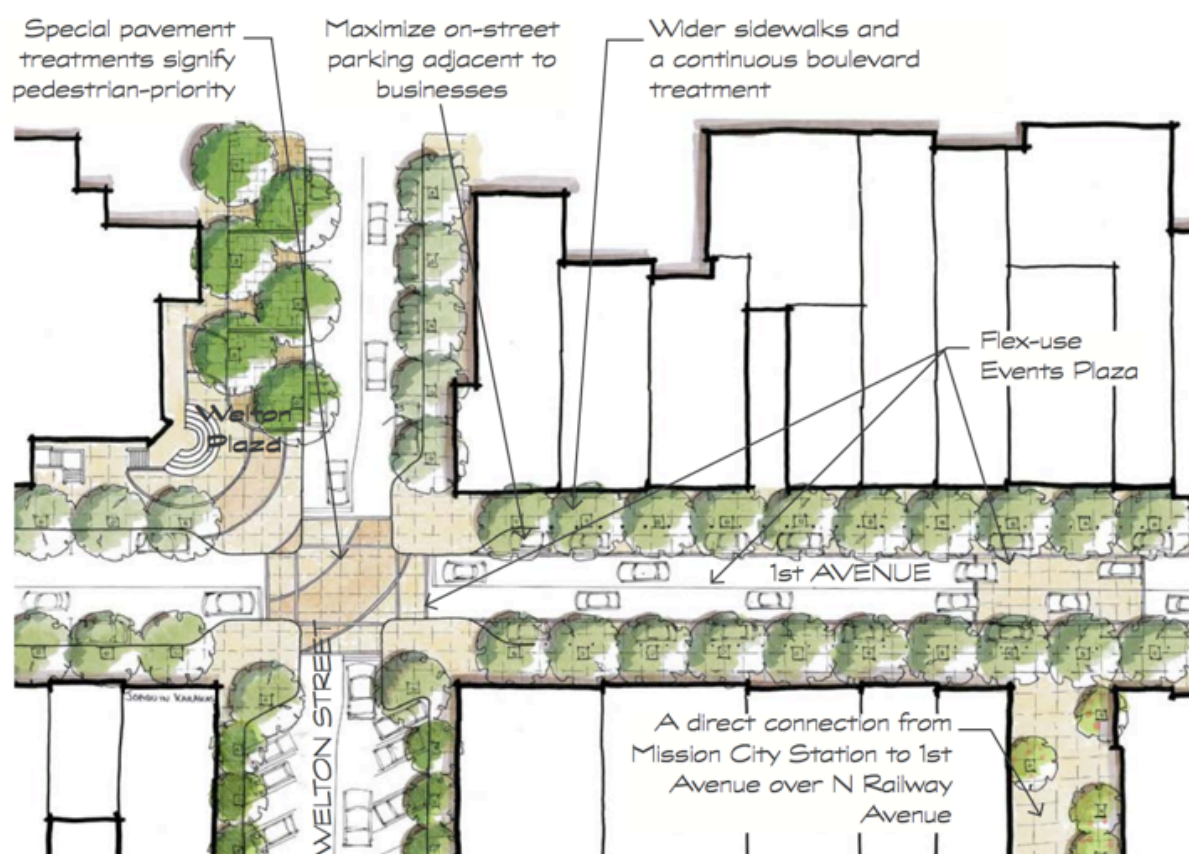


Figure 16 Proposed First Avenue public realm upgrades (District of Mission, 2013).

### *Mission City Downtown Design Guidelines*

The Mission City Downtown Design Guidelines support the Downtown Action Plan, translating the Action Plan into specific design strategies and approaches aimed at improving the form and character of buildings and the public realm in Mission's Downtown (District of Mission, 2013). These Design Guidelines are incorporated into the Mission's OCP as Development Permit Design Guidelines. The Action Plan is a Development Permit Area (DPA) within the OCP (shown as the red outline in figure 13 above). As a result, anyone building within the downtown DPA must adhere to the design guidelines when renovating an existing building or constructing a new one.

### *Public Realm Master Plan*

The Public Realm Master Plan adds another layer of direction to the Action plan, giving staff additional tools to guide decision-making when reviewing the public area<sup>11</sup> portions of development proposals. The Public Realm Master Plan helps staff formulate their reports and recommendations to Council but also to inform the public on the City's overall vision and planning direction (District of Mission, 2014).

### Mission Downtown Development Incentive Program

Another crucial element to the success of the Action Plan is the Mission Downtown Development Incentive Program (the Incentive Program hereafter). The Incentive Program includes the following provisions, which aim to catalyze new investment downtown and to persuade existing business to improve their structures:

- **Reduced Application Fees :** Application fees for rezoning, as well as permits for Development Permit, Building Permit and building inspection fees are either waived entirely or reduced by 50%. There is no cost associated with Incentive Program Applications.
- **Tax Exemption Program:** It operates on a 10-year term. For the first 5 years, municipal property tax is waived for the value of the property for its base amount (the value pre-demolition/pre-renovation). The amount payable then subsequently increases to the base amount plus 20% of the difference between the base amount and the full assessment (post-build/post-renovation) in year 6. That ‘plus percentage’ then increases in years 7, 8, 9, and 10 to 40%, 60%, 80% and 100%, respectively.
- **Reduced Community Amenity Contributions (CACs):** As noted earlier, CACs can serve as a means to fund municipal projects like libraries, public spaces, and community centres that are not fundable through Development Cost Charges. CACs would not be required in the case of downtown development, as the municipality does not want to burden projects, which are already seen as risky from the perspective of the private sector. Additionally, new developments in the downtown are generally seen as a “community benefit”. A 20-unit residential development, under the Incentive Program, would receive \$56,300 in savings.
- **Façade Improvement Grant & Financing Program:** This provides a one-time grant of up to 50% of eligible improvement costs to a maximum of \$2,000 per building façade; the minimum value of the project is \$1,000 for a maximum of two facades fronting on a street per building.
- **Relaxed Parking & Building Height Restrictions:** under the Incentive Program, a property would be given an floor space ratio (FSR) of 4.5 compared to 1.5 and would have its parking requirements reduced from 1.7 to 1 per unit.

(District of Mission, 2014)

In addition to these financial benefits, there are also process-focused benefits to incentivise development by streamlining the bureaucratic process, giving developments in the Downtown Plan Area priority application processing. In simple terms the eligible development would be placed at the ‘top of the queue or pile’ ahead of any other development applications in the municipal system.

Another potential benefit is the ability to have the holding of a public hearing waived if an applicant is rezoning to a Core Commercial Downtown Two (CCD2) Zone<sup>12</sup> which requires development to include housing and directly reflects the intent of the Action Plan. The District explains how the City

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<sup>11</sup> The “public area” portion of developments refers to the right-of-way along the frontage of the subject property. These areas are sometimes street frontages or areas that front public spaces.

<sup>12</sup> CCD2 zones apply to properties located in the Downtown Action Plan Area. The Zone is attached as appendix B. In it, its permitted

can allow public hearings to be waived: “The rationale for waiving the Public Hearing component of the approval process reflects the amount of public input into the planning process when developing the downtown Action Plan and the cost in time, money and uncertainty that developers experience around the Public Hearing component of the process” (District of Mission, 2013, p. 95). Waiving of public hearings is possible through enabling legislation in the Local Government Act that allows Council to consider waiving the Public Hearing component of the bylaw amending process under specific conditions. Section 890(4) of the Local Government Act states: “A local government may waive the holding of a public hearing on a proposed bylaw if (a) an official community plan is in effect for the area that is subject to a proposed zoning bylaw, and (b) the proposed bylaw is consistent with the plan” (District of Mission, 2013, p. 95).

## **Chilliwack’s plans and policies**

Like Mission, Chilliwack also has a series of plans and policies that guide the planning and development process for the downtown and elsewhere. The following section lists and explains the various layers of planning documents, with specific emphasis placed on downtown.

### ***Chilliwack’s Official Community Plan***

The downtown is an important feature of Chilliwack’s community and the desire to see it revitalized has been acknowledged in every OCP to date, including the City’s most recent OCP, which was adopted in August 2014 (City of Chilliwack, 2014). The City of Chilliwack’s OCP vision statement is: “The City of Chilliwack is a healthy, engaged, sustainable community.” The OCP has five high-level goals, which support this vision. One of these five goals applies directly to the downtown: “Diversify Economic and Employment Opportunities, Revitalize the Downtown and Create jobs for the anticipated population increase” (Goal 3 hereafter). Goal 3’s objective of downtown revitalization is accompanied by four policies that seek to achieve this goal:

1. Work closely with stakeholder groups and organizations in implementing the Downtown Land Use and Development Plan and Revitalization Task Force Report recommendations.
2. Identify revitalization opportunities to attract residents and visitors to the downtown during the day and at night.
3. Create a vibrant mix of residential, street-front retail, business, civic, recreation and entertainment developments.
4. Create a strong population base for the downtown by densifying the core and adjacent neighbourhoods.

(City of Chilliwack, 2014, p. 33)

Other goals also contain accompanying objectives and policies in support of the revitalization and economic development of the downtown (City of Chilliwack, 2014, p. 21)<sup>13</sup>.

### *Chilliwack Downtown Land Use and Development Plan*

Chilliwack's preoccupation with the revitalization of its downtown dates back to the first Downtown Revitalization Plan (1996) and Downtown Redevelopment Strategy (2000); they became building blocks for subsequent plans. At present, Chilliwack utilizes the Downtown Land Use and Development Plan (the Downtown Plan hereafter), which was adopted by Council in 2010 as a 'schedule' (an attached subsection) of the OCP, to guide its downtown planning and revitalization strategies (City of Chilliwack, 2014). The Downtown Plan also builds on the 2008 Downtown Neighbourhoods Strategic Plan and its supplemental Growth Scenarios Report. The Downtown Neighbourhoods Strategic Plan identifies land use areas with current and future development potential to be implemented in three phases, proposing an intensification of land use radiating out from the core over these three phases. The supplemental Growth Scenarios Report "highlights future housing priorities that the downtown redevelopment process should espouse in order to meet the diverse needs and social conditions of the downtown population" (City of Chilliwack, 2008, p. 1).

The Plan Area (as seen the dashed black line in figure 17) is located in what is generally referred to as the 'northern side' of Chilliwack, named as such due to the fact that the TransCanada Highway splits the city east-west. While the majority of development since the second half of the 20th century has occurred along and south of the Highway, new opportunities to increase density in and around the core and changing the real estate market trends are emerging, promising new opportunities for the downtown (City of Chilliwack, 2010).

The plan area itself is quite large, totalling 2.3 km<sup>2</sup>, encompassing the historic grid-patterned downtown (labeled in red as the 'core [pedestrian oriented] commercial mixed use' in figure 18 on page 50), as well as the medium and lower density residential uses around the core (brown and beige in figure 18).

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<sup>13</sup> Goal 1, 'Manage Growth Responsibly' calls for the application of the Downtown Land Use and Development Plan (DLUDP) and to "emphasize the established community core [in] Chilliwack-proper (downtown)". Goal 5, 'Build Healthy Attractive Communities', also calls for a continuation of the successful façade improvement program, reinforcement of heritage buildings in the core, public art interventions downtown, and to densify and promote walkability downtown.

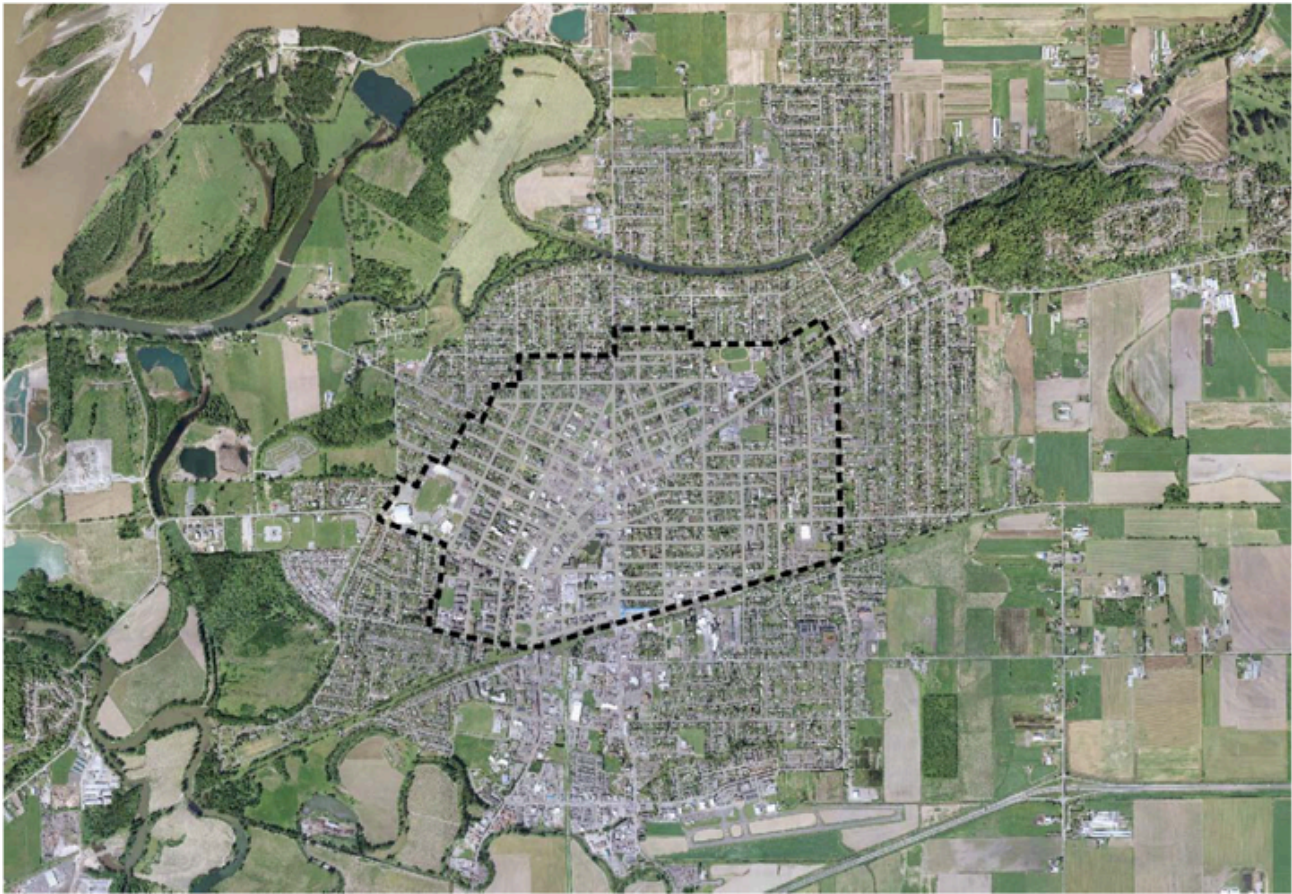


Figure 17 Chilliwack Downtown Land Use and Development Plan Area (City of Chilliwack, 2010)

A notable weakness of the downtown is that it has few anchor tenants capable of attracting large numbers of customers (City of Chilliwack, 2010). To support revitalization, the City utilizes the large plan area to densify areas that have developed in a lower density pattern over recent decades. The downtown converges at Five Corners where Yale Road and Young Road meet (see the yellow star focal point in figure 18). In spite of the relative economic and physical decline, the downtown has traditional characteristics such as historic buildings, mature trees along its streets and a pedestrian oriented central business district. The Downtown Plan aims to enhance these positive attributes. The Downtown Plan envisions the downtown as:

*Downtown Chilliwack is a healthy, sustainable, and thriving community that promotes social and economic vitality while minimizing its impact on the natural environment. Downtown Chilliwack is a community of distinct and vibrant urban neighbourhoods that offer a wide range of opportunities to live, work, learn and play. It is safe, inclusive, socially diverse and supported by a diverse range of housing options that embrace a high quality and attractive public realm. The heart of downtown is distinguished by its unique heritage character and its civic, entertainment, and shopping focus, and will continue to be a cornerstone of civic pride and community identity.*

(City of Chilliwack, 2010, p. 13, italics in original)

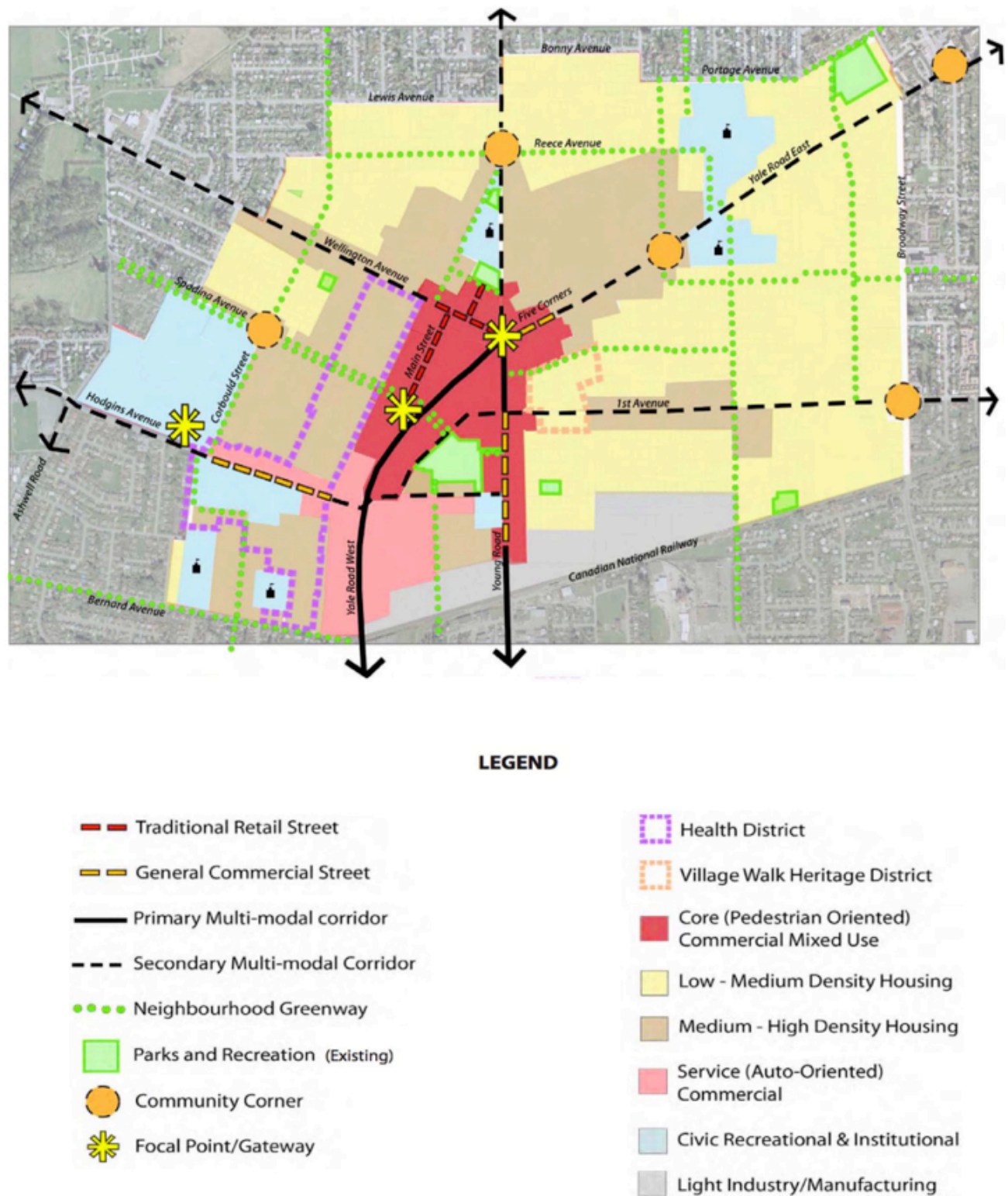


Figure 18 Downtown Land Use and Development Plan Concept Diagram (Chilliwack, 2010)

To carry out the Downtown Plan's vision, the following ten Planning Goals are highlighted:

1. To maintain the downtown as a critical component of the City's urban corridor growth strategy.
2. To create a complete, compact and walkable downtown that has a balance of jobs and housing.
3. To create an attractive public realm with a strong sense of place that reflects Downtown Chilliwack's rich history.
4. To reinforce the downtown as the heart of the city by maintaining a vibrant and safe core with active retail, entertainment and civic functions.
5. To encourage a diverse and inclusive social mix by ensuring a broad range of services and housing opportunities.
6. To accommodate anticipated population growth through sensitive infill and densification with associated neighbourhood amenity improvements.
7. To support a range of mobility options that are convenient, safe and accessible for downtown and other city residents.
8. To ensure future growth and development contribute positively to the provision of needed amenities.
9. To minimize impacts from new and existing development on the surrounding natural environment, biodiversity, and air and water quality.
10. To reduce the greenhouse gas emissions and help the downtown community adjust to climate change.

(City of Chilliwack, 2010, p. 13)

The Downtown Plan is a 'schedule' of the OCP, giving it the same statutory powers of an OCP. This legitimizes the document, allowing the City to articulate its Vision and Goals to developers on a regulatory level through the policies and objectives of the Downtown Plan. The Vision and Goals are embodied in the Downtown Plan's Fundamental Concept Diagram (figure 18).

### ***Downtown Core Task Force***

To implement and track Chilliwack's downtown area revitalization and redevelopment, Chilliwack Mayor and Council created the Downtown Core Task Force (the Task Force hereafter) to "examine factors that affect the viability of a vibrant downtown core area and recommend a strategy and actions to Council that could accelerate the revitalization and redevelopment of this area in a manner consistent with the adopted Downtown Land Use Plan" (City of Chilliwack, 2011, p. 4). The Task Force built on the Downtown Plan and identified a series of opportunities for the downtown, proposing where public/private investment, regulations, incentives, events, attractions and marketing could be implemented to

revitalize the downtown. Among the opportunities identified by the Task Force include recommendations that could accelerate interest and investment or redevelopment within the downtown, improvements to City bylaws, policies, and procedures, and potentially moving City Hall into the downtown from its current location (approximately 1.5 km from Five Corners). Additionally, the Task Force identifies the constraints to redeveloping the downtown; they include: social/safety issues, struggling retailers, and a downtown that appears deserted the majority of the time, lacking users congregating in the space. The Task Force also notes that the downtown offers little in the way of after-hours activities and a general sentiment that the private sector is unwilling to invest in the downtown (Chilliwack, 2011).

### ***Chilliwack Downtown Design Guidelines***

To facilitate revitalization and future development in the downtown, the City created the Downtown Design Guidelines (the Guidelines) (City of Chilliwack, 2016). The Guidelines encourage the retention, restoration and enhancement of historical buildings, where feasible, but also note the need for new developments to have a distinct personality, while conforming to the surrounding buildings. The Guidelines apply to the Development Permit Area (DPA) seen in figure 19. An applicant must obtain a Development Permit (DP) from Council before any of the following works commence: “subdivision of land zoned for multi-family residential, commercial or industrial use; alterations to existing buildings or new construction on land zoned for intensive or multi-family residential development, or commercial or industrial use, including exterior renovation or restoration of a building façade and installation of signs, awnings and canopies; and consolidation of any parcel that is partially or wholly within this DPA” (City of Chilliwack, 2017, p. 1).

### ***Revitalization Tax Exemptions***

The City of Chilliwack also has a Revitalization Tax Exemption to encourage the “construction of new improvements” and/or the “alteration of an existing improvement where the alteration has a value in excess of \$200,000” (City of Chilliwack, 2016, p. 1-2). The Revitalization Tax Exemption applies to the area seen in figure 20. The Tax Incentive area was larger at the time of its original conception back in 2004. However, one of the recommendations of the 2011 Task Force Report proposed revisions to the Revitalization Tax Exemption Bylaw including the recommendation that its geographic boundaries be amended to their current parameters.

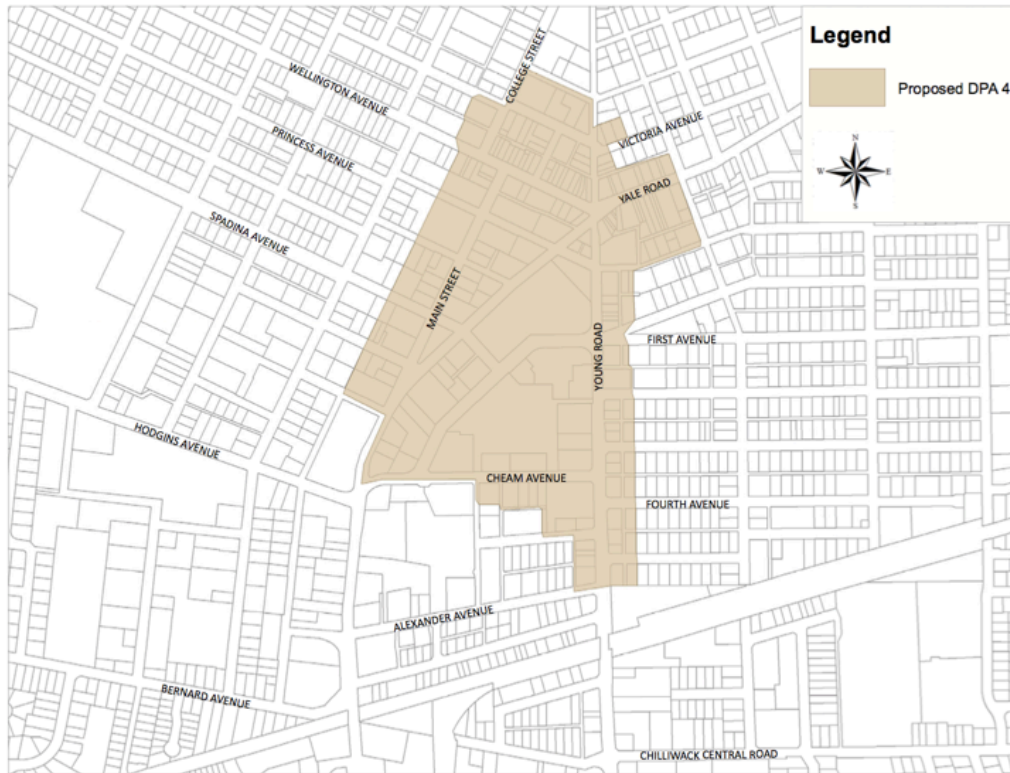


Figure 19 Development Permit Area for Downtown Design Guidelines. Note: the legend states that the area is 'proposed'; it has since been adopted (City of Chilliwack, 2016)



Figure 20 Revitalization Tax Exemption Area Map (City of Chilliwack, 2016)

### Conclusion

Mission and Chilliwack have employed similar downtown revitalization strategies that reflect the local context within which each downtown is situated. Both cities have created layers of planning frameworks that help to support revitalization (design guidelines, tax incentives, etc.). Mission's strategy offers slightly more incentives than Chilliwack, though Chilliwack has a far larger plan area giving them more area to implement revitalization measures (this also means Chilliwack has a larger area they have to revitalize).

While it was not discussed herein, as it goes beyond the scope of this report, Mission has a derelict riverfront within close proximity to the downtown that has been area of focus for past politicians and planning teams. The waterfront piece may be important for the downtown, if the two should ever be connected. Alternatively, given Mission's limited financial and staff resources, the waterfront can also be seen as another major capital project that pulls focus away from the downtown from a 'current priorities' standpoint.

Mission's semi-rural nature lends itself nicely to hiking and other outdoor activities. Chilliwack also has a river (though it is not close to the downtown) and natural amenities that support touristic endeavours (though not to the same degree as Penticton and Bend in the literature review) tourism is part of the mandate of both Mission's and Chilliwack's economic development offices. Overall, Mission and Chilliwack are experiencing increases in population that would suggest that revitalization may in fact be feasible.

The next two chapters will examine how the plans and policies that were described in this chapter are implemented in practice. Both Mission and Chilliwack will be presented separately and will be subsequently compared in the final chapter of this research report.

## **CHAPTER 3**

### **MISSION IMPOSSIBLE?**

As stated in the introduction, downtown Mission has experienced bouts of decline since the mid-twentieth century. As stated in the introduction, in spite of population growth, Mission's retail and entertainment growth has occurred in surrounding malls in recent decades. Consumer habits have followed this trend. Recently, in the years following the 2008 economic downturn, businesses in downtown Mission were particularly hard-hit. The commercial vacancy rate downtown peaked at approximately seventeen percent in 2010-2011 (Crawford, 2018, personal communication). Staff and Council became concerned with the impact the economic downturn was having on downtown. Additionally, downtown had not seen any new improvements in over a decade. Starting in 2012, the District of Mission began a planning process to revitalize the downtown. Overall population growth in the lower mainland, Mission included, makes revitalization feasible. If this was not the case, the idea of revitalization would essentially be a non-starter.

Through interviews with downtown stakeholders, this chapter seeks to understand how the plan was created, highlight the challenges that surfaced in the years following its adoption, and identify how the plan and its associated policies are currently applied. This chapter also aims to understand how effective Mission's current revitalization efforts are. The interventions discussed herein are playing out in tandem with the writing of this research document. Interestingly, the streetscape improvements featured were approved the day before this chapter was completed.

#### **The creation of Mission's revitalization plans, policies and programs**

The inception of the Downtown Action Plan (the Action Plan) was made possible by \$150,000 in grant funding from the federal government under the Federal Gas Tax fund. This grant provides funding for "capital projects intended to improve the public space" (Government of Canada, 2013). One of the criteria for the grant application stipulated that the plan had to be innovative. According to Dan Sommer, the Director of Development Services with the District of Mission, and the applicant of the grant back in Spring 2012, "there is nothing new and innovative about downtown plans, as most places already [had] one". Although, in 2012, as Sommer says, "Mission was one of the only communities in the lower mainland of British Columbia that did not have at least some form of downtown plan" (Sommer, 2018, personal communication). Mission used the lack of a downtown plan as the case for innovation and obtained grant funding.

With funding in hand, the District (Dan Sommer specifically) began drafting a request for proposal (RFP) to retain a consultant to create the downtown area plan<sup>14</sup>. Mission's RFP was eventually awarded to Holland Barrs Consultants (the consultants) who then worked with the Director of Long-Range

<sup>14</sup> Smaller municipalities, such as Mission, without the extensive staff resources to conduct major long-range planning work 'in-house' rely on external consultants to help create plans.

Planning at the time, Sharon Fletcher (Sommer, 2018, personal communication). Ms. Fletcher worked closely with the consultants to bring the Action Plan to life (details of the plan including the Concept Plan and key features shown in Chapter 2).

In the Fall of 2012, District of Mission, along with the consultants, drafted the Mission City Downtown Action Plan (Action Plan) through an integrated, community-based planning and design process that involved considerable public consultation by Mission stakeholders, including District, business owners, residents, and service providers. Another key figure in creating the Action Plan was Economic Development Officer (EDO) Stacey Crawford. Mr. Crawford held this title during the planning process and holds it to this day. The EDO's role was to work with downtown business interests, taking stock of what they wanted to see in the downtown and what kinds of measures might be available to improve existing businesses, and attract new ones, leading to the creation of the Downtown Development Incentive Program (the Incentive Program).

Altogether, the consultation process for the Action Plan and Incentive Program was a “two-and-a-half year effort with the community” (Crawford, 2018, personal communication). The Action Plan and its associated interventions, according to Crawford, “generated a lot of interest [and] a lot of enthusiasm [from the community].” Accordingly, “people were very excited because it not only incorporated the easy stuff like the streetscape improvements which were tangible and people could see; we were also programming the downtown, incorporating a civic plaza, trying to better accommodate the farmer's market and [hold] community events”.

Current Mayor Randy Hawes (who was not mayor at the time) does not question the level of excitement in the community during the planning phases, though he does question the validity of the findings that came out of the consultation: “The people who show up [at workshops] are asked to give their ideas . . . everyone gets a few stars, put your star on your favourite thing, and [what goes into the plan] is determined in a way which I think, in my opinion, is completely bogus – it's ridiculous”. He notes, “When you have meeting like that and 28 or 32 or 102 people show up, you conclude that they have represented the whole population; I have a problem with that.” (Hawes, 2018, personal communication). Mr. Hawes believes that most people in Mission are too busy to attend community engagement workshops and presumes that those who did attend the Action Plan workshops were people who already either work in the downtown or come downtown on a regular basis, implying that no new voices were heard. Reaching the majority of the public is indeed something planners must grapple with, but the consultation and creation of the Action Plan was pursuant to the Local Government Act and in accordance with the law.

Once the consultation process concluded, staff presented the draft plan to (the previous) Mayor and Council, and on July 2nd 2013, the Action Plan was approved and adopted as Council Policy LAN.58 (District of Mission, 2013). Shortly after the plan's adoption, Sharon Fletcher, the Director of Long-Range Planning, retired and responsibility for implementing the Action Plan was passed on to a new Director (who is also no longer with the District of Mission either). The year 2014 was also an election year, a factor that resulted in significant changes for the Action Plan.

## The politics of planning in Mission

With the Action Plan now adopted, municipal staff began the process of taking the concepts from the '10 Big Moves' of the Action Plan and turning them into more tangible interventions; this meant getting funding in place to finance the design and construction of the associated public works. By mid-2014, considerable funding was on the table from the municipality and the province to fund all '10 Big Moves' of the Action Plan (Crawford, 2018, personal communication). As mentioned in Chapter 2, one of the key interventions of the Action Plan was to alter traffic on Mission's main street, First Avenue, from its current one-way highway function into a two-way local street and diverting highway traffic onto North Railway Street<sup>15</sup>. The proposed alteration scenarios are shown below in figure 21. At time of Plan adoption (and to this day) both routes are MOTI (green) controlled and are both two-lane, one-way traffic. The desire to alter First Avenue's one-way highway function was largely due to the safety concerns posed by large semi-truck traffic that move through the downtown multiple times per hour. As 2014 Council candidate Pam Alexis notes, "a lot of people tell me downtown won't sing until we move those logging trucks [off First Avenue]" (Alexis, 2018, personal communication). Retail and urban design analyses completed as part of the planning process of the Action Plan indicated that a two-way configuration along First Avenue would:

- Provide more direct access to businesses without the need to circulate on the adjacent street network;
- Allow for a gateway/entry experience at both ends of 1st Ave., and
- Reinforce 1st Ave as the community's pedestrian oriented retail high street by slowing traffic down.

(District of Mission, 2013)

The desire to alter the traffic pattern evoked a reaction from Mayoral candidate Randy Hawes. As part of Hawes' platform for the 2014 municipal election, he wanted to do away with this idea of altering the traffic pattern altogether due to concerns over how businesses along North Railway would be impacted. "That's a multimillion dollar move, just to move the highway, but [the previous electorate] never thought about what happens to the businesses along railway," says Hawes (Hawes, 2018, personal communication). According to Hawes, moving the highway off First Avenue onto North Railway would kill the businesses which front along North Railway by reducing local traffic and parking.<sup>16</sup> Hawes also claims that moving truck traffic onto North Railway would be unsafe for passengers of the West Coast Express.<sup>17</sup> Ms. Alexis, who was running for council back in 2014, stated that the traffic reconfiguration "wasn't a good idea at the time because the impact on parking was quite severe and we were hearing from merchants that they were concerned about the availability of parking" (Alexis, 2018, personal

<sup>15</sup> First Avenue and North Railway are designated as a highway and are under the jurisdiction of the Ministry of Transportation and Infrastructure (MOTI). Following through with the proposed traffic reconfiguration would put First under District of Mission jurisdiction and North Railway under MOTI jurisdiction.

<sup>16</sup> Approximately fifteen businesses front along North Railway Avenue; 100 parking spots would have to be eliminated along North Railway to accommodate the two-way traffic

<sup>17</sup> The West Coast Express is a regional train that takes passengers to Vancouver three times in the morning and returns three times in the evening.

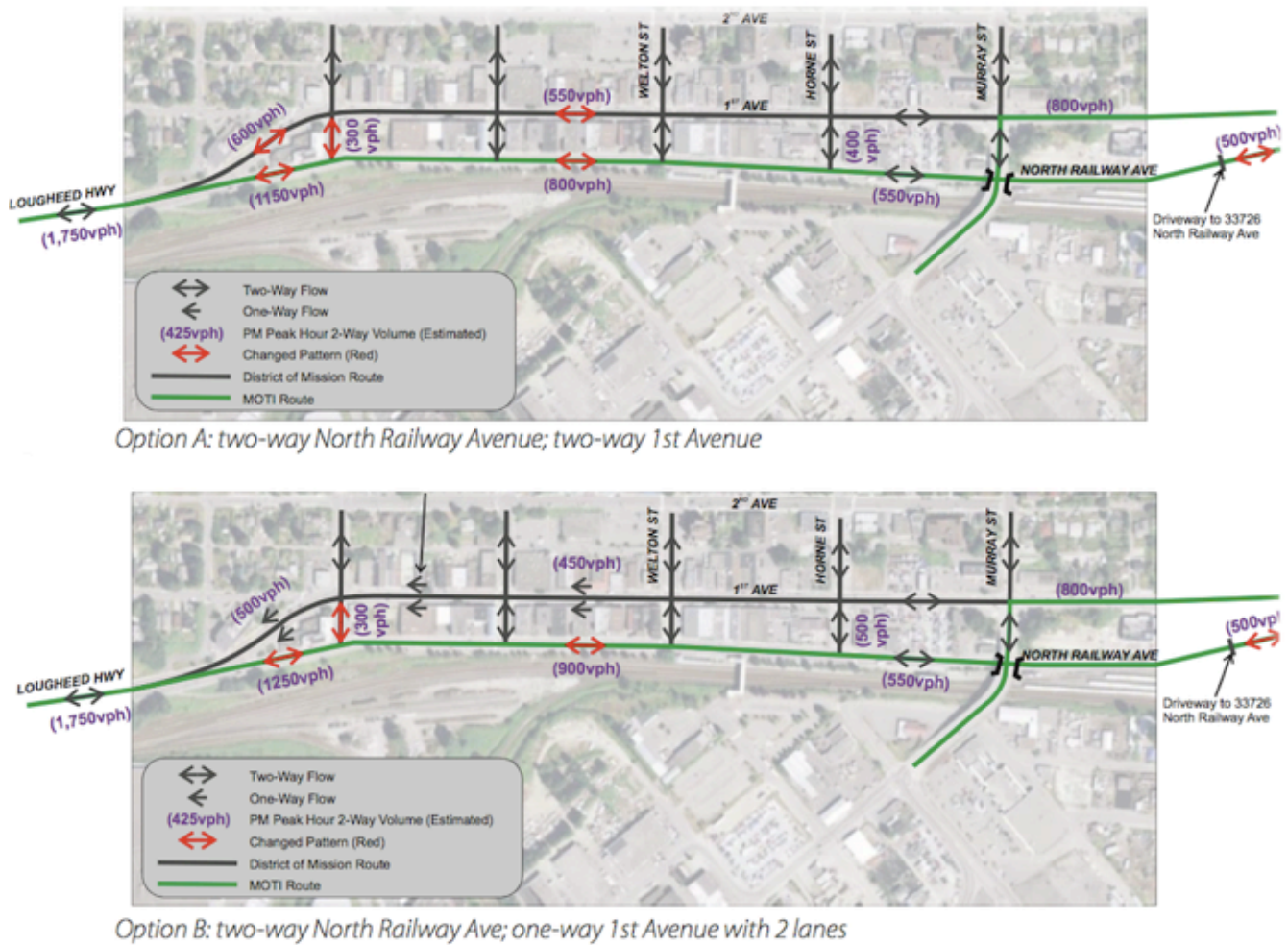


Figure 21. Traffic reconfiguration options 'A' and 'B' (District of Mission, 2013).

communication). Hawes calls the move an election ploy that the incumbent Council had not planned out properly: “Let’s throw a whole bunch of stuff out there and put it up for the public in an election” – that is what it was” (Hawes, 2018, personal communication). Both Hawes and Alexis want to see the downtown come back to life, just not by reconfiguring traffic in this manner.

In addition to the concerns the traffic alteration might have on certain businesses, during the campaign Hawes was more concerned about the homelessness and addiction problems downtown, and felt that this is where attention should be spent, rather than altering downtown’s traffic (Aun, 2014).

During the 2014 electoral race, this issue of traffic reconfiguration certainly became just that: an issue. On the one hand, the incumbent elected officials, Action Plan in hand and having done the research, saw the reconfiguration of the highway as a promising step towards revitalization. On the other hand, Mayoral candidate Hawes saw the reconfiguration as an unrealistic and problematic plan, and an unwise allocation of resources. The debate over the reconfiguration caused instability among local merchants and within the community.

Once the November 2014 election results were in, Mission's seven-person Mayor and Council table saw six out of seven new members elected, including the new Mayor Randy Hawes and Councillor Pam Alexis (District of Mission, 2014). It is impossible to understand the impact the campaign promise of abolishing the traffic reconfiguration had on helping Hawes get elected, however, the result was all the same: this wholesale change in Council resulted in any physical interventions of the Action Plan being put on hold, and placed downtown revitalization in a state of limbo (Crawford, 2018, personal communication). While the Action Plan was entrenched as a policy (not bylaw), further additions or interventions were halted.

For better or worse, and whether or not the desire to see the traffic pattern altered was the will of the public, politics got in the way of the revitalization process. Arguably, politics have shaped revitalization, or lack thereof, to a greater degree than economic forces. To this day, there is no plan to turn First Avenue into a two-way street or remove truck traffic.

### *Alterations to the Action Plan: post-election*

Following the election, decisions needed to be made about what to do with an Action Plan that had cost the District \$150,000 and took two-and-a-half years to develop. The new elected body tasked staff to come up with a new strategy for the downtown. While staff were not required to come up with an entirely new plan or set of strategies, there were obvious interventions (e.g., changing the highway) that were off the table. While the political climate certainly may have caused the Action Plan itself to change, the desire to see the downtown revitalized never faltered.

The items maintained from the Action Plan were: (i) the Façade Improvement Grant, (ii) the Revitalization Tax Exemption Bylaw, and (iii) a streetscape improvement program for three blocks of First Avenue (Sommer, 2018, personal communication; Crawford, 2018, personal communication). The Façade Improvement Grant and the Revitalization Tax Exemption Bylaw were both consolidated to form the Downtown Development Incentive Program. Staff also introduced the Good-Neighbour Bylaw, which urges building owners to paint the sides of derelict building to make them more presentable and avoid negative relations with their neighbouring buildings. As EDO Stacy Crawford notes: "Drawing attention to those things is not always well received but [the good-neighbour bylaw] has been effective and it's good for the community" (Crawford, 2018, personal communication).

### **How are the Action Plan and Incentive Program applied and how effective are they?**

As stated, the Action Plan was not totally abolished following the 2014 municipal election. The Action Plan, as well as the associated Development Permit Design Guidelines of the Official Community Plan and the Public Realm Master Plan (discussed in Chapter 2) all harmonize to create multiple layers of policy that help staff make recommendations to Council, help Council make decisions, and help the public understand the vision for downtown (Sommer, 2018, personal communication).

### *Power of the Action Plan*

The Action Plan, Development Permit (DP) Guidelines, and Design Guidelines are especially important tools to control the quality of downtown development, given the fact that zoning downtown already supports high enough density and does not require mixed uses. As mentioned in Chapter 2, if an application is consistent with the use and density provisions of the OCP and the Zoning Bylaw, and all DP requirements are met (and an application is consistent with the intent of the Action Plan), the applicant will be permitted to proceed with their development without extensive discretion from staff or Council. Denial of issuance of the DP would trigger allegations of bias and can get Council into murky legal waters. For rezoning and OCP amendments, however, staff have far more negotiating power and Council has far more discretion in weighing the application and may deny an application more subjectively; Council does not even need to say why they do not support a rezoning or OCP amendment application (Sommer, 2018, personal communication). What this implies is that Council can ask for more from applicants who need to rezone than from applicants that already conform to the zone. For the Action Plan to have more power over development, it should have been more than merely a policy. Other communities choose to entrench their plans as development bylaws, which have far more power than policies (Sommer, 2018, personal communication).

Most of the zoning on downtown properties likely meets a developer's density and use needs to create a feasible project under without having to rezone their property, thus allowing the development to proceed without much staff or Council discretion or control over the development. Additionally, nothing forces a developer to incorporate housing into their development at all and until recently, developers have completely avoided building residential in the downtown. This was frustrating for staff (Sommer, 2018, personal communication) as they wanted to see the new Core Commercial Downtown Two (CCD2) zone applied, which emphasizes greater residential density than the Core Commercial Downtown One (CCD1) Zone which covers most of the downtown and does not force developers to implement housing (shown in figure 22).

### *Downtown Development Incentive Program*

The core elements of the Incentive Program (the Façade Improvement Grant and the Revitalization Tax Exemption Bylaw) have seen marginal levels of success according to Mission's EDO. The façade improvement grant has caught on in the downtown in some respect and a handful of businesses have taken advantage of it. As Stacey Crawford notes, "we've had an uptake on the façade improvements" (Crawford, 2018, personal communication) and as Dan Sommer notes, "they have done some good things for the aesthetic of the downtown" (Sommer, 2018, personal communication). Both Mr. Crawford and Mr. Sommer agree that these interventions are important to the aesthetic of downtown, but that they are only a small part of a wider strategy for downtown revitalization.

As for the Tax Exemption Bylaw, only two applications have implemented it. As explained in chapter 2, the Tax Exemption Bylaw functions on a ten-year term where new developments or renovations have their taxes frozen at pre-build/renovation rates for five years, with the tax rate normalizing over the

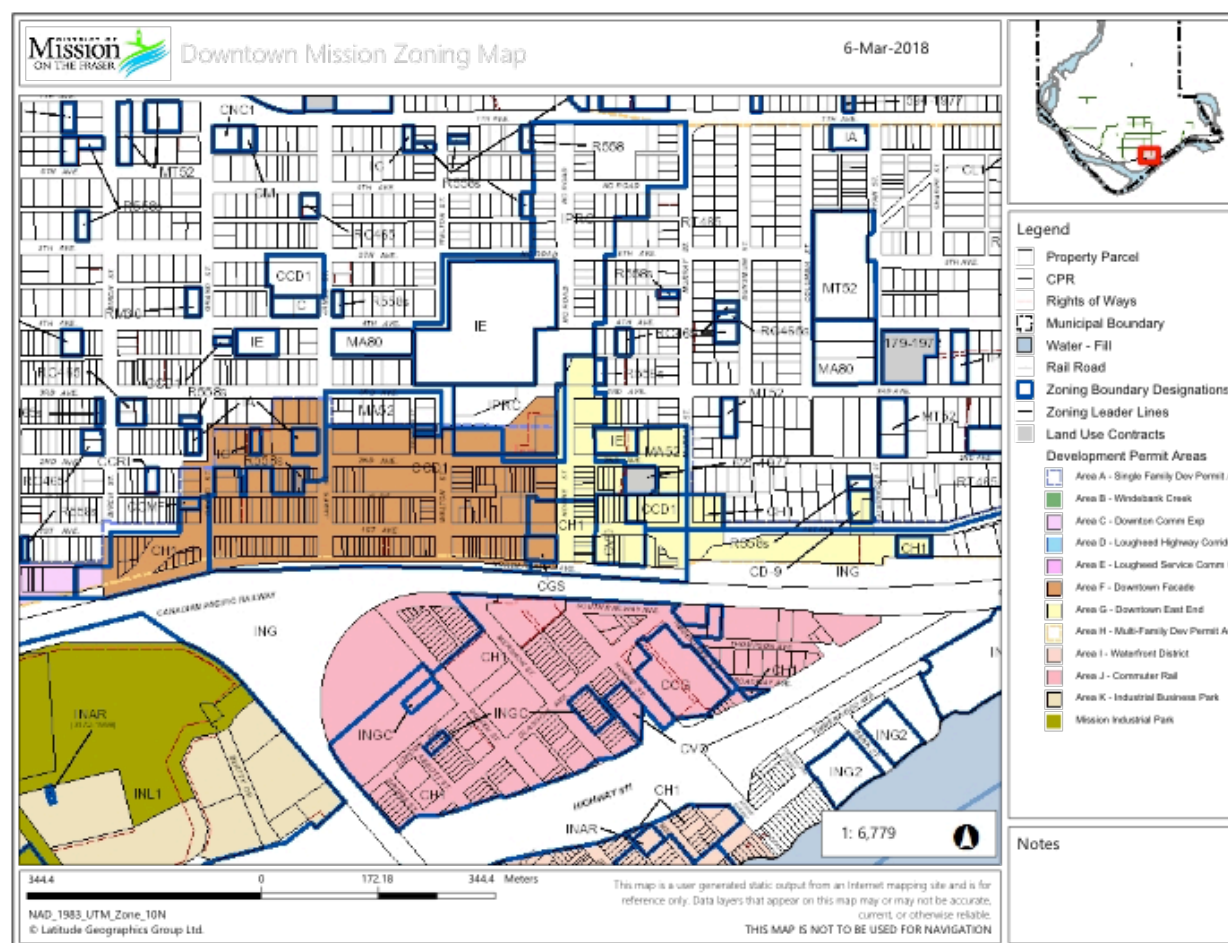


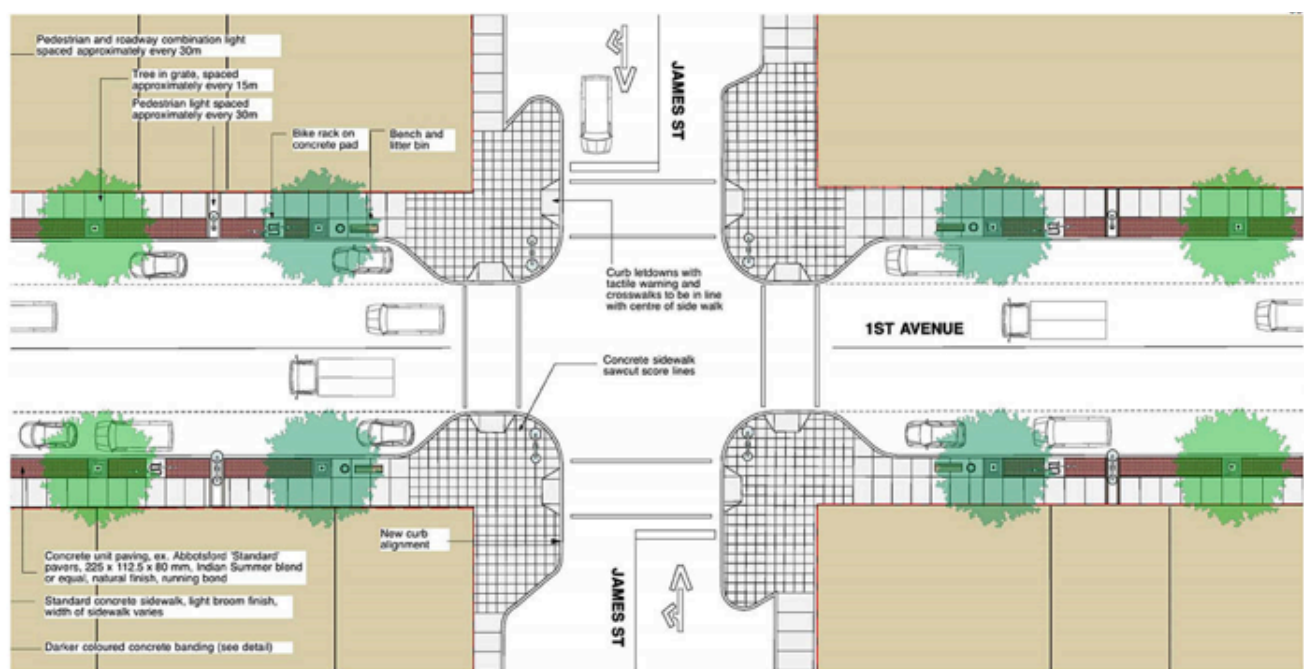
Figure 22. Downtown Mission Zoning Map. The orange and beige in the centre depict the area of the downtown. Most of the properties shown within those areas are zoned CCD1 (District of Mission, 2018)

remaining five years. As Crawford says, “I wouldn’t say it’s been an overly effective tool but I think that it’s more an issue of the market economics”. Many investors want to see their investment pay out within a fifteen-year amortization period. Crawford adds, “the numbers just aren’t working for the private sector; they have struggled with being able to achieve enough rent on a development or renovation to warrant the investment” (Crawford, 2018, personal communication). This limited success is due to the fact that the Tax Exemption Bylaw only benefits those who maintain ownership of the buildings, which does not work if the developer is building market housing; wherein the tax exemption benefit would transfer to the new owner after the property is sold<sup>18</sup>. Conversely, trends in British Columbia and local real estate market are beginning to make it feasible to utilize the Tax Exemption Bylaw, and the purchase and sale of properties has increased in the downtown, which has started to create a positive vibe for the community and local businesses (Crawford, 2018, personal communication). As developer Glen Smith notes, the incentives are good for developers who build rental housing projects and rent out the building themselves, something that no developers has done in Mission for over a decade (Smith, 2018, personal communication).

<sup>18</sup> There are legal limitations that require that tax exemptions of this nature only be applicable to owner-occupied buildings (Crawford, 2018, personal communication).

## Streetscape improvement program

From 2014 to 2016, revitalization stagnated. Finally, in September 2016, Council announced that they would be bringing back one of the '10 Big Moves' and would invest \$3.5 million<sup>19</sup> for streetscape improvements along First Avenue (Mills, 2017). Prior to the announcement, this matter was kept internal. For such major downtown renovation to be approved, a majority vote by council was required. As Councillor Alexis said, in support of these interventions, "The downtown has been ignored – the infrastructure especially. The lamp posts – you couldn't find parts for or buy bulbs, they were so out-dated; and the sidewalks were an issue" (Alexis, 2018, personal communication). Given three options, ranging from least to most expensive, Council voted for the most expensive option with the largest scope of work. Mayor Hawes was slightly more apprehensive: "Frankly from the seat that I sit in I don't know that I would have supported (the most expensive option) right off the bat, the over \$3.5 million . . . but when the majority of council very clearly says they're all going to go a certain way, you can either swim upstream and fight a losing battle or go with it". The majority of Council voted to move forward with the streetscape improvement plan (shown in figure 23 below).



**1st Avenue Update - James St.**  
 District of Mission  
 February 2016  
 SCALE 1:200  
 when printed on 11"x 17" paper

Figure 23. First Avenue streetscape plan. (District of Mission, 2016)

<sup>19</sup> This \$3.5 million would cover design and works. This figure is somewhat malleable. All bids came in over this price and thus council must now approve amendments to the budget.

The new streetscape design includes many elements to improve the overall pedestrian experience and safety, including:

- more and new street trees with tree grates and irrigation
- a moderate widening of the sidewalk and slight decrease in the width of vehicle travel lanes
- new street furniture including benches, litter bins, bike racks and bollards that are both functional and attractive
- new street lights with brackets for banners, hanging baskets and irrigation
- bump-outs at the intersections to improve pedestrian safety and provide added design elements for the visually impaired
- landscaping areas throughout the project that include irrigation
- drainage improvements and pavement reconstruction

(Mills, 2018)

According to staff and Council, streetscape improvements such as these are a major step towards the revitalization of a downtown that has not seen any for decades. As Director of Development Services, Dan Sommer says, “it’s absolutely imperative that a city champion their plans and not just sit back and wait for the developers and the investors to come in; that’s largely what’s happened since the adoption of that plan – we’ve just been sitting back” (Sommer, 2018, personal communication). When a municipality ‘champions’ its own plans, as Sommer remarks, it sends a message to the development community that the City is serious about revitalization and downtown is a good place to invest. Stacey Crawford, who deals with the development community on a daily basis, substantiates this notion: “[the plans for streetscape improvements] have actually created some investment interest. I know it has, so that’s encouraging” (Crawford, 2018, personal communication).

### ***Management of the project***

Jay Jackman, the Manager of Development Engineering and Projects with the District of Mission, has been given the task of managing the project. The municipality has pre-screened contractors to undertake the work. The rationale to screen contractors, according to Jackman, “took the risk of getting a low bid from a contractor that’s maybe in over their head and is going to struggle to meet my timeline or struggle to meet the needs of the merchants; so we screened the contractors which maybe had something to do with the higher prices” (Jackman, 2018, personal communication). These “higher priced” bids by contractors have caused some delays in the project. The total tender price came in over the initially approved \$3.5 Million, which required approximately \$785,000 in additional funding approval from Council (Mills, 2018).

One of the contractors’ requirements of the RFP, was that they build-in what the District is calling a

“downtown ambassador”. As Jackman explains, “there’s a definition for what an ‘ambassador’ is within the context of this project: he [or she] will be a friendly face that is working for the contractor who will be on site and providing assistance to the public and the merchants to get them safely around the site and provide some direction to people, helping them find some parking, help them get over a curb or navigate some wet concrete” (Jackman, 2018, personal communication). An ambassador such as this is an added cost that most projects do not have, but within the context of downtown, the streetscape project must be sensitive to the fact that renovations could disrupt businesses. As Jackman stresses, “we’re really making an effort to cover those bases to make sure that communication is very strong and that the needs of the downtown community are met” (Jackman, 2018, personal communication). Public works are set to begin March 19th, 2018 (Mills, 2018).

This project is anticipated to draw a lot of attention from the business community and general public. Everyone at City Hall involved in implementing these streetscape improvements is very keen on capitalizing on the excitement the improvements will create and hope that they will change the minds of sceptics who may doubt the benefit such improvements could bring to the community. As Councillor Alexis states, “there certainly are the naysayers who believe that downtown should be bulldozed, so there’s always that group regardless of any decision we make” (Alexis, 2018, personal communication). Even the Mayor seemed ambivalent about what these interventions could mean for the downtown: “I think you can pretty it up, but there’s still got to be a reason for people to come; they’re not going to come admire new sidewalks – ‘let’s go downtown and look at those new light poles, they’re really nice’ – I don’t think so, . . . you can put all pretty stuff downtown but if nobody goes, it’s just one more failed revitalization that will get repeated in fifteen years” (Hawes, 2018, personal communication). Cynical as it may seem, there is some truth to this comment: such beautification measures need to have an accompanying market analysis to rationalize the demand for downtown in general that would support these physical interventions. Indeed, people need businesses and other attractors to support the beautification.

The Economic Development Department has begun sharing positive anecdotes on their website about the changes taking place in the downtown, and getting the community excited about how the streetscape changes can help bring the downtown to life (Crawford, 2018, personal communication). This component of educating the public and promoting the project was made especially clear by Councillor Alexis, who shared a personal anecdote about an interaction she had with a prominent member of the community who called this intervention “putting lipstick on a pig” (Alexis, 2018, personal communication). Once Alexis was able to educate this person on the subject, she was able to alter his or her perception to see the value this intervention can bring.

### Housing in downtown Mission

As stated, there has been a recent boom in the real estate market in the Fraser Valley. Exorbitant real estate prices in Metro Vancouver have pushed a lot of residents out towards Mission. According to Mr. Crawford, Mission was gaining 80 new residents per month at its peak in 2016 (approximately 50 per month as of 2018) and, in recent years, has been among the fastest-growing communities in the Lower

Mainland (Crawford, 2018, personal communication). Accordingly, developers are starting to notice the downtown as a viable place to invest in higher-density, multi-family residential projects. As developer Glen Smith (who is not the developer of the project featured below) remarks, “land in downtown Mission is cheap, and cheap land makes economic sense” (Smith, 2018, personal communication). Smith’s company has not yet bought any land in the downtown, but they are looking at downtown Mission as a potential place to invest in the future.

Residential property values have also risen in Mission. A new residential-commercial mixed-use project has recently been approved along Second Avenue, the first of its kind for the downtown in over a decade (Mills, 2016). This mixed-use development is also the introduction of the CCD2 zone which came out of the Action Plan and utilizes the benefits from the Incentive Program such as reduced application fees, expedited application process and reduced Community Amenity Contributions (CACs) (Sommer, 2018, personal Communication). The high degree of public consultation during the creation of the Action Plan allowed the District to build a provision into the Incentive Program, allowing Council to waive public hearings for developments that are consistent with the Action Plan. This Second Avenue application was consistent with the Action, thus it had its public hearing waived.

Prior to the uptick in the market, developers had no reason to rezone to seek higher density, thus taking some of the discretionary power away from staff and Council for what the project would look like. This mixed-use project was done much more collaboratively with staff and meets the objectives and intent of the Action Plan and the associate policies (Design Guidelines, DP). Context maps and a rendering of the building are shown below as figures 24 and 25.

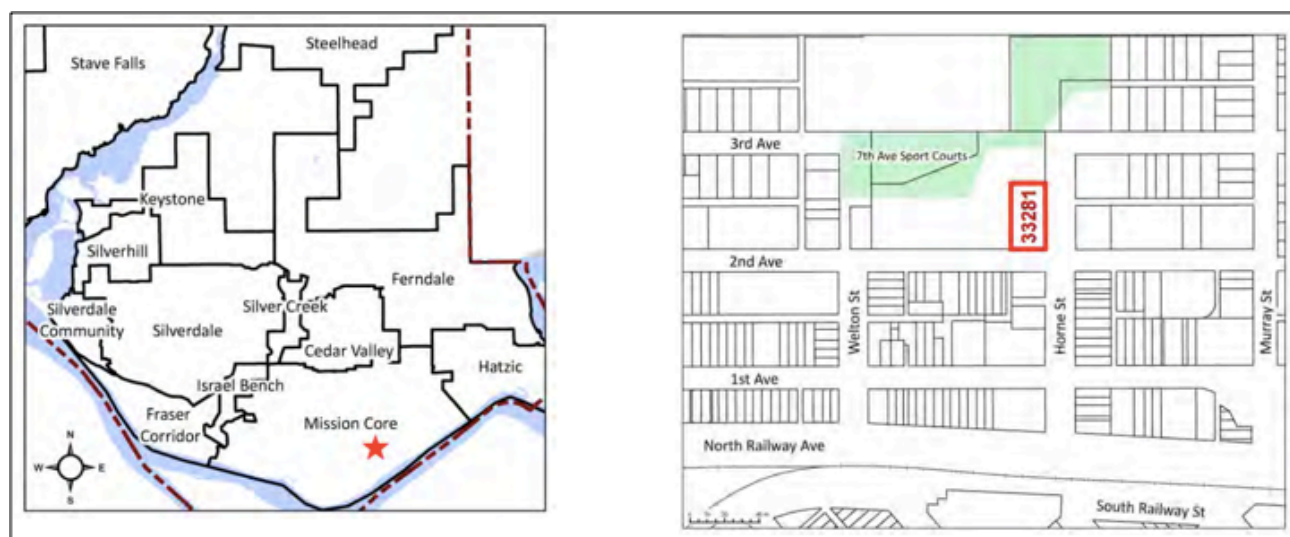


Figure 24. Multi-family residential project context map (District of Mission, 2016).

As Stacey Crawford states, “The silver bullet [to the downtown] is private investment – higher density residential projects to create massing in the core through population growth and then investment in retail and professional office space. That’s what we are trying to achieve” (Crawford, 2018, personal communication).



Figure 25. Multi-family residential project rendering (District of Mission, 2016).

Everyone interviewed for this report agreed that residential intensification in the downtown is an essential key to revitalizing downtown Mission. This residential project on Second Avenue, combined with the streetscape improvements for First Avenue, have the potential to catalyze revitalization in the downtown. Increased residential density near the core provides more potential patrons within short driving or walking distance of shops.

### Economic role of downtown Mission

As stated, in the years following the 2008 economic downturn, businesses in downtown Mission were particularly hard-hit. The commercial vacancy rate downtown peaked at approximately seventeen percent in 2010-2011 (Crawford, 2018, personal communication). Additionally, Mission is a community in which 60-65% of residents commute elsewhere for work (Crawford, 2018, personal communication). Mission is also a community where big-box stores such as Wal-Mart and Superstore are attractive, which has had a significant impact on downtown businesses. These are all factors that threaten businesses downtown. The small size of downtown is also a weakness as only limited kinds of businesses can settle in the downtown: “we’re not attractive to industry who needs large swaths of land because we just don’t have it, so we are attractive then to those that can work in smaller settings” (Alexis, 2018, personal communication).

Among all interviewees, the consensus was unanimous that downtown Mission’s retail role should be to offer boutique stores and niche services. According to Stacey Crawford, the businesses that have

lasted for extensive periods of time and have been able to weather the effects of economic fluctuations “have unique offerings that are boutique in nature and are often defined by high-quality products and services” (Crawford, 2018, personal communication).

The interview with Mayor Hawes revealed a certain tension between himself, and certain business owners in the downtown. Hawes says that there is a certain sense of entitlement among some downtown business owners and that the failure of downtown has been a result of businesses not adapting to the change in consumer trends. He notes, “I think a lot of downtowns are dying off [because] there’s a lot of archaic thinking with some of the merchants; and there’s a sense of entitlement because you know ‘we’ve been here we are the hub of the community we’ve been here forever, so we’re entitled’ – time to adapt!” (Hawes, 2018, personal communication). Hawes adds that so long as the businesses are the same and consumers do not have an added reason to come downtown, revitalization efforts are futile. He did, however, indicate that the businesses that have been successful have been able to adapt to the change in economic trends and use a bit of ingenuity to keep shoppers coming into their stores.

The commercial vacancy rate has dropped in the downtown since its peak 2010-2011. According to Mission’s Economic Development Officer, commercial vacancy is “currently around seven percent . . . a good number for vacancy [which] would be quite normal in any healthy jurisdiction as there is always turnover and churn in the retail world” (Crawford, 2018, personal communication). Cheaper land in the downtown allowed smaller start-up companies to get a footing in their respective markets, but those that end up doing exceedingly well end up looking for more space in other parts of the city that can provide larger offices (such as the industrial parks). Mission has also invested substantial public resources in the downtown’s high-technology sector, installing fast fibre-optic networks and other means to support it.

Members of staff and Council would like to see the aging City Hall and/or University of the Fraser Valley Mission campus (which shares space with a high school) move downtown to act as anchor tenants and increase daytime foot traffic (Hawes, 2018, personal communication; Crawford, 2018, personal communication). These interventions are part of the longer-term thinking vision for the downtown.

### **Downtown Mission’s social issues**

There is another underlying factor that has plagued Mission’s ability to revitalize: a high concentration of homeless people who live in and around the downtown causes a perceived lack of safety that deters many local residents from going downtown. Conversely, as Stacey Crawford says, people who frequent or own businesses downtown have a different perspective of Mission’s marginalized community. Crawford notes that “Some residents won’t come downtown because of what they perceive as the issues; it doesn’t mean that the business owners don’t also see those issues or experience them but there’s definitely a different understanding and a different level of tolerance”, implying that those with a better grasp of the reality have slightly more tolerance for the homeless situation (Crawford, 2018 Personal communication). Certainly, however, the tolerance of business owners does wane at times. Crawford recounts what he has heard from certain business owners: “you get a couple break-ins or people sleeping out in front of your store; it’s pretty annoying”.

Planning staff is also very aware of the impact the social issues are having on the downtown. Dan Sommer notes that “getting people downtown is key to a successful downtown; there needs to be people downtown not just during business hours but at all hours, and right now unfortunately, the majority of people in the downtown outside of business hours are some of the homeless people who are out there, so we struggle with that”. Sommer adds that this issue of homelessness was never contemplated or addressed as part of the Action Plan planning process. The large number of homeless individuals is perpetuated by the high concentration of social services that draw homeless people to the core including check cashing, community service centres, soup kitchens and pawnbrokers (Crawford, 2018, personal communication; Sommer, 2018, personal communication). Staff believe that some policy changes may be required to figure out where to place these services. Crawford notes that such land use issues are “tricky to deal with and often carry a lot of negative buzz but you do have to look at [them] from a long-term perspective”. Staff are aware that this vulnerable population needs services in areas accessible by public transit, which often means downtown, but note that services could be slightly more dispersed along transit routes and not all concentrated in the downtown. Perceived or real, the issue of homelessness makes investors – commercial or residential – apprehensive about investing in the downtown.

Additionally, the homeless presence breeds scepticism about the impact the streetscape interventions will have. Certain residents believe that attempts to improve the physical landscape of Mission are futile unless the homeless problem is dealt with. Others think that adding benches and making things more attractive will attract increasing numbers of homeless people (Hawes, 2018, personal communication). Municipal Bylaw Enforcement and community groups all have good intentions in dealing with homelessness. As Councillor Alexis remarks, “we certainly have things in the hopper that will alleviate the homeless issue but homelessness will never go away and the vulnerable will always seek a downtown core, but you can control where you place services and the number of services that may be deemed as an attraction to the vulnerable population” (Alexis, 2018, personal communication).

### Geographical constraints to revitalization

A major challenge to revitalization comes from the geographical constraints of the downtown. As shown in figure 13 of chapter 2, the plan area for the downtown is only 0.15km<sup>2</sup> (3.7 acres). The Plan Area itself matches the area of the downtown very closely. This restricts the downtown from drawing from a wider residential base and offers a limited availability of land for developers. As Mayor Hawes adds, “we have four blocks, and hills – that’s a big obstacle” (Hawes, 2018, personal communication). Indeed, Mission is a community with a lot of topographic relief. Step hills make development in the city as a whole difficult, but especially in and around the downtown: “we have a very hilly environment but also a lot of ravines and creeks, often things people don’t think about from a broader planning perspective” (Crawford, 2018, personal communication). Hills make the downtown difficult to access and expensive to build in.

Downtown is located in a somewhat unfortunate location within the broader context of the city. Mission’s downtown is fairly enclaved in the sense that most residents do not pass through it to get in or out of Mission. There are faster routes that do not involve going through the downtown. As a result, many

residents who live in some of the newer single-family residential areas may only go through the downtown on rare occasion. As shown in figure 26, Cedar Avenue, the main route in and out of the city bypasses the downtown.

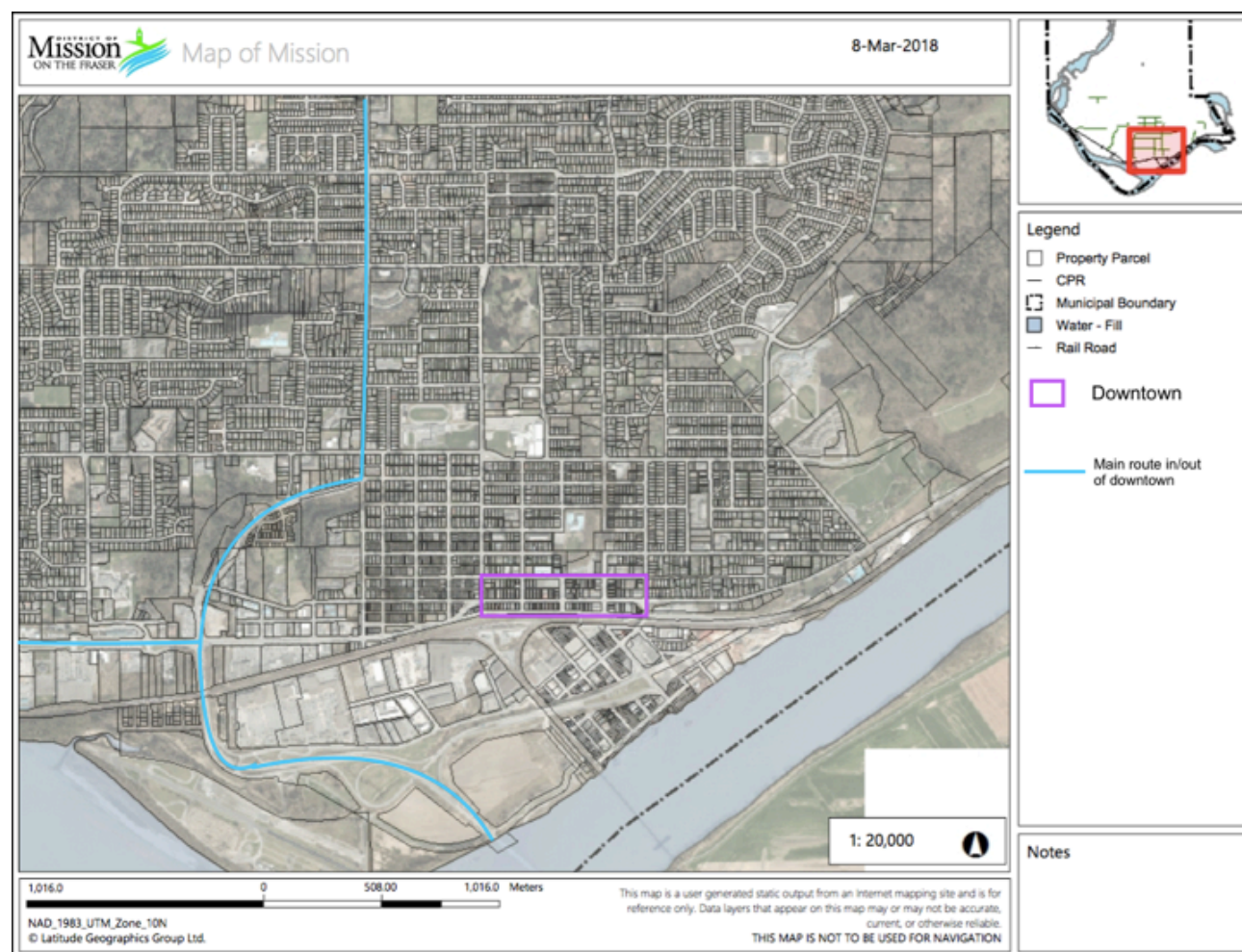


Figure 26 Mission residents' preferred route in and out of the city;  
Base map: District of Mission (2018)

According to Mayor Hawes, to mitigate this circulation and connectivity challenge, businesses should be increasing advertising efforts in the eastern and northern areas of Mission to draw in new clientele and give them a reason to come to the downtown.

Councillor Alexis states that if there was some way to force residents to turn left as they head south down Cedar and out of Mission, such a traffic configuration would generate more traffic through the downtown and perhaps increase spending (Alexis, 2018, personal communication). Altering traffic is, however, a touchy subject in Mission for the reasons mentioned in the politics of planning section above.

## Parking

In an auto-dependent city such as Mission, inevitably the issue of parking is sure to arise, especially in the downtown. Parking in the downtown is seemingly sparse. First Avenue only four blocks and has limited on-street parking in front of businesses. However, as figure 27 shows, there is ample free and pay parking downtown.

As EDO Stacey Crawford notes, merchants choose to park in front of their businesses in spite of the fact they have reserved parking in the back alley behind their business: “Business owners park in front of their store which makes it tough for their clients to park, then [the clients] have to park half-a-block down and they get annoyed” (Crawford, 2018, personal communication). According to Crawford, the key is to educate the public about parking and walking a bit: “shoppers who come downtown want to park right in front of the store, yet they’ll park at Superstore and walk four hundred feet to the door so it’s a bit of an education process” (Crawford, 2018, personal communication).



Figure 27 Parking in Downtown Mission. While parking is minimal along First Avenue, there is ample parking around it; Base map: District of Mission (2018)

## Tracking Success

As indicated in the literature review, tracking success will ensure that the downtown is on track to meeting its goals and that all parties involved are held accountable. It is incumbent upon planners, city officials or BIAs to track success. Even with a major project set for the downtown core, the District of Mission currently does not have any formal metrics for tracking revitalization success apart from: anecdotal evidence, by counting the number of development applications in the downtown, and counting how many people are taking advantage of the Façade Grants and Revitalization Tax Exemption Bylaw. To date, the number of development applications and number of people who received tax exemptions in the downtown are both very low: the residential project featured in this chapter is the only residential application in the downtown and as noted, only two people taken advantage of tax incentives. This would indicate that the policies currently in place are not bearing fruit under the current market conditions and given the limited size of Mission's downtown.

## Mission's Waterfront

An item that could not be explored in major depth for this report was the notion of connecting downtown Mission to its riverfront. The staff and Council members interviewed for this research believe that connecting the downtown to the waterfront is one of the keys to the longevity of the downtown. The simple fact is that the downtown alone is not enough: it is small and, realistically, does not have much to keep people in it or coming through it. Combining the downtown with other projects surrounding it is important as “the whole is bigger than the sum of its parts” (Sommer, 2018. Personal communication). It is hard for small downtowns to be successful without surrounding amenities or attractors to support it. However, downtown revitalization and waterfront revitalization are two very large projects. One project is large and expensive enough (both in terms of financial and political capital), thus combining downtown and waterfront revitalization would be extremely difficult for a City like Mission with such limited financial resources.

## Summary of revitalization in Mission

Mission's downtown has faced a series of economic and social challenges over the years. Downtown's small physical area, vacant shops and reputation for being an unsafe place to visit have given certain factions of the population a reason to be apathetic about or dismiss the downtown altogether. Conversely, merchants and members of the public who frequent the downtown understand it as a hub and the heart of the community.

Municipal staff and community members came together to create a plan for the downtown, the first of its kind, to try to alter the negative perceptions and take steps towards positive change. Unfortunately, the implementation period of the plan straddled a municipal election and some of the aspects of the plan were turned into political issues. As a result, the plan was put on hold. While the motives of the

newly elected government may have been positive for their constituents, that does not change the fact that this was a devastating blow to those who invested over two years of care and effort in the downtown planning process. Additionally, the frequent changes in the Director of Long-Range Planning position may have also had a negative impact on steering a clear path for the Action Plan. The momentum that came out of the planning process for the downtown was quelled and the vision for downtown was skewed. This created a notion of uncertainty within the community, perpetuating the doubts people already had about downtown Mission ever revitalizing. Additionally, the uncertainty surrounding the uncertainty of the direction of downtown revitalization seems to have created a certain level of animosity between downtown merchants and the current Mayor.

The current municipal Council has vowed to make significant investment to improve Mission's main downtown streetscape and the real estate market in the Lower Mainland of B.C. is trending in an upward direction. High housing prices in Metro Vancouver are pushing homebuyers out towards Mission, which is contributing to significant population increases and has helped fill vacancies in downtown businesses. Beautification efforts and an upward trending real estate market could bring tangible change to downtown Mission. The District must, however, balance their eagerness to see new development in the downtown with a resolute attitude towards seeking quality development.

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## **CHAPTER 4**

### **CHILLIWACK'S COMEBACK**

Like many communities, including the previously featured case study, Chilliwack's downtown struggled through most of the twentieth century but most recently, experienced hardship as a result of the 2008 economic recession. It was around this time that the City of Chilliwack and other stakeholders preoccupied with the success of the downtown initiated a comprehensive planning strategy to improve the downtown core and the surrounding community. Chilliwack is also experiencing population growth, which makes revitalization feasible in the first place.

In the years following the recession, the number of homeless individuals in Chilliwack started to increase, especially in the downtown. The trend of increased homeless presence in the downtown continues to increase. The perceived lack of safety and the stigma of homelessness has created challenges for downtown businesses. The social issues of downtown are cited as the biggest challenge for the downtown today and are prevalent in every conversation concerning the downtown. This major 'social issues' concern was not expected based on what the overall literature would suggest about downtowns of such a small scale. Staff and Council note that this typically 'big city' problem is something relatively new that they must now grapple with.

This chapter adheres to a similar structure as the one previous. Interviews with downtown stakeholders revealed trends in the downtown revitalization process in Chilliwack. This chapter seeks to understand how Chilliwack's downtown plans and policies were created, how they have changed since their inception roughly a decade ago, and what interventions have been undertaken in the downtown to date.

Two development projects are set to begin in the downtown core which could act as catalysts for future revitalization of the downtown. Like the Mission case, there are events discussed in this chapter that are transpiring in conjunction with the writing of this report, which made for interesting analysis but also means that the content of this report may become dated shortly after its completion.

#### **The creation of Chilliwack's revitalization strategy and its evolution**

Chilliwack has a long history of downtown revitalization that has been formalized through several plans dating back to the first Downtown Revitalization Plan (1996) and Downtown Redevelopment Strategy (2000). The 2008 Downtown Neighbourhoods Strategic Plan and its supplemental Growth Scenarios Report, as well as a set evolving design guidelines have also influenced development in the downtown. Chilliwack also has a Revitalization Tax Exemption Bylaw, which was adopted in 2004 . These plans and policies have influenced subsequent plans, including the currently adopted plans and regulatory frameworks.

In 2008, downtown stakeholders embarked on a two-year process to create the Downtown Land Use and Development Plan (the Downtown Plan). According to Mayor Sharon Gaetz, who has served as Mayor since 2008 (Province, 2008), “There was an extensive public planning process to create [the downtown plan]” (Gaetz, 2018, personal communication). Staff, Council, residents and members of the business community including the Chilliwack Economic Partners Corporation (CEPCO) and the Downtown Chilliwack Business Improvement Association (the BIA) all played key roles in the inception of the Downtown Plan. Finally in June 2010, Mayor and Council adopted the Downtown Plan and incorporated it as an appendix of the Official Community Plan (OCP).

The Downtown Plan area encompasses a large 2.3 kilometre-squared area. Generally, however, when people reference the ‘downtown’ of Chilliwack, they are referring to the historic downtown or the true core of the downtown, not the entire Downtown Plan area, which includes extensive single-family land uses on the fringes of the core. Figure 28 below gives a general idea of the historic core in relation to the larger Downtown Plan Area.



Figure 28 Downtown Land Use and Development Plan (DLUDP) Area. DLUDP in black and the historic core in blue.  
Base map: City of Chilliwack, (2010).

To ensure that the Downtown Plan was applied in practice and not merely left on the shelf, Council established the Downtown Task Force in September 2010 (the Task Force). According to Mayor Gaetz, the task force was created “in order to address the timing of redevelopment in Chilliwack’s historic city

centre” (Gaetz, 2018, personal communication). The Task Force was comprised of residents, members of the business community, CEPSCO, the BIA, and members of Council, the same stakeholders who were integral to the creation of the Downtown Plan itself. Gaetz states that the Task Force “looked at factors that were slowing down renewal and made recommendations that could accelerate it” (Gaetz, 2010, Communication). These ‘recommendations’ Gaetz references, were compiled to form the Downtown Task Force Report (the Task Force Report), which served as an additional layer to guide development in the downtown. The Task Force Report has led to a series of outcomes that have influenced the Downtown Plan itself and how it is applied in practice. Karen Stanton, who has been Chilliwack’s Manager of Long-Range Planning for over eight years and has been involved in downtown planning for over 20 years, states that “The Task Force Report really came up with some bold ideas for the downtown”, mainly the consolidation of properties at the Five Corners in the heart of the downtown (Stanton, 2018, personal communication). The Five Corners project will be discussed at greater length in a forthcoming section of this chapter.

The Task Force Report was a major guiding factor for downtown redevelopment. According to Stanton, “the Revitalization Tax Exemption Area shrunk based on the Task Force Report” (Stanton, 2018, personal communication). Other outcomes included changes to the heritage design guidelines Chilliwack had at the time. As Stanton recalls, “Up until a couple years ago we had, probably for about twenty years, very prescriptive design guidelines for heritage Conservation”. She adds, “The overall feeling was that [the guidelines] were really over complicated and they may not have been achieving the purpose that they had been set up to achieve; they also didn’t have the full support of the BIA in the times when we needed that kind of support, particularly around heritage colors building colors.” She further explains, “Now there’s more flexibility; we still have the guidelines for those who wish to choose them but we recognize that there has to be more flexibility and allow for some creativity from the market” (Stanton, 2018, personal communication).

Not all recommendations of the Task Force Report were implemented, including the recommendation to only allow apartments in the downtown. In the end, “Council decided that it didn’t really make too much sense and that there needs to be a mix of housing types in every neighbourhood as we need the density throughout the community because we really have very few areas where we can grow” (Stanton, 2018, personal communication). More apartments have been built outside the downtown than inside.

The physical beautification aspects of revitalization are governed by the Downtown Design Guidelines, which were recently updated in 2016. These guidelines “are the result of consultation with the community and the business community as well as the people who are involved in design and development” (Stanton, 2018, personal Communication). They are implemented as requirements for Development Permit (DP) in a Development Permit Area (DPA) of the OCP (details in Chapter 2).

### **How are the Downtown Plan and Revitalization Tax Incentive applied and how effective are they?**

The Downtown Plan, much like the Action Plan in Mission, outlines land use designations for the downtown to guide rezoning and development decisions. Since the downtown plan operates as land use

plan within a jurisdiction in British Columbia, amendments to the plan and approvals for development follow the same approvals process through Mayor and Council as in Mission. When asked about how the Downtown Plan is used to help staff weigh development applications, Karen Stanton had the following to say: “If it’s a land use application, we’re measuring it against the Downtown Plan so it needs to meet the objectives of that plan; there’s opportunities for amendments to the plan if they make sense and sometimes they do and other times we need to hold the line” (Stanton, 2018, personal communication). Areas in which staff ‘hold the line’ include pushing for greater residential density in the core of the downtown. As Stanton notes, there are myriad competing areas of Chilliwack where development is more attractive for developers, particularly in the lower density areas in the south part of town such as Sardis or Garrison Crossing<sup>20</sup>. As Stanton notes, “density is super important right now for the downtown, so when we’re reviewing development applications for outside the downtown, we have to keep in mind that there are always competing areas, and while we’re not trying to hold any area back, we do have to keep [the priority of density] in mind” (Stanton, 2018, personal communication). As stated, the Task Force Report recommended that apartments only be permitted in the downtown, something that was not implemented. Apartments are, in fact, allowed in the fringe of the downtown but are more heavily scrutinized as applications. Speaking generally on the topic of application approvals, Mayor Gaetz recognizes that “as a Council it is important to listen to the experts on the subject and weigh that information with respect to the best interest of our community” (Gaetz, 2018, personal Communication).

The Downtown Plan also has a provision within its ‘Urban Quarter’ land use designation for an eighteen-story high-rise building. Stanton notes that “if somebody came forward and asked [to build a high-rise outside the downtown] we’d have a hard time supporting it because if we’re going to have one high-rise, and maybe there’s only room in the market for one high-rise, we want to be in the downtown” (Stanton, 2018, personal communication). To date, factors such as market economics and the inability to provide enough parking, have hindered the ability for the downtown to support a high-rise. Developer Glen Smith notes that as far as high-rises are concerned, “Chilliwack is not there yet” (Smith, 2018, personal communication).

### ***The Revitalization Tax Exemption Bylaw***

As stated, the Revitalization Tax Exemption Bylaw, which was first implemented back in 2004, had its Plan Area decreased based on the Task Force’s recommendation. The Bylaw states that Council may now enter into an agreement with property owners within the designated areas and upon issuance of an exemption certificate to the assessor, improvements are exempt from municipal property value taxes for a period of time not longer than five years, and with a 50% phase-in for the sixth year (Chilliwack, 2004). As Karen Stanton explains, the Revitalization Tax Exemption Bylaw has been utilized by applicants, however, the impact on revitalization has been marginal: “I think the development happened where it would have happened anyways; the exemption was a nice perk but it probably didn’t drive development decisions” (Stanton, 2018, personal communication). Developer Glen Smith notes that the private sector

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<sup>20</sup> Garrison Crossing is an award-winning Canada Lands redevelopment of a former army base in Chilliwack. It is lower density, townhouse style development and attractive to middle-upper class families (Canada Lands Company, 2014).

has difficulty using this kind of tax exemption incentive to its fullest as only owner-occupied buildings bear the full benefit as it is rare for commercial and office buildings to be owners and occupy the whole building (Smith, 2018, personal communication).

### *From a developers perspective*

Developer Glen Smith<sup>21</sup>, who is in the process developing a project in Chilliwack's downtown (more on this later), commented on the programs and policies the City employs and how they are perceived from a developer's point of view. Smith's Project Site once contained a grocery store and had severe contamination issues. The City of Chilliwack paid to have the building demolished and the land remediated to facilitate development upon it. Mr. Smith's company are builder-developers and were able to purchase the land at a low cost, which helped make their project feasible without any financial incentives from the City (apart from the remediation). As Smith notes "We are going to make [our project] work without any City incentives . . . but the reason that's working is that we happen to buy this property on a per unit basis very inexpensively" (Smith, 2018, personal communication). The City remediating the site was helpful, but incentives were not, in Smith's case. Smith states that other "developers with smaller sites and who cannot buy the land as cheaply as we did will have a hard time making their projects feasible". According to Smith, five years for a tax incentive is not enough, stating that Chilliwack should be looking to Mission's ten-year tax exemption model (Smith, 2018, personal communication). In addition to tax exemptions, Smith would like to see the City reduce Development Cost Charges and fees for development in the downtown.

### The politics of planning in Chilliwack

Chilliwack has benefited from a politically consistent environment over the last ten years. As stated, Sharon Gaetz has been Mayor for the last two terms after being elected back in 2008. Additionally, only two of the seven faces changed at the last municipal election back in 2014 (City of Chilliwack, 2014). As CEPCO President Brian Coombes notes, "We're very fortunate in Chilliwack that we've had a lot of political continuity for many, years" (Coombes, 2018, personal communication). According to Karen Stanton, the faces that have been present at the Council table over the last two elections have been fairly pro-development. Council have also all held the same vision for the downtown. As Stanton remarks, "there have been changes at the council table but the Mayor has been consistent for the last couple of elections, so I don't think that the overall objective for downtown revitalization and the interest in supporting that hasn't really wavered" (Stanton, 2018, personal communication). The importance for downtown and the desire to see it improve is something that has transcended political whims. Brian Coombes notes how "downtown is always the number one topic at a municipal election and all candidates meetings because everybody's an expert – everybody has an opinion about downtown and everybody has the solution in their opinion. People just care about downtown, so downtown will always be a priority" (Coombes, 2018, personal communication). The community seem to echo this

<sup>21</sup> Mr. Smith asked that his development company not be named in this research report.





Figure 30 completed works along Mill Street (City of Chilliwack, 2014).



Figure 31 Google street view of Mill Street. People are shown using the terraces in front of the cafes (Google, 2018)

The City ensured that merchants were well informed as to the extent of the works at all times, issuing letters to business owners prior to commencement of works. Contractors also provided handouts to businesses as the work schedule changed throughout the beautification process. A website project page was set up which provided up to date information and a direct public inquiry hotline was set up by the Engineering Department (City of Chilliwack, 2014).

According to Brian Coombes these streetscape improvements have been an important piece to the revitalization of downtown Chilliwack. With the changes in online shopping and moving away from big department store retail, “People are looking for experience based type of opportunities and that’s where the cities invest a lot of money into Mill Street revitalization [and in turn, consumers] have spent a lot of money on Mill Street and Wellington Street” (Coombes, 2018, personal communication). Mill Street is sometimes pedestrianized for events during the summer months, which take advantage of the new the Mill Street improvements serve to enhance the ambiance of the events.

### Five Corners project

One of the major recommendations from the Task Force Report called for the purchase of a cluster of properties in the heart of downtown to facilitate a future development, with the intentions that it act as a catalyst for additional revitalization in the surrounding downtown core. The Plan Area is shown in figure 32 and is predominantly vacant. The land acquisition of the properties was undertaken by the City of Chilliwack and the Chilliwack Economic Partners Corporation (the Partners) (See chapter 2 for description of CEPCO).

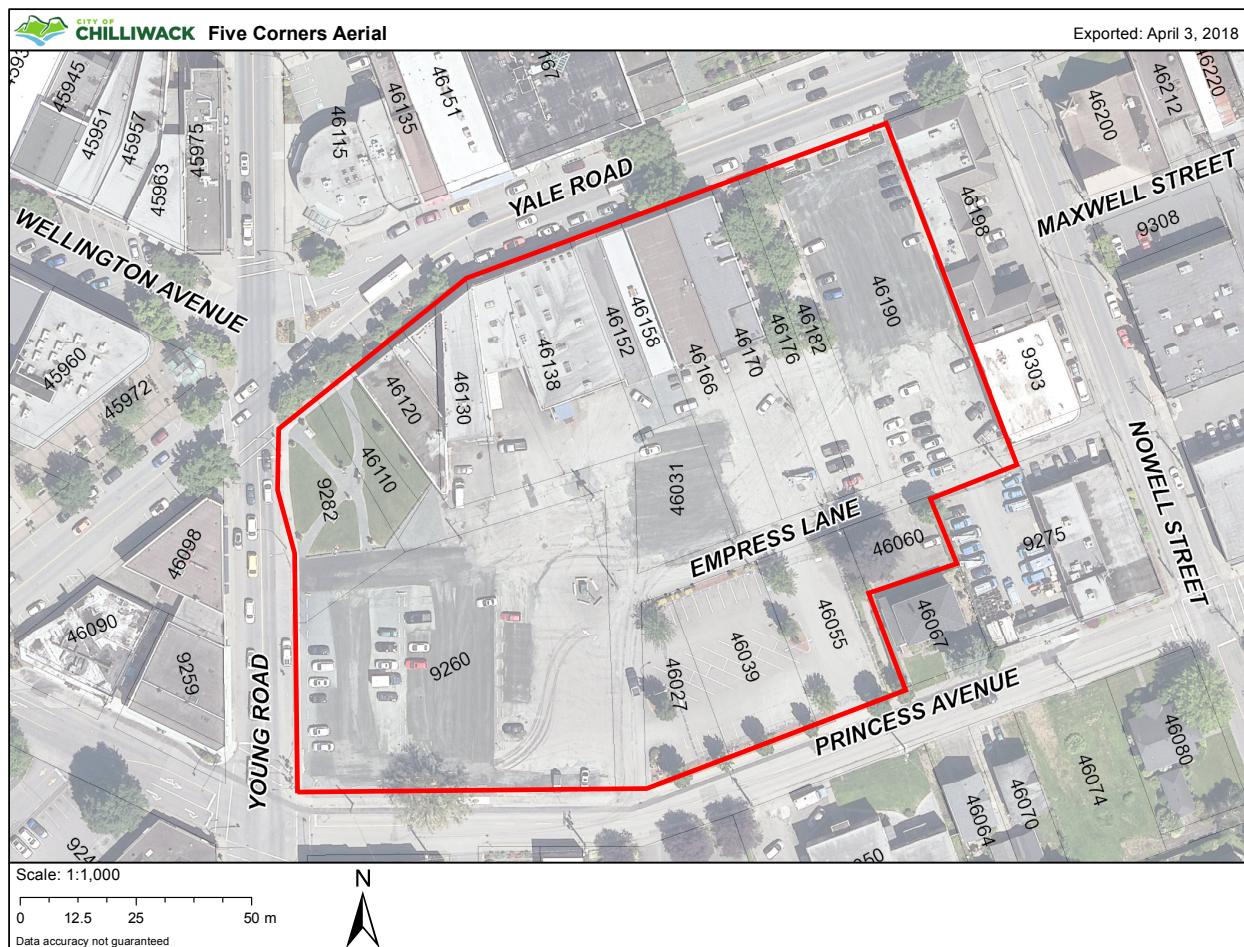


Figure 32. Aerial map of the Five Corners properties; all 21 properties included in the Five Corners Project are shown in red (CEPCO, 2017); Base map: City of Chilliwack (2018)

The Partners began purchasing land in 2009, and by 2017 all properties were in the hands of the Partners. The Five Corners initiative has unanimous support among those interviewed for this research report. The Partners' vision for this site "would see a number of different land uses accommodated at the Five Corners area to provide a community focal point where people can live, work, shop, eat and assemble" (CEPCO, 2017, p. 6). The primary goal for this project is to densify the downtown and provide an environment that would attract appropriate commercial and business activity as well as new residents to the downtown. In total, 21 properties are included in the Plan Area of 1.6ha (4 acres). Some properties were donated and some were purchased – none were expropriated. Some lots are vacant and some have buildings that will either be retained or demolished. The Partners "encourage the reuse and/or recycling of building materials found in existing buildings, particularly those of historical significance" (CEPCO, 2017, p. 6). Further, "the Partners encourage . . . the possible retention of existing buildings and/or building facades of historical significance in the design of their development, if it can be achieved without compromising the overall viability of the project" (CEPCO, 2017, p. 6).

CEPCO President Brian Coombes was one of the key figures in initiating the Five Corners project. According to Coombes, "The feeling of the [Task Force] was that there needed to be a game-changer type of thing that was to occur and at that point I had made the recommendation to council to start to consolidate properties within a large block to make them development ready so the when the time was right, one could go to market with that and present a larger parcel to a developer" (Coombes, 2018, personal communication). Significant public funds have been spent on this project. There was awareness amongst all involved that the City needs to be the champion of their own downtown. The City and CEPCO deemed taking such a risk and spending such significant public funds to be a justifiable risk to revitalizing the downtown.

### *Rezoning the Plan Area*

The Plan Area, which was a mix of different zones, was rezoned to a Comprehensive Development (CD) zone to accommodate a wide range of uses (the CD-27 Zone is attached as appendix C. As Karen Stanton says, "The idea was to consolidate the site and to provide a comprehensive zone that reflected the downtown plan" (Stanton, 2018, personal communication). The rezoning for the site was approved on October 17, 2017 in what Mayor Gaetz calls a "historic moment" for the downtown (Feinberg, 2017, p. 1). Presumably, the prospective developer will want to amend certain aspects of the zone to meet the needs of their development plan. Having the site zoned to meet the needs of staff and Council gives them tremendous control over what kinds of interventions go onto the site. As stated in previous chapters, zoning changes are decisions that require a majority vote by Council. All properties within the Plan Area are City and CEPCO owned and will be sold to the prospective developer who has yet to be chosen.

### *RFP and selecting a lead proponent*

The process to find a developer began on September 14, 2017 with the announcement of the Request

for Proposals (RFP). CEPCO President Brian Coombes has been the lead contact for the RFP. Mr. Coombes and the review team are currently reviewing proposals. The review team is vaguely described in the RFP document as the “Evaluation Team appointed by the Partners which may consist of one or more persons” (CEPCO, 2017, p. 20).

The RFP delineates the development opportunity to the proponent developers, outlining the Plan Area’s zoning, servicing, financial credits available and the Partners’ vision and objectives are for the Plan Area. The RFP also specifies what is expected from the prospective developers, including the required plans and documents to be included in proposals. The RFP closes January 2018 and the proponent will be selected in 2018. The details regarding proposals submitted, including the number of proposals was not disclosed to the PI as the details of the RFP has yet to be made public.

Mr. Coombes was able to provide some general commentary on the quality of applications received: “We were definitely pleased with the quality of the submissions and the diversity; we didn’t just get a whole bunch of the same with slight variation, we actually got very distinct visions in a few cases which has made the process very interesting” (Coombes, 2018, personal communication). The RFP has received a lot of positive feedback from the development community, even from developers who did not submit proposals. This level of positivity has to do with the flexibility the Partners are trying to maintain for the overall project to ensure that developers’ creativity is not fettered. As Coombes notes, “One of the first things was to eliminate as many what could be seen as road blocks for the development community, so we wanted to make sure that it wasn’t so restrictive that it would limit developers creativity and vision, but we also didn’t want to [give away] too much” (Coombes, 2018, personal communication).

Some of the items eliminated from the RFP after receiving feedback from developers was the requirement that the developer accommodate all 75 existing parking spaces on site; that number will now be varied, as the developer requires (more or less). The requirement that a public park be included on the site was also removed. This is was due to the social issues and homelessness challenges Chilliwack faces. Both parking and social issues will be explored in a later section of this chapter.

### *Implications and expectations for the project*

The Five Corners project promises great potential, but also a significant level of risk. As Karen Stanton notes, “There’s a huge cost associated with [this project] not just financial, but political cost” (Stanton, 2018, personal communication). The Partners have a great deal of control for what goes into the project, from a zoning perspective, but also considering that the Partners own all properties in the Plan Area, it allows the review team to be very picky about the quality of development and hold the prospective developer to a high level of design. Karen Stanton notes this as well: “Certainly with the Five Corners site we’re very picky because of the public investment that’s been made; we want to make sure that what’s built there is something that everybody can feel proud of and that meets the design guidelines that we’ve established for the downtown” (Stanton, 2018, personal communication).

As stated, the Partners know that if they want to see change occur downtown, they need to be the ones to expedite it. It would have been nearly impossible for a developer to do what the Partners did in acquiring,

rezoning and completing all of the associated soft costs (surveying, architecture, market analysis) for this Project Site. As Brian Coombs states, “If it was up to the private sector to go in consolidate 21 properties and pay for all [the associated work] to prepare it for development, [a developer] would need a very big return on investment and the market would not be anywhere near that for a long time; so the City wanted to make that investment to hopefully create something sooner than it would have on its own” (Coombs, 2018, personal communication).

CEPCO’s development role has a precedent of success from another project in Chilliwack, in which CEPCO played a lead the redevelopment of the former Canadian Forces Base (CFB) Chilliwack lands. The award winning Garrison Crossing was part of the CFB redevelopment (Canada Lands Company, 2014). All stakeholders hope that the Five Corners redevelopment project will be a catalyst for the downtown in the same way Garrison Crossing helped to promote development in the south part of Chilliwack.<sup>22</sup> Presently, Brian Coombs and the review team are reviewing proposals and engaging in negotiations with developers. As stated, the details of proposals were left confidential and further details should be publically released after this research report is completed.

### Downtown Chilliwack’s social issues

Chilliwack’s homeless population has grown faster in the last four years than anywhere else in the Lower Mainland of British Columbia (McElroy, 2017). Chilliwack’s relative housing affordability has been an attractor for individuals looking to find cheaper housing than the expensive Metro Vancouver market further west. Chilliwack is, however, also becoming increasingly unaffordable (figure 33).

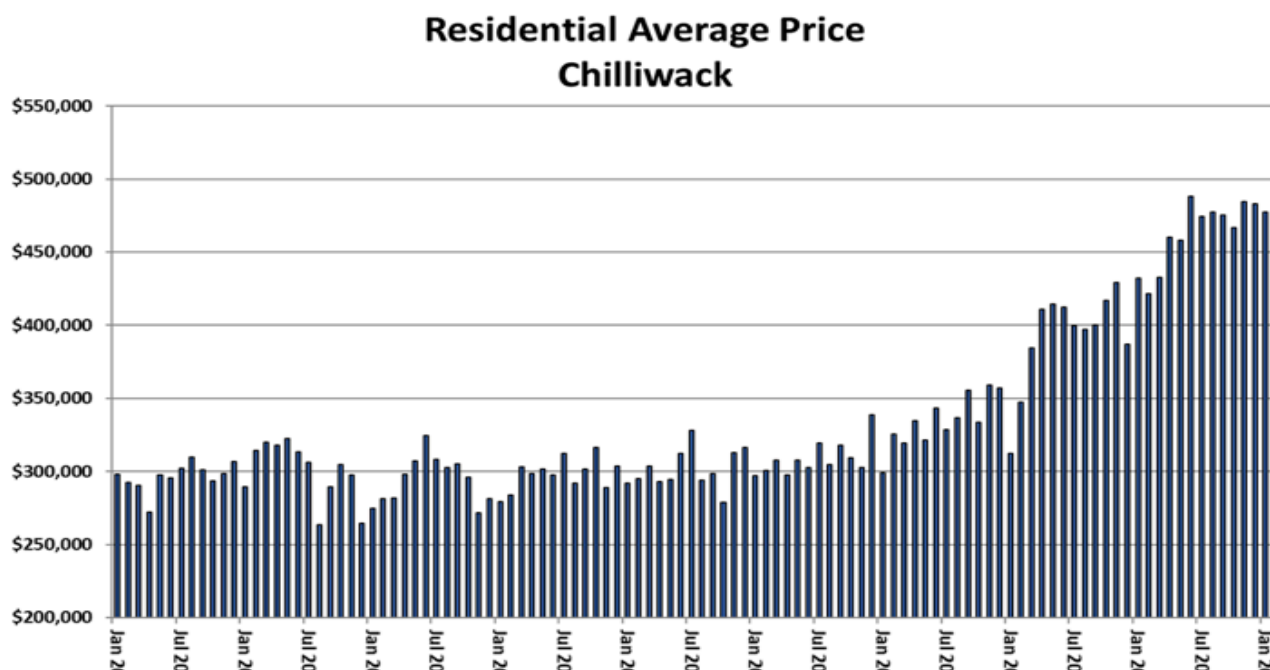


Figure 33 Average single-family house price in Chilliwack from 2009 to 2018 (Chilliwack & District Real Estate Board, 2018).

<sup>22</sup> South Chilliwack is far more single-family and strip mall oriented. Certainly, the south did not need revitalization in the same sense that the downtown does. Garrison Crossing is credited as being the benchmark for the high quality development that has gone up in south of the Highway 1. This anecdote is meant to indicate that CEPCO has a successful track record acting as developers for the City.

Additionally, the quantity of social housing and single-resident occupancy units in Chilliwack is far lower than in larger urban areas like Vancouver. Addressing this social challenge is complex in nature and has elements that go beyond the scope of this report and could be the topic of a report on its own. However, it is impossible to assess revitalization in downtown Chilliwack without discussing homelessness and the social issues that are arguably inhibiting downtown's revitalization.

Chilliwack has a high concentration of homeless people who live in and around the downtown, creating a perceived lack of safety that causes many local residents to avoid the downtown altogether. Incidents in the media involving homeless individuals harming one another or causing problems, as well as the recent fentanyl crisis<sup>23</sup> have further exacerbated the negative perception of the downtown (Henderson, 2017). According to the Canadian Broadcasting Corporation (CBC), Chilliwack's homeless population nearly tripled between 2014 and 2017, rising from 73 to 221 people (McElroy, 2017). The same CBC report noted that there are a total of eighteen homeless camps all over Chilliwack (the number of camps in the downtown was not specified). Mayor Gaetz says addressing homelessness through housing is a matter only the provincial government can solve and that Chilliwack lacks suitable resources to address it on their own. Overall, Chilliwack is ill equipped to handle the problem that is before them.

The City has taken certain measures to improve the situation where they can and are trying and solve the problem. In June 2016, the City published the Homelessness Action Plan with the vision of “establishing a comprehensive community response system that helps people obtain and retain safe, affordable, appropriate housing” (City of Chilliwack, 2016, p. 3). The Homelessness Action Plan helps provide guidance on offering service to these vulnerable members of society and how the City can coordinate with other levels of government to get funding for housing and additional services. As Karen Stanton states, “The City is in a difficult situation: we're basically chasing [the homeless] around and offering outreach at the same time” (Stanton, 2018, personal communication). While attaining the funding for affordable or social housing is one battle, finding a place to locate such controversial housing is another “because nobody wants it in his or her neighbourhood” (Stanton, 2018, personal communication).

The homeless situation is also impacting the Five Corners redevelopment project. As stated, the requirement of having a public park in the Plan Area was removed. The Partners were hearing from developers that situating a park on the site would be problematic, as it would act as an attractor of homeless individuals (Coombes, 2018, personal communication). The rationale forms the City's perspective in defence of the removal of the proposed park was that there was already ample public space in and around the downtown (Salish Park is 500 metres from Five Corners). The removal of the park component from this development is an interesting case of public amenities being eliminated as a result of the potential impact homelessness may have on a development.

Mayor Gaetz states that “A lack of suitable services by the provincial government for those with mental health issues or drug addiction” is among the factors limiting the City's ability to revitalize the downtown (Gaetz, 2018, personal communication). Councillor Ken Popove also believes that the social issues have

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<sup>23</sup> According to the Fraser Health Authority, in April 2016, the province of British Columbia declared overdoses a public health emergency. The rates of overdoses in B.C. and in Fraser Health are dramatically on the rise to levels never seen before. The B.C. Coroners Service reported that there were 922 illicit drug overdose deaths from January to December 2016 in the province. Overdoses are occurring in all sectors of our communities, though homeless communities are particularly vulnerable due to their level of poverty, and likelihood of mental illness and drug addiction (Fraser Health 2018).

steered developers away from investing in the downtown. (Popove, 2018, personal Communication). In regards to investing in residential in the downtown, Manager of Long-Range Planning Karen Stanton notes that there are “Some sites that are vacant, zoned, and ready to go”, but believes that the social issues are impeding developers from investing in them (Stanton, 2018, personal communication).

CEPCO President Brian Coombes, who deals with businesses and the development on a daily basis, does not agree that the social concerns are deterring development: “[The social concerns] are real but there’s lots of concerns, one of them is that you get a higher price point in [outside the downtown] then you can in the downtown right now, so if you can get a piece of dirt [outside the downtown] that’s probably where developers will make their investment” (Coombes, 2018, personal communication). Coombes believes that presently, downtown development is riskier for developers and might not generate as high of a return on investment. To Coombes, economic impacts outweigh the social.

The failures of certain businesses in the downtown have been erroneously attributed to homelessness and downtown’s perceived socio-economic perils. “The social issues challenge is very real but that’s not stopping businesses from thriving” (Coombes, 2018, personal communication). A business’ success, according to Coombes, is contingent upon their ability to operate a successful business, regardless of location. Generally, businesses that fail downtown do so because of the typical challenges of operating a business, not because the downtown is a bad place to be. “Whether you are downtown or elsewhere in Chilliwack”, Coombes explains, “if you don’t provide quality service and products you’re probably not going to succeed – the ones that provide them succeed” (Coombes, 2018, personal communication). According to Coombes, a business leaving the downtown due to social issues has only happened on rare occasion. CEPCO is working hard to alter the negative perception about downtown to get individuals to set up business and to get shoppers visiting the shops. As Coombes explains, “Homelessness, crime and drug addiction is not a downtown Chilliwack issue it’s an issue that’s affecting the rest of Chilliwack and communities all over North America; so many of the challenges of downtown are real but they’re not unique to the downtown and that’s an important distinction”.

Certainly, there are conflicting views from the interviewees on whether or not homelessness is dissuading development in the downtown. Homelessness is an issue that must be addressed not only for revitalization purposes, but because helping the most vulnerable population is the right thing to do.

## **Housing in downtown Chilliwack and the Safeway Site**

Certainly, housing unaffordability resulting from an expensive housing market in the Lower Mainland has negative social justice implications, however, high real estate values can also help revitalization efforts. From a residential development perspective, it is becoming feasible for developers to invest in multi-family residential projects in the core. Manager of Long-Range Planning Karen Stanton notes that there are vacant and underutilized lands zoned (or would support rezoning) for multi-family residential ready for development. Most of the multi-family apartment development that has occurred in the Downtown Plan area has been around the core “where there is more perceived safety” (Stanton, 2018, personal communication). This is beginning to change.

All subjects interviewed for this research report agree that increasing residential density downtown is a crucial step towards revitalization. As vacant lands that support residential development become increasingly rare elsewhere in Chilliwack, the economic market will begin to dictate the potential for residential in the downtown.

### *The Safeway Site*

As noted earlier, developer Glen Smith is in the process of developing a former Safeway grocery store site into a rental-retail apartment development in the downtown core. His project (the Safeway Site) is shown below in figure 34). This site is a high priority in the City's revitalization goals. The City utilized their Vacant Buildings Minimum Maintenance Standards Bylaw, which required the former owner (Safeway Canada Ltd.) to demolish the building and remediate the soils or risk receiving tremendously encumbering fines (Gaetz, 2018, personal communication).

Smith indicated he was drawn to the downtown of Chilliwack when he first toured the Safeway Site. He noted the well-established trees, landscaping, and superb views of the mountains in many directions. Smith states, "The downtown core already has the 'vibe' physically to create a great living environment" (Smith, 2018, personal communication).

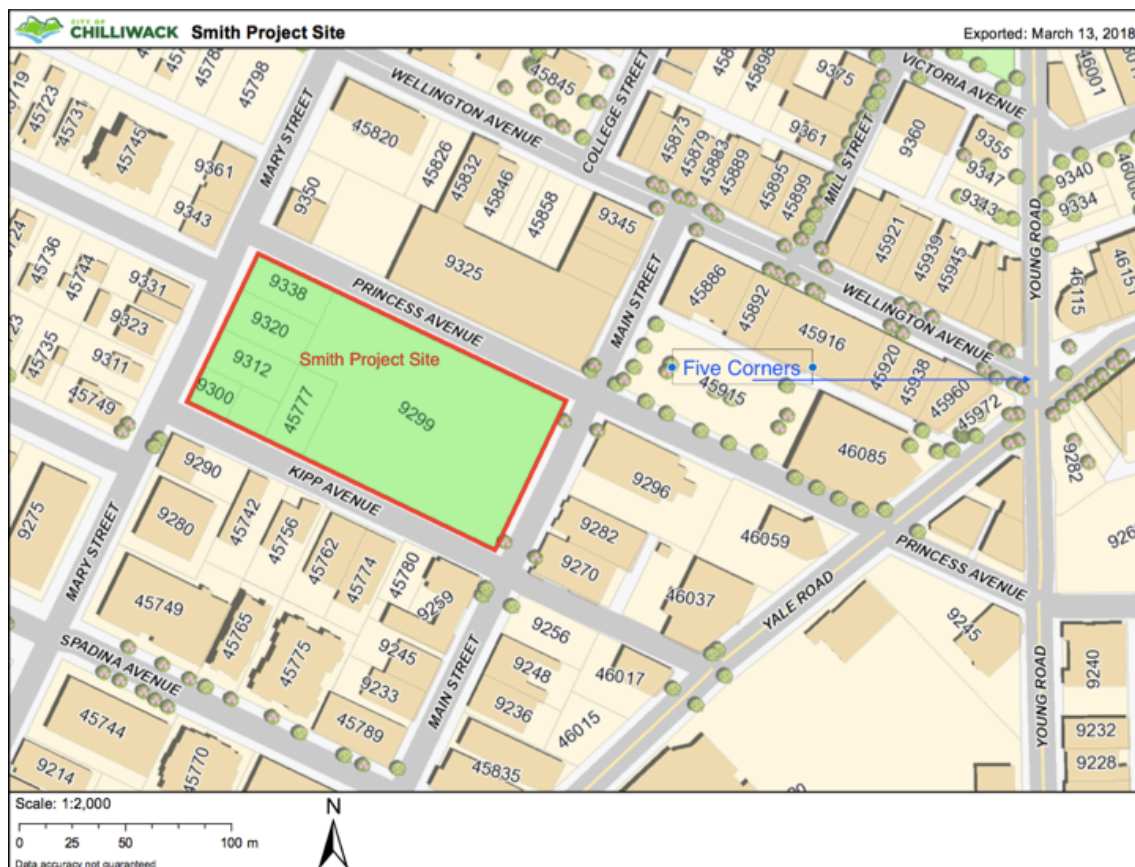


Figure 34 Safeway Project Site. The Safeway Site is shown in red; the Five Corners is also shown for context. Base map: City of Chilliwack (2018).

Smith notes certain challenges in the pre-development process due to economic factors and slight initial pushback from the City. Mr. Smith and his company originally intended to build entirely retail use on the eastern half of the site, and obtained a Development Permit in December 2016 (Smith, 2018, personal communication). Unfortunately for Mr. Smith and company, they were not able to find any tenants to fill the two proposed 7,000 square foot pads. As Smith remarks, “The retail leasing perception for downtown Chilliwack is still not there yet” (Smith, 2018 Personal communication). Noting the low rental vacancy rate in Chilliwack and profitable rental rates, Smith and company decided to revert to their backup plan of a rental apartment project.

### *The battle over rental apartments*

Chilliwack has experienced problems with rental projects elsewhere in the city. The Newmark, as Karen Stanton noted, is an all-rental apartment building just outside the downtown core that has been fraught with problems over the years (Stanton, 2018, personal communication). Deficient property management caused the Newmark to be overrun by people with drug addictions, resulting in problems for the building itself and for the perceived level safety of the surrounding area. Glen Smith believes the failed Newmark was what initially caused the City to oppose their rental strategy and push for sale condominiums instead. Smith noted that he initially felt almost a “not in my backyard” position from the City in regards to rental apartments (Smith, 2018, personal communication). Smith suggests that rental apartments can be a “stepping stone towards [condominiums]” for those that might not be able to initially purchase a unit outright. More importantly, well-designed rental apartments, in downtown Chilliwack, according to Smith, can create a positive living environment, which will be inviting for more rental apartment construction and create an environment for new condominium homeowners. At present time, Smith’s development plans propose two, six-story buildings: one fully apartment-rental and one apartment-rental with ground floor retail component. The addition of ground level retail has made staff supportive of the project (Smith, 2018, personal communication).

Chilliwack’s 1.5 percent rental vacancy rate is negatively impacting housing affordability, which in turn is contributing to the local homelessness issues (Henderson, 2018). Smith believes rental apartments can mitigate some of these affordability issues and begin the process of revitalization: “If you want to create a [population] mass, you want to revitalize a block, [start to implement] rental apartments”. More rental stock will only relieve pressure on the expensive rental market. Once the residents start to populate the downtown, it will begin to create positive spinoffs for surrounding businesses. As Smith notes, “We’re going to have a really handsome project which I think can certainly set the tone of what can be done; and we’re going to be ahead of the curve of the Five Corners project that the city owns”. Mr. Smith’s company considered submitting a proposal for the Five Corners project but decided not to, wanting instead to see how their project plays out first. Smith believes that getting a large mass of population in the downtown is the first step towards revitalizations, which will then support more commercial use – not the other way around.

## Economic role of downtown Chilliwack

As stated, downtown Chilliwack was negatively impacted by the 2008 economic downturn. In the years following 2008, many longstanding businesses were impacted but were able to survive. Some newer or marginally successful businesses, however, failed as a result reduced consumer spending. The most striking trend during the economic downturn was how few new businesses opened. With an obvious lack of certainty in the market, and many people with less opportunity to take on new business ventures, buildings remained vacant for longer periods of time than in previous years (Williams, 2018, personal communication). Downtown Chilliwack, like many aging centres, has buildings that range in age and quality. This typically provides the opportunity for low lease rates for start-ups that may not be able to afford rents in the more expensive areas of Chilliwack. Downtown Chilliwack relies upon new start-ups to fill vacant buildings, so the lack of new start-ups hurt Chilliwack's downtown economy during the recession (Coombes, 2018, personal communication).

In 2014, Chilliwack's commercial vacancies started to decline. As Kyle Williams, Executive Director of the Downtown Chilliwack BIA remarks, "I distinctly remember the optimism in 2014 when new small businesses began popping up, and since then, we've seen a much more consistent rate of new businesses starting up." (Williams, 2018, personal communication). The vacancy rates in downtown in early 2017 were comparable to other commercial areas of Chilliwack, indicating that the commercial market has begun to stabilize downtown. The resurgence of downtown businesses is likely due to residents of Vancouver cashing-in on the high home prices in favour of the less expensive Fraser Valley market (CTV Vancouver, 2016).

Recently, CEPCO and the Downtown BIA have begun tracking how businesses are performing. In October 2017, volunteers from CEPCO, the Chilliwack Chamber of Commerce, the Downtown BIA, and the City of Chilliwack, took part in the first ever Chilliwack Business Walk, visiting 148 businesses. Each visit provided valuable insight into real business highlights and challenges and how to support the growth and retention of existing businesses. The business walk revealed very positive trends for downtown businesses as shown in figure 35.

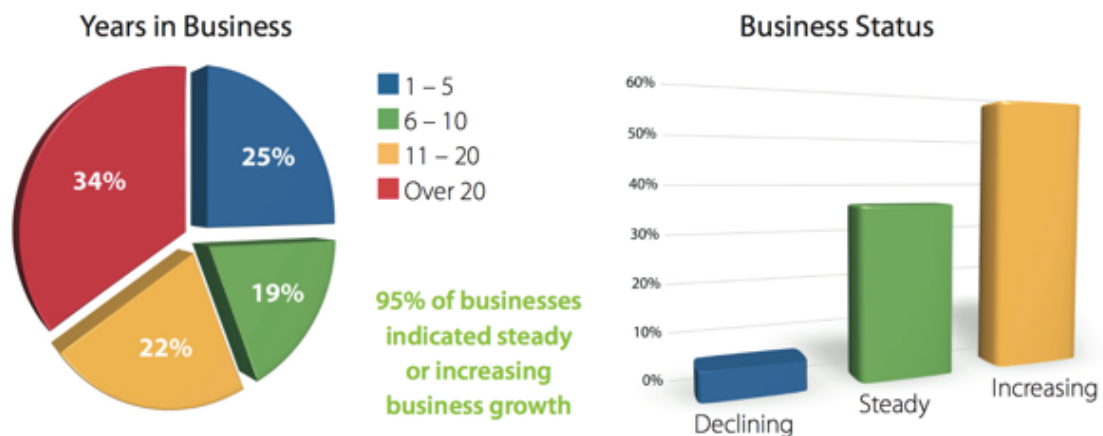


Figure 35 Data collected during the 2017 Business Walk. The left chart shows the proportion of businesses of years in operation. The right graph shows the current status of the business as indicated by the shop respondent (CEPCO, 2017).

The Business Walk also revealed some interesting insights into the concerns and challenges downtown businesses are facing (figure 36). Overwhelmingly, safety and social issues are the top concern for businesses downtown. Perceived or real, downtown's social issues and safety concerns resulting from the large homeless populations are something that businesses feel is the biggest challenge in operating a successful business.

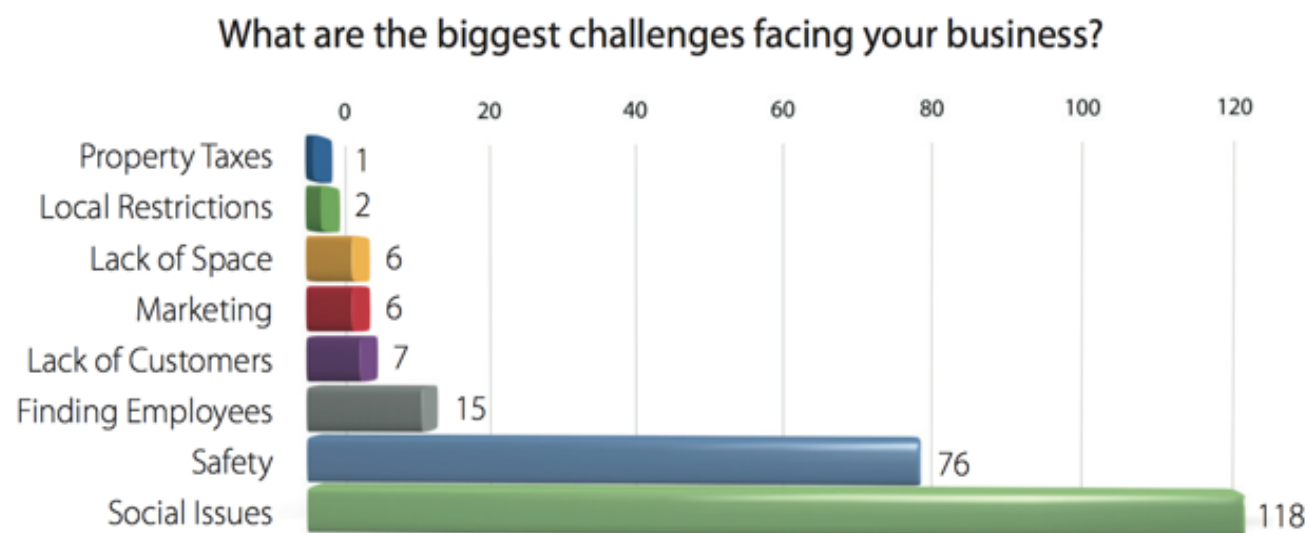


Figure 36 Challenges to downtown Chilliwack business, as indicated by merchants. It shows overwhelming concern on the part of business owners of the impact, perceived or real, that the large congregations of homeless individuals is having on their businesses (CEPCO, 2017).

Figures 35 and 36 reveal seemingly paradoxical phenomena: businesses are overwhelmingly thriving (steady or growing) in spite of the perceived challenges related to the social issues. Perhaps the main take away is that businesses feel that they could be doing better if not for the social concerns in the downtown. Brian Coombes confirms this paradox, noting the fact that there are “very successful businesses in the perceived ‘tougher areas’ so I think if [businesses] provide quality and do it right, people will support them” (Coombes, 2018, personal communication).

With the changes in online shopping and consumers moving away from big department store retail, “people are looking for experience based shopping opportunities” says Coombes, which is supported by the likes of the Mill Street streetscape improvements. All of the respondents interviewed noted the businesses that have managed to succeed in the downtown over the years have done so due to their ‘niche’ or ‘boutique’ nature and for their ability to provide exceptional customer service to clients. “The Bookman, for example,” as Mayor Gaetz indicates “sells used books and is doing phenomenal business downtown [as the] owner understands the needs of her customers and advocates for downtown revitalization” (Gaetz, 2018, personal communication).

### Heritage in the downtown

Chilliwack's downtown has numerous historic buildings, which give the downtown a unique sense of place relative to the rest of the city. Downtown Chilliwack is often referred to colloquially as the ‘historic

downtown'. The push for heritage preservation has been a contentious subject in the discourse of revitalization. The Heritage Chilliwack Society (Heritage Chilliwack) "is a community based initiative established to engage, advocate for and promote Chilliwack's heritage" and is among the groups interested in historical preservation (Heritage Chilliwack Society, 2018). The City is in a position where they must balance desire to preserve historic buildings with a need to revitalize the downtown.

The 2013 demolition of the Paramount Theatre stirred controversy amongst the members of Heritage Chilliwack. Revitalization of the Paramount was not financially feasible, prompting Chilliwack Council to approve its demolition (Feinberg, 2013). Councillor Popove notes that when revitalization is realistic, he is supportive of retaining historical buildings, but the Paramount "would have been a \$750,000 retrofit for a one-purpose building – it just didn't make sense" (Popove, 2018, personal communication). As Brian Coombes remarks, "[The Heritage Society] really feel that it's important to not tear down older buildings, which is a fair statement, but you have to step back from that and say: 'OK, define heritage'; old doesn't mean historic and old also can present economic challenges such that they're just not a viable building" (Coombes, 2018, personal communication).

As stated, up until a few years ago, the City had very prescriptive design guidelines for heritage conservation requiring façade updates for any new development to conform to the guidelines. As Karen Stanton notes, "The feeling was that [the guidelines] were really over complicated and they may not have been achieving their purpose; now they are more flexible and they . . . offer more flexibility and allow for some creativity from the market" (Stanton, 2018, personal communication). The Five Corners project intends to support the heritage character embodied in the downtown core by considering historical and heritage design interventions in design proposals.

### Parking and geographical constraints

Chilliwack struggles with car dependency, though the City is trying to mitigate this by investing in public transportation infrastructure. The bus system (Chilliwack's only form of public transit) has been improved to become more efficient and frequent to better service the downtown. A bus hub is located at the Five Corners and runs along the main spine connecting north and south Chilliwack. Chilliwack is, however, a community where only two percent of residents take public transit, nine percent walk, and one percent bike; 85 percent are either a driver or passenger in a personal automobile (Chilliwack, 2010). For now, as Manager of Long-Range Planning Karen Stanton notes, "Whether it's a real or a perceived problem, [parking] is something that needs to be managed" (Stanton, 2018, personal communication). Trying to find a balance between amenities and public space, as well as parking, is a challenge for the downtown. according to Stanton.

According to CEPCO President Brian Coombes parking is "probably the number one area of frustration: the City having to manage the need for parking in development and the developers having to address parking; often the two sides can be at odds, but it's a requirement" (Coombes, 2018, personal communication). Chilliwack currently has a provision which states that if a developer cannot meet the number of parking spaces stipulated in the bylaw, the developer provides a cash contribution to the City as an offset; idea being that the City will then use these monies to provide parking in other areas in the

downtown. This cash-in-lieu idea is good in principle, but as developer Glen Smith explains, a cash-in-lieu strategy is not beneficial to developers in car-dependent communities like Chilliwack. Developers prefer to have one private parking spot per unit as a marketing tool for the development. Developer Glen Smith elaborates: “It’s fine to have [the City] give you a bit of a break on parking, but do you want it? As a marketing and pragmatic tool you want to have the parking. It will be ten years before the downtown feels so funky that people will want to live and stay downtown and that there enough jobs that people can actually... walk to work” (Smith, 2018, personal communication).

The solution seems simple: if developers want to have one parking space per unit, what is stopping them? Just put all the parking underground. While underground parking may work in places such as Vancouver or even Surrey where residential units provide much higher rates of return, developments in Chilliwack cannot yield the same return as more profitable markets to the west<sup>24</sup>. Placing parking underground is expensive, and developers in Chilliwack would not be able to recoup the associated parking costs in their sales.

The cost for adding underground parking in Chilliwack is compounded by its high water table. Chilliwack sits only ten meters above sea level, thus once digging starts, water rushes into the dig site. Builders can only go three-quarters of a story underground for parking before intricate pumping mechanisms are required. As the demand and return on investment for apartments in the downtown begins to rise, it may eventually be feasible to add extensive underground parking. Until such time, Chilliwack is looking at ways to best implement at-grade, on-street parking. There is also a possibility of building a parking structure, provided that it best fits within the downtown and meet the needs of all downtown users.

Karen Stanton notes the irony downtown Chilliwack faces: “We always say it would be great if we had a parking problem downtown because that’s if we had a real parking problem downtown because that would mean a lot of people are using it” (Stanton, 2018, personal communication).

## Tracking success

Currently, CEPCO tracks the overall success of businesses downtown by counting vacant commercial buildings. Karen Stanton was not aware of any formal metrics used to track revitalization. “I think it’s early in the game to really to any you know form any kind of concrete measures” (Popove, 2018, personal communication). Mayor Gaetz states that once residential uses start to emerge in the downtown, the City will begin to use the number of residents downtown as a sign of success. Gaetz understands that revitalization takes time and that “it does not happen over night (Gaetz, 2018, personal communication). Chilliwack does not, however, have any measures in place to specifically track revitalization.

<sup>24</sup> In the fourth quarter of 2017, the median price for an apartment in Chilliwack was \$218,750 compared to \$682,800 in Vancouver (Canadian Real Estate Association, 2018).

### Summary of revitalization in Chilliwack

The typical ‘big city’ problems of homelessness have started to impact downtown Chilliwack in a major way and are by far the biggest challenge facing the downtown. Perceived or real, these issues make their way into every discussion about downtown revitalization. This factor was not expected, based on what the literature would suggest about mid-sized downtowns.

Chilliwack has recently experienced an increase in residential property values, which presents a ‘double-edged sword’ type scenario. On the one hand the price increases have made the Chilliwack market suitable for two major downtown development projects (the Five Corners and the Safeway Site), which have the potential to catalyze revitalization in the downtown. On the other hand, revitalization and an increase in population could push out the already vulnerable homeless population who are completely content congregating in the downtown. Support for the homeless must be well balanced with the beautification and economic restoration of downtown.

People have an emotional connection with the downtown, fostering the desire to see it overcome its economic and social challenges. If staff, Mayor and Council, and CEPCO can all adhere to the same vision, galvanizing the momentum created by the major upcoming developments, Chilliwack has a great chance at revitalization. Politically, everyone is moving in the same direction as well, which is promising. Chilliwack has championed their revitalization by making extensive investment in the downtown, which has resulted in the forthcoming Five Corners project. CEPCO acting as a developer has a precedent of success with the CFB lands, which bodes well for the forthcoming Five Corners project. There is a feeling of optimism among all actors interviewed for this research report that downtown Chilliwack is on the verge of success. As Brian Coombes remarks, “I fundamentally believe that ten years from now we will look back and there will continue to be positive strides forward because of the decisions that were made today” (Coombes, 2018, personal communication). How successful will this and potential future projects be? What will they add to the downtown and how will everyone appreciate this space? These are among the factors that cannot be evaluated yet, but will be worth exploring once the downtown begins to change.

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## **CHAPTER 5**

### **CONCLUSION**

The cases of Mission and Chilliwack reveal the complexity and fragility of planning for downtown revitalization. These two cities, which operate within the same regional district, each have unique geographical, political, economic, and social characteristics, which have led to two distinct revitalization outcomes.

This concluding chapter aims to bring together all of the material and ideas discussed thus far and distil them down into tangible lessons and takeaways – an analysis of the analysis of sorts. It will compare the key revitalization efforts between Mission and Chilliwack, revealing the strengths and weaknesses of each strategy. Then, the findings that came out of the case studies' strategies and processes for downtown revitalization in Mission and Chilliwack will be compared to the findings from the literature to expose any complementary or contradictory elements.

The final thoughts of this chapter and research report will highlight areas that would benefit from further research and where this report may have not been able to go into as great of detail. A set of recommendations will be proposed for Mission and Chilliwack, which will suggest how they might be able to improve their strategies or what they should continue to do if they want to succeed in their revitalization endeavours. This report will conclude with a set of lessons specifically pertaining to revitalization planning as well as to the planning profession in general.

#### **Comparing and contrasting the findings from each case study**

Both downtown Mission and downtown Chilliwack are located away from high-traffic routes, resulting in minimal through-traffic for non-residents. Unique physical limitations in each city present a host of limitations to downtown revitalization. Chilliwack is simply larger than Mission. Chilliwack's population is larger, it has a larger downtown plan area, and it has a larger downtown (in terms of overall footprint). The fact that Chilliwack's downtown is larger means that it can accommodate a wider range of uses and services, which can, in turn attract more users. Chilliwack's large downtown (relative to Mission's) also means that there is more land to draw from, giving the City the opportunity to acquire land and facilitate projects on their own (as they have started to do already). Due to the high water table, Chilliwack cannot feasibly accommodate more than a three quarter story of underground parking for the time being, which restricts the amount of residential density that can be built downtown. Mission does not have the same issue with high water table, but its downtown is at the base of a steep hill, which separates the downtown from the uphill residential areas, which pose mobility issues for all users and complicates development and poses building constraints.

The Action Plan in Mission and the Downtown Plan in Chilliwack were created through very similar processes. From what the interviewees said and from what the plans themselves suggest, the public

was indeed consulted, the plan was drafted and eventually adopted by Council in a straightforward manner; it was how these plans were applied shortly after their creation that the differences begin to emerge. Chilliwack is further ahead in its revitalization process than Mission. Not only has Chilliwack been formally engaged in revitalizing its downtown for longer than Mission, Chilliwack's staff and Council have shared the same vision for revitalization since the beginning, unlike in Mission. Aspects of Mission's revitalization strategy such as the reconfiguration of downtown's traffic pattern pulled Council in a different direction than staff, causing time and money to be wasted that could have otherwise been spent on revitalizing the downtown. Mission's disagreement in vision is a product of change in political leadership and frequent turnover in Long-Range Planning management. Chilliwack has experienced a decade of political continuity, whereas Mission had wholesale changes in the position of Mayor and Council in the 2014 election. Chilliwack has already been able to implement a series of streetscape improvements; Mission has yet to put shovels in the ground. Further, Chilliwack has ambitiously purchased a large swath of the most prestigious land in the downtown core with the intent of catalyzing development.

Mission does have a more robust Downtown Incentive Program than Chilliwack, which includes more than just tax exemptions (which is all Chilliwack has). The developer interviewed for this report suggests that the incentives are better in Mission, though they have yet to be applied in any major capacity and have only marginally impacted revitalization efforts in Mission.

The real or perceived issues associated with parking are equally referenced in Mission and Chilliwack. Both heads of Mission and Chilliwack's respective economic development departments agree that more must be done to educate the public about how walking slightly longer distances to get to shops, as opposed to parking directly in front of them, is not such a burden when compared to walking long distances in large parking lots.

The impacts of the rising real estate costs in the Lower Mainland of British Columbia have been felt in both Mission and Chilliwack, for better and for worse. Higher-density development in each downtown is becoming feasible, which everyone interviewed agrees is one of, if not the most, important component to revitalizing the downtown. The rise in real estate prices, and thus housing costs, are also a likely contributor to increasing homelessness in both Mission and Chilliwack. This complex issue has been the focus of both Mission and Chilliwack staff and requires close liaising with the provincial government for health care and housing services for members of the community living on the margins or who are homeless altogether. Homelessness is the number one problem affecting the downtown according to many interviewees in Chilliwack; Mission did not rank homelessness as high on the list of problems. In Mission's case, economic and political factors are greater concerns.

Mission and Chilliwack both operate as providers of niche services and are indeed not trying to compete with the malls for overall sales and match the products malls offer. Chilliwack's economic development body CEPCO has powers that Mission's Economic Development Department does not: mainly the ability to act as a developer. CEPCO has been successful in a public-private development project elsewhere in Chilliwack, and is in the process of being applied in the downtown at the Five Corners Site.

Both Mission and Chilliwack have expressed a desire to move their aging City Halls into their respective

downtowns to serve as an anchor building and attractor, in place of elusive, larger commercial or office interests.

The optimism for revitalization is slightly greater in Chilliwack than in Mission, but this may be a result of the frequent changes in Mission's staff and Council in recent years. Neither city has any formal metric for tracking revitalization, though there are certain indicators each city's staff are monitoring that would imply that revitalization is occurring (e.g., increases in residential units built in the core, number of vacant shops, etc.) Chilliwack's Five Corners development strategy to acquire and sell 21 properties in the downtown suggests that beautification efforts are not enough to spur revitalization and that more robust strategies may be required.

There is always the chance that the interventions proposed for both downtowns will have no impact at all. The real estate market could take a major downturn and both downtowns will continue to struggle indefinitely. If the opportunities with respect to the real estate market and the excitement which should come from the impending changes in both downtown are missed, the significant investments both cities have made will be forever held against the downtown, substantiating the positions of the sceptics who oppose investment in the downtown. However, both communities are enthused about their respective proposed projects and are confident that action will bring about change for the better. At this stage, only time will tell.

### Comparing findings from case studies to the findings from the literature

The process of downtown decline in Mission and Chilliwack closely reflects the process by which many small and mid-sized downtowns decline. The slow creep of highways and malls being built in the periphery syphoned economic and social life out of each downtown. Downtown became unattractive for from the perspective of many users and slowly saw a reduction in sales and an associated disinvestment in the buildings by owners. Residential and commercial development continues to favour areas outside of the downtown.

This exercise in analyzing revitalization processes has revealed two major themes that were absent in the broad literature about downtown revitalization. First is the impact politics can have on a revitalization strategy (demonstrated by the Mission case). Leinberger (2005) and Burayidi (2001) highlight the need for strong leadership and focus on the vision at hand. However, of the nearly seven-dozen pieces of literature that were analyzed for this report, none highlighted how changing political regimes or politicians in general can impact a plan for revitalization.

The second major theme not covered in the literature is the impact that homelessness can have on creating negative perceptions for the downtown. This theme was present in both Mission and Chilliwack, but was much more profound in Chilliwack. The phenomenon of homelessness impacting Mission and Chilliwack contradicts Burayidi (2013), who notes that the downtowns of small and mid-sized cities are not plagued with the challenges such as fear of crime (which is a by-product of homelessness) common in larger cities. Chilliwack businesses owners cite safety concerns as the second-highest challenge facing their business. Many who were interviewed for this report were quick to state that "homelessness is not

just bad in our community; all communities deal with this”, which begs the question: why is homelessness not covered in the discourse of downtown revitalization in small and mid-size downtowns?

Mission was able to fund the creation of their downtown plan through federal and provincial funding. Such funding is an important factor to getting a plan started, as referenced in the literature (National Trust for Canada, 2017). Respondents in Chilliwack claim to not have received any external funding; presumably their downtown plan was funded through standard municipal budgetary allocations.

Mission and Chilliwack’s design guidelines and associated regulatory frameworks for their downtown seek to create features or spaces that enhance vibrancy or sense of place and to create walkable streets. These themes are consistent with the accounts of Robertson (1999), Paradis (2000), and Ravencroft (1999). Creating a sense of place by taking advantage of the city’s heritage and vernacular by preserving and reusing old buildings (Moulton, 1999) has had mixed success in Chilliwack, however. The encumbering costs of renovating older buildings have resulted in certain ones being torn down. Chilliwack does, however, stress the importance of designing buildings to incorporate heritage elements into their and built-form.

The importance of increasing residential use in the downtown to stimulate revitalization in Mission and Chilliwack is totally consistent with the findings of Sohmer (1999), Bunting et al (2000), Birch (2002), and Leinberger, (2005). Residential development on the periphery of Mission and Chilliwack outweighing residential development within the downtown is also consistent with what the literature suggests about small and mid-sized downtowns (Filion, 2015). As stated, an increase in housing for the downtown is only the first step in a wider downtown strategy, which should aim to fill and retain retail and office space as well as increase entertainment opportunities to create more downtown users at all times of day.

As noted, downtown businesses in Mission and Chilliwack provide niche services and are indeed not trying to compete with big-box stores. This follows what the literature would deem to be the best course of action for downtown businesses (Filion et al, 2004; Robertson, 1999; Ramsay et al; 2007). Neither Mission nor Chilliwack have tried to replicate malls in their downtown design schemes and each are, through beautifications and large projects, trying to foster an atmosphere that attracts people downtown. Burayidi’s (2013) suggestion that long-standing businesses are preoccupied with the overall success and longevity of the downtown is substantiated in both cases. Further, many owners of longstanding businesses in Mission and Chilliwack are involved in their respective downtown businesses associations and are closely tied to the revitalization process. Public-private partnerships (PPPs) are suggested to be an important part of the overall downtown revitalization process (Burayidi, 2013; Mitchell, 2001). Chilliwack has utilized a PPP structure, but not Mission. This is mainly due to the structure of Chilliwack’s economic development body and the powers it possesses (with respect to acting in a developer capacity) that Mission’s lacks.

Parking is a complicated problem in both cities. Actors in Mission and Chilliwack agree with Burayidi (2013) that parking is an often-overstated problem, but perceived or real, parking is a challenge each city must address in their car-dependent communities. Those tasked with approving developments want

to see parking in the downtown behind businesses, rather than cluttering up the frontage, an idea that is consistent with those of Paradis (2000).

The idea that downtowns should have a ‘positive word of mouth among local residents’, which is highlighted by Burayidi, is somewhat lacking in both Mission and Chilliwack according to the responses from certain interviewees. They note that there are groups of citizens who perceive the downtown to be unsafe, dirty, or a poor place to establish a business. In spite of the best efforts to educate people on the merits of downtown, there will always be those who do not see any value in the downtown and believe that it should not receive any public investment. Downtown’s opponents have some of the most important voices, however: if the minds of the most cynical can be changed to appreciate downtown, this is a good indicator that downtown is changing for the better. Often times, as Leinberger (2005) explains, Mayors are the ones to champion downtown revitalization and even use it as a campaign promise. Certainly, in Chilliwack the Mayor is fully on-board with revitalization and has full support from the Councillors around her. Mission, however seems to tell a different story and clash with Leinberger (2005). The Mayor of Mission ran on the promise of abolishing the traffic reconfiguration plan in Mission’s Downtown Action Plan and is cynical about how the plan was created (which was before his time as Mayor). Mission’s Mayor also seems ambivalent about spend money on beautification, questioning the impact it will have on the overall revitalization of Mission. Time will tell whether or not he is right or not.

In the grand scheme of revitalization strategies, Mission’s and Chilliwack’s are relatively new when considering the 30 years it generally takes to revitalize a downtown. This novelty makes it difficult to forecast the trajectory of either revitalization strategy. Mission and Chilliwack both understand the nuanced role downtowns should play, but their efforts have not yet translated into an increase in economic activity in downtown stores relative to suburban malls. This could be due to the fact that both communities tend to have more blue-collar type clientele that prefer the big-box stores that offer cheaper products (Hawes, 2018, personal communication).

Chilliwack’s beautification efforts on Mill Street do seem to have resulted in increased consumer spending and pedestrian activity in that section of downtown. Mill Street is also the location of downtown events in the summer, bringing even more activity downtown, albeit sporadic and temporary activity. This activity is key to the experiential component of downtown. Officials in Mission are hoping that their beautification efforts will have a similar effect on the sense of place in their downtown.

Both Mission and Chilliwack are aware of the importance of increasing housing in the downtown and of the fact that this should be part of a wider strategy. They are paying attention to the need to increase commercial activity and develop the service industry. For instance, both are thinking of relocating their city hall downtown. If either manages to do so, bringing well-paid public-service jobs into the core that could be at least a step in the right direction of downtown revitalization.

### Areas for further research

Topics such as how to deal with homelessness and how to provide and where to situate affordable housing in downtowns of the size and scale of Mission and Chilliwack go beyond the scope of this report, though they should each be the topic of further analysis. Limited land supply in smaller centres poses a challenge to establishing affordable housing stock. Additionally, affordable housing would likely need to go into existing residential neighbourhoods, whose residents are known to oppose affordable housing. Smaller municipalities also lack the resources to tend to homeless populations or implement affordable housing and often pass blame or responsibility onto the Province.

Part of the ongoing research should be to explore how smaller municipalities are addressing both affordability and homelessness in their communities given that the struggles Mission and Chilliwack are facing are fairly new for communities this small in scale.

As this research focused more on the qualitative and process components of downtown revitalization, a more robust quantitative analysis would be useful to analyze the evolution the downtowns of Mission and Chilliwack. In particular, quantitative analysis of business activity would be useful. Following trends in the number of stores, the volume of sales, etc. in relation to the implementation of downtown revitalization strategies would help to understand the impact of measures taken so far.

### Recommendations and lessons for planners

Mission and Chilliwack should look beyond the borders of their own municipal limits when approaching the issue of revitalization. This research has revealed that Mission and Chilliwack (and other cities not referenced in this report in the Lower Mainland) face very common challenges that could benefit from a regional strategy on how to address revitalization stumbling blocks such as homelessness, homelessness, economic challenges to downtown, and others. The planners and economic development staff interviewed at the District of Mission had no idea what the planners and economic development staff from the City of Chilliwack were doing to revitalize their downtowns. Perhaps, once a year, there should be some sort of ‘Downtown Forum’, where every City in the Fraser Valley Regional District sends a representative from Long-Range Planning and the Economic Development Office. At this forum, representatives could share ideas and note the common challenges and successes they have experienced in their journey towards revitalization. This approach on a regional level would open the dialogue up on how to revitalize in a collaborative way in an intra-city manner. Planners from the concerned cities could collaborate with stakeholders, local merchants’ associations and with developers, to foster downtown revitalization.

Another recommendation to both cities would be to have a way to address the social issues in the downtown as part of their revitalization strategies, rather than strictly as stand-alone policies or plans. Homelessness and negative social perceptions are a revitalization problem and should thus be included in the revitalization plans. Downtown plans frequently focus on social aspects in reference to children and families and entertainment in the downtown: they do not address homelessness. Addressing homelessness should be an item included in the municipality’s request for proposals (RFP) requirements to consultants

bidding on the contract. RFP items could be to help municipal staff draft policy recommendations, including Bylaw Enforcement (e.g., to keep homeless people from sleeping in the stoops of businesses) and also other social services within the community (so homeless people can find a place to sleep such that they do not need to sleep in the stoop of a business). The RFP could also require the consultant to work with the City on obtaining funding from upper levels of government to help provide funding for social issues, as smaller municipalities often lack the time and resources to apply for grants.

Recent announcements coming out of the provincial legislature state that over the next three years, the Province has promised \$378 million for new affordable rental housing, and \$306 million to build 2,500 new modular housing units and 1,500 units for women and children fleeing abusive relationships (Little, 2018). In light of these promises, it is incumbent upon municipalities, specifically elected officials to stand their ground and push back against the ‘not-in-my-backyard’ opponents of affordable housing to get affordable housing into their cities. The voices will be loud, but implementing affordability measures is an important step in getting people off the streets of downtown. If the Cities want to revitalize, affordable rental housing is a crucial component.

The Five Corners project in Chilliwack should be monitored very closely. If it turns out that this project results in positive change for the downtown, other municipalities, including Mission, should explore the idea of allowing its Economic Development Department to act as a pseudo-developer as CEPSCO does in Chilliwack. Interviewees noted that zoning cannot always uphold the City’s’ desired level of quality for development. A City-developer structure such as CEPSCO enables the City to buy land and rezone it, and to be closely involved in the development process, giving the City more control over quality of development that occurs in the downtown.

Part of democracy is to have change in political orientations but, at the same time, there needs to be continuity to realize policies or projects that take time. In Mission, politics led to the undoing of a downtown plan that took a long time and cost a lot of money. The recommendations related to mitigating plans against political whims are two-fold. Firstly, plans that could be seen as politically contentious should not be developed nearing an election. Sometimes the level of contention cannot be known, but generally, planners should read the political situation and act accordingly. As seen in Mission, adopting a plan before an election can be highly problematic. Election cycles last four years: if a downtown plan takes two years to go through the planning and consultation process, planning should begin no later than one year after an election. The first two years could be spent preparing and developing the plan, the third year would be investing in the plan and its interventions and finally, the fourth year for promoting the plan, passing it off to the next political regime.

For the second ‘politics-proofing’ measure, downtown plans themselves should somehow be buffered against political cycles; this can be done by entrenching plans by bylaw. A current Council may create a plan and expect future elected officials to adhere to it. But the next group of elected officials, as they were not involved in the planning process, are therefore disconnected from the plan and do not have the same level of buy-in to it. If a plan is entrenched by bylaw, however, it is much harder for an elected official to abolish the plan.

All planners can do is use the layers of plans and policies to influence and encourage council to stand their ground and only allow new development in the downtown that is consistent with the plan and is in the best interests of the downtown and not to compromise on quality. Non-political actors, particularly planners and members of the economic development community, transcend political terms and will remain in their positions (at least at first) regardless of the election outcomes, thus their role becomes

especially important with another municipal election right around the corner<sup>25</sup>. The non-political actors must harness the potential momentum created by the changes about to occur in both downtown Mission and Chilliwack.

### Final thoughts

Downtowns evoke an emotional and sentimental response from residents. They are the heart of the town as a physical entity, but also as the heart of the community. Not all communities are as fortunate as Mission and Chilliwack to still have historic downtowns with shops that have been in operation for decades. Not everyone, however, may share the vision for a revitalized downtown.

Downtown revitalization programs are not a guarantee for success; this is true no matter how well planned they are, how well promoted they are, or how well financed they are. The truth is that there are strong economic and social forces at play that threaten small and mid-sized downtowns. All downtown decisions must be made with the future users in mind. Efforts must be market-driven, considering not only the supply for a revitalized downtown, but also a demand for one.

There is no guarantee that downtown will revitalize. All planners can do is use the plans and policy at their disposal to influence and encourage those around them, including their colleagues, developers, politicians, and the public. Plans are only plans. Even the best plan is useless if it is before an electorate or public that does not agree with its contents. Planners and downtown merchants are downtown's last line of defence.

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<sup>25</sup> British Columbia's next set of municipal elections is scheduled for October 2018.



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- Coombes, B. President. Chilliwack Economic Partners Corporation (CEPCO). In person interview. February 21, 2018.
- Crawford, C. Economic Development Officer. District of Mission. In person interview. February 13, 2018
- Gaetz, S. Mayor. City of Chilliwack. Email communication. February 14, 2018.
- Hawes, R. Mayor. District of Mission. In person interview. February 15, 2018
- Jackman, J. Manager of Development Engineering and Projects. District of Mission. In person interview. February 20, 2018
- Popove, K. Councilor. City of Chilliwack. In person interview. February 14, 2018.
- Smith, G. Manager of Real Estate Development. No consent was given to share the company name. In person interview. February 16, 2018
- Smith, G. Manager of Real Estate Development. Unnamed Development Company. In person interview. February 16, 2018.
- Sommer, D. Director of Development Services, District of Mission. In person interview. February 14, 2018
- Stanton, K. Manager of Long Range Planning, City of Chilliwack. In person interview February 19, 2018.
- Williams, K. Executive Director. Downtown Chilliwack Business Improvement Association (BIA). Email communication. March 8, 2018.

## APPENDIX A: INTERVIEW GUIDE



### Draft Interview Guide

Thank you for considering to be interviewed. I have several questions about your experience with the revitalization process in your department and city, and your sense of what is happening in this area. You don't have to answer any of my questions. If anything is unclear, let me know, or if for any other reason you prefer not to answer, we can skip it. Among the questions I may ask during the interview include the following:

#### Introduction:

1. What is your basic area of responsibility and how long have you been acting in your role.
2. How have you been involved in the revitalization of your municipality?

#### Your City's Role

3. Who is involved, i.e. who are the main people and organizations you work with as part of your efforts in revitalization?
4. How do you involve the private sector and community groups in your policy development around revitalization? How much time is spent actively seeking business and development to locate in the downtown versus elsewhere in the city?
5. How is input weighed when an application or initiative comes before you and other municipal staff?
6. What have been some challenges to revitalization efforts in your city? What have been some of the biggest roadblocks standing in the way of Mission revitalizing?

#### Revitalization: Effects and Changes

7. How does your role relate specifically to the *Downtown Action Plan* and *Downtown Development Incentive Program* (descriptively in terms of 'nuts and bolts')?
8. Why did you (collectively as an economic development staff) choose the strategy and policies you now have and how did you arrive at this outcome? What were the top priorities in the decision making process?
9. How effective have the current policies and financial tools been at promoting revitalization? How could they be improved?
10. I noticed this tax exemption bylaw has recently been extended. How many people took advantage of the older version, roughly?
11. What impact do you think increasing residential development in the downtown core will have on revitalization?
12. What are some of the factors that you deem to be out of your control that limit your ability to facilitate revitalization (public pressures, limited developable land, etc.)?
13. What measures do you see as the 'quick fixes' in terms of revitalization? Additionally, what are the longer-term goals?
14. How is the success of revitalization efforts tracked over time

15. What has allowed the businesses that have lasted over the years to be so resilient? Is by their ability to offer a niche role or service within the community?
16. Where do you see the future of employment in Mission going? With 60% of residents commuting elsewhere, what role should Mission play in terms of job sectors and what is the role of downtown in this?

**Wrap up**

17. Based on your experience, what recommendations would you give to other cities in similar situations looking to revitalize their downtowns?
18. Is there any other information that you feel would be beneficial to an understanding of revitalization in your city?
19. Can I get back to you if I have other questions?

## APPENDIX B: DISTRICT OF MISSION CCD2 ZONE

### A. Zone Intent

1. The intent of this zone is to provide for the general commercial uses and/or multifamily residential apartments in the **Commercial Core** area. The **CCD2** zone is intended to accommodate uses within the historical downtown area of Mission and is designed to create a “Welcoming and Family-friendly Downtown” and “Improve the Economics for Downtown Development”.

### B. Permitted Uses

1. The following **Principal Uses** and no other shall be permitted in the **CCD2** zone:

- a. Accommodation limited to:

- i. *Hotel.*

- b. Automotive limited to:

- i. *Parking Lot.*

- c. Cultural limited to:

- i. *Cultural Assembly,*
- ii. *Gallery, and*
- iii. *Museum.*

- d. Entertainment limited to:

- i. *Banquet Hall, and*
- ii. *Cinema,*

- e. Food and Beverage limited to:

- i. *Restaurant.*

- f. Institutional limited to:

- i. *Adult Educational Institution,*
- ii. *Child Care Centre,*
- iii. *Civic Assembly,*
- iv. *College,*
- v. *Educational Facility,*
- vi. *Library, and*
- vii. *University.*

Definitions for uses that are in italic are in Section 102 of the Zoning Bylaw
---

- g. Office limited to:
  - i. *Government Service,*
  - ii. *General Office Use, and*
  - iii. *Administrative Office Use.*
- h. Personal Service limited to:
  - i. *Barber Shop,*
  - ii. *Cleaning and Repair of Clothing,*
  - iii. *Hair and Body Salon, and*
  - iv. *Spa.*
- i. Recreation limited to:
  - i. *Indoor Recreation Facility.*
- j. Residential limited to:
  - i. *Apartments.*
- k. Retail limited to:
  - i. *Bakery,*
  - ii. *Butcher,*
  - iii. *Convenience Store,*
  - iv. *Furniture Store,*
  - v. *Garden Supply Store,*
  - vi. *Liquor Store,*
  - vii. *Produce Sales,*
  - viii. *Retail Store,*
  - ix. *Second Hand Store,*
  - x. *Specialty Food,*
  - xi. *Supermarket, and*
  - xii. *Video Rental.*
- l. Service limited to:
  - i. *Community Service,*
  - ii. *Financial, Insurance and Real Estate,*
  - iii. *Funeral Parlour and/or Memorial Service Facility,*
  - iv. *General Service Use, and*
  - v. *Veterinary Clinic.*

3. The following **Accessory Uses** and no other shall be permitted in the **CCD2** zone:
  - a. Residential limited to:
    - i. *Indoor Amenity Space*, and
    - ii. *Outdoor Amenity Space*.
  - b. Storage limited to the following:
    - i. *Enclosed Storage*.
4. Conditions of Use:
  - a. Where a *Building* is adjacent to 1<sup>st</sup> Avenue, *Apartment Use* must not be located on the storey fronting 1<sup>st</sup> Avenue.
  - b. *Apartment Use* must be the only *Use* located in a storey and for all storeys above the *Apartment Use*.

## C. Lot Area

1. Except where such *Lot* existed at the effective date of this Bylaw or *Lots* created under Section 104, Part D, each *Lot* shall have a minimum area as shown on the following table:

Zone:	Area
<b>CCD2</b>	558 sq m (6,006 sq ft)

2. Notwithstanding Section 901, Part C.1, where a *Lot* contains an *Undevelopable Area*, that area shall not be included in the calculation of minimum *Lot Area*.
3. Notwithstanding Section 901, Part C.1 and C.2, where a *Lot* contains natural slopes greater than or equal to 33%, that sloped area shall not be included in the calculation of minimum *Lot Area*.

## D. Density

1. The maximum density for the residential portion of the development shall be calculated as follows:

Zone:	Maximum Density
<b>CCD2</b>	654 upha (265upa)

**E. Setbacks**

1. All *Buildings* and *Structures* shall be sited in accordance with the following minimum *Setbacks*:

	Front	Rear	Interior Side	Exterior Side
<b><i>Principal/ Accessory Building or Structure</i></b>	0.0 m (0.0 ft)	0.0 m (0.0 ft)	0.0 m (0.0 ft)	0.0 m (0.0 ft)

2. Notwithstanding Section 901 Part E.1, all *Buildings* shall be sited a minimum of 6.0 m (19.6 ft) from all *Undevelopable Areas* as defined in this Bylaw.

**F. Lot Coverage**

1. *Buildings* shall together cover not more than the *Lot Area* as noted in the following table:

Zone:	Lot Coverage
CCD2	100%

**G. Floor Space**

1. The floor space should not exceed the following ratio as listed in the following table (garage space, detached or attached, or underground parking shall not be used in calculating total floor area):

Zone:	Floor Space Ratio
CCD2	4.5

**H. Height of Buildings**

1. The *Height* of the *Principal Building* and *Accessory Buildings* shall not exceed 21.3 m (70.0 ft):

**I. Indoor Amenity Space**

1. Developments that contain 15 units or more shall provide in *Indoor Amenity Space* at a rate of at least 2.8 sq m (30.0 sq ft) per unit.
2. A *Child Care Centre* may be housed within an *Indoor Amenity Space* provided they comply with the following requirements:
  - a. Direct access from a highway, independent from the access to the residential uses; and
  - b. Direct access to an open space and play area within the *Lot*.

### **J. Outdoor Amenity Space**

1. *Outdoor Amenity Space* is not a requirement within this zone.
2. If *Outdoor Amenity Space* is provided it shall have a slope of 5% or less.

### **K. Off Street Parking**

1. *Off Street Parking* shall be in accordance with the provisions of Section 109.
2. Notwithstanding Section 901, Part K, Paragraph 1, the following minimum number of parking spaces are required:
  - a. *Apartment Use* – 1.0 spaces per *Dwelling Unit*
3. 75% of the required resident parking spaces must be provided as parking within the building envelope.
4. *Off Street Parking* shall not have access from a front property line if access is available via a lane or a flanking street.



## APPENDIX C: CITY OF CHILLIWACK CD-27 ZONE

### 14.27 CD-27 (COMPREHENSIVE DEVELOPMENT-27) ZONE

(1) *DESCRIPTION*

*The CD-27 (COMPREHENSIVE DEVELOPMENT-27) ZONE consists of 1.6 hectares of land located between Yale Road, Young Road, Princess Avenue and Nowell Street, where a mixed use development including townhouses and commercial uses with apartment units above has been considered and approved by Council.*

(2) *PERMITTED USES*

*The following USES shall be the only USES permitted in this ZONE unless specifically permitted elsewhere in this BYLAW by GENERAL USE or SPECIAL USE REGULATIONS.*

(a) *MULTI-FAMILY RESIDENTIAL*

- (i) *Townhouse*
- (ii) *Apartment Block (subject to Section 5.15 – Adaptable Housing)*

(b) *GENERAL COMMERCIAL (subject to Special Regulation)*

(c) *URBAN ANCILLARY USES (subject to Special Regulation)*

(d) *OFF STREET PARKING*

(e) *ACCESSORY HOME OCCUPATION*

(f) *RESIDENTIAL CARE*

- (i) *Assisted Living Residence*
- (ii) *Adult Care Facility*

(3) *LOT SIZE (minimum)*

- (a) *700m<sup>2</sup> for all uses*

(4) *LOT DIMENSIONS (minimum)*

- |                         | <i>WIDTH</i> | <i>DEPTH</i> |
|-------------------------|--------------|--------------|
| (a) <i>For all uses</i> | <i>25m</i>   | <i>30m</i>   |

(5) *DENSITY (maximum)*

- |                                     |                      |
|-------------------------------------|----------------------|
| (a) <i>MULTI-FAMILY RESIDENTIAL</i> | <i>370 du per ha</i> |
|-------------------------------------|----------------------|

(6) *LOT COVERAGE (maximum)*

*N/A*

(7) *FLOOR AREA RATIO (maximum)*

*N/A*

(8) *SETBACKS (minimum)*

- |   | <i>FLL</i> | <i>RLL</i> | <i>ISLL</i> | <i>ESLL</i> |
|---|------------|------------|-------------|-------------|
| (a) <i>All buildings and structures</i> | <i>0.0</i> | <i>0.0</i> | <i>0.0</i>  | <i>0.0</i>  |

**14.27 CD-27 (COMPREHENSIVE DEVELOPMENT-27) ZONE** (continued)**(9) SITING**

- (a) *Commercial uses shall only be permitted in floors located below, MULTI-FAMILY RESIDENTIAL USES (apartments) may be located in floors above the first storey and shall be the only use on such floors*
- (b) *Parking and waste container facilities shall be located behind or under commercial and residential units so as to be screened from public areas.*

**(10) BUILDING HEIGHT (maximum)****(a) MULTI-FAMILY RESIDENTIAL**

- (i) *Townhouse* *13m*
- (ii) *Apartment block* *50m*

**(11) OFF STREET PARKING (minimum)**

- (a) *Shall be developed in accordance with the requirements of Section 5.13 of this BYLAW*
- (b) *Shall provide at least the following minimum number of spaces:*
  - (i) *0.75 spaces per apartment dwelling unit less than 51m<sup>2</sup> in area*
  - (ii) *1 space per one bedroom apartment unit*
  - (iii) *1.5 spaces per two bedroom apartment unit*
  - (iv) *2 spaces per townhouse unit*
  - (v) *1 space per 40m<sup>2</sup> commercial uses*
  - (vi) *1 bicycle parking space (type "B" parking device) per 500m<sup>2</sup> gross floor area commercial use*
  - (vii) *6 visitor bicycle parking spaces (type "B" parking device) for each MULTI-FAMILY RESIDENTIAL building*

**(12) OFF STREET LOADING**

- (a) *Shall be developed in accordance with the requirements of Section 5.12 of this BYLAW*
- (b) *Shall provide at least the following minimum number of spaces:*
  - (i) *1 space per 1000m<sup>2</sup> Commercial gross floor area*

**(13) AMENITY AREA**

- (a) *Shall be developed in accordance with the requirements of Section 5.02 of this BYLAW and the amenity area standards for the R4 Zone for townhouses or the R6 Zone for apartment units.*

**(14) FENCING, SCREENING & LANDSCAPING**

- (a) *Fencing, screening, and landscaping shall be provided in accordance with the requirements of Section 5.05 of this BYLAW.*

**14.27 CD-27 (COMPREHENSIVE DEVELOPMENT-27) ZONE (continued)**

*(15) SIGNS*

- (a) Shall be developed in accordance with the City of Chilliwack Sign Bylaw, in force from time to time*

*(16) SPECIAL REGULATIONS*

- (a) GENERAL COMMERCIAL USE shall specifically exclude:*

- (i) an amusement centre*
- (ii) a night club, neighborhood pub or other beverage room*
- (iii) an Adult Entertainment Facility within 1 km of any school (as regulated by the Business Licence Bylaw, in force from time to time)*
- (iv) beverage container return depot*
- (v) a pawnbroker*
- (vi) a liquor store*

- (b) URBAN ANCILLARY USES shall be limited to:*

- (i) gardening and recreational activities*
- (ii) household storage and maintenance*
- (iii) keeping of household pets not exceeding 3 in number*
- (iv) off-street parking of licensed motor vehicles in association with the RESIDENTIAL USE*

(AB#4436)

