

PRINCE GEORGE - CITY CENTRE PROSPECTUS 2011



PRINCE GEORGE
city centre

HSBC

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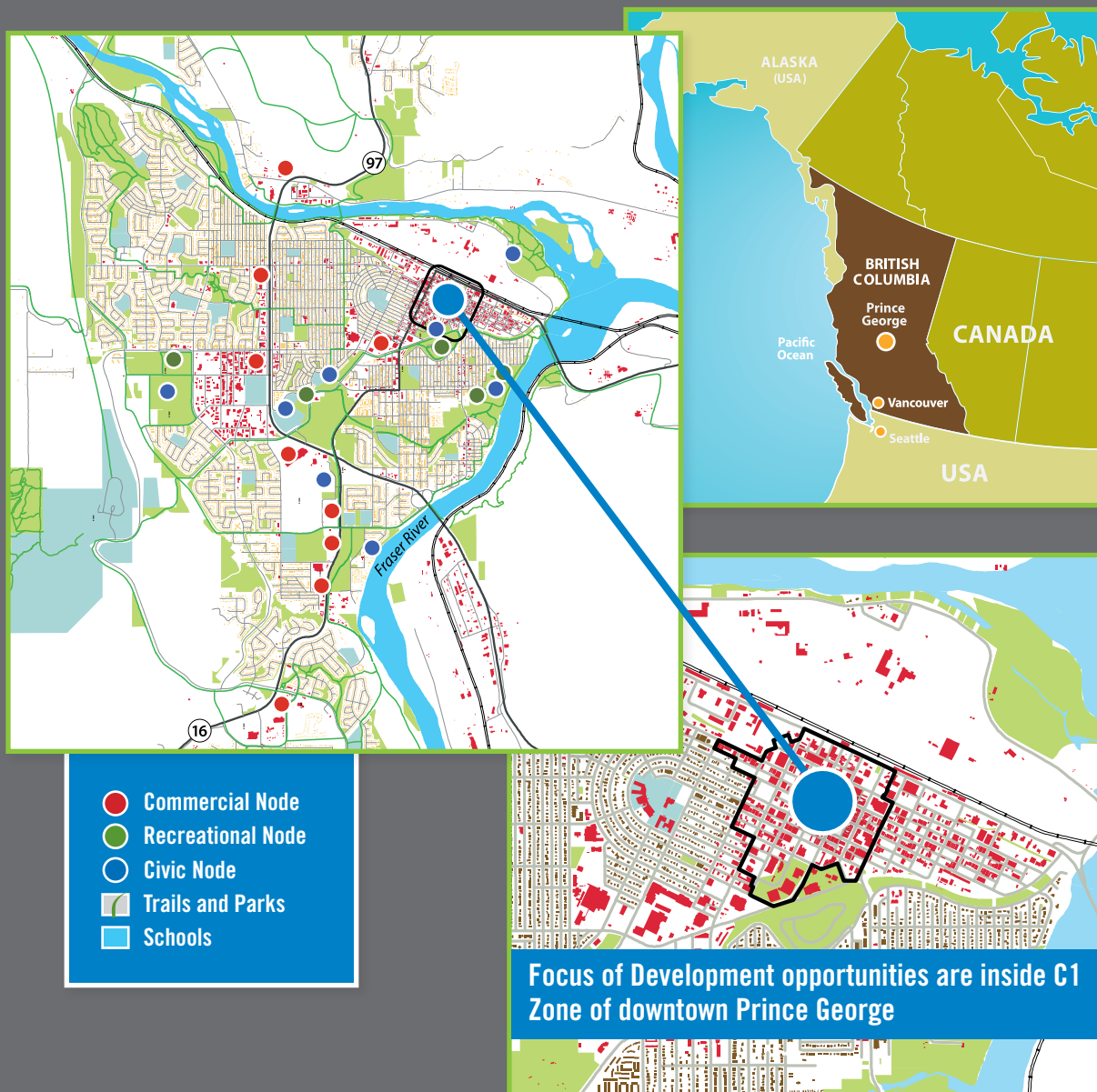


—JEUX DU—
CANADA
—GAMES—

REVITALIZING PRINCE GEORGE'S CITY CENTRE

Our City Centre reflects the spirit and soul of Prince George - its revitalization as the vibrant core of Northern BC's largest city is a priority. The momentum is growing as public and private investment turns its focus to Prince George's City Centre. Explore projects of today and prospects of tomorrow - and discover opportunities and incentives for investing in the building blocks of change.

Prince George is the regional centre of Northern BC, sitting at the confluence of the Nechako and Fraser Rivers.





CONTEXT FOR DEVELOPMENT

Prince George is a Sustainable Knowledge Based Resource Economy Connected to the World

- On the heels of the province hosting the 2010 Olympic and Paralympic Winter Games, Prince George will welcome Canada as the host of the 2015 Canada Winter Games.
- Prince George was ranked #1 as having the most competitive business location costs out of the 13 cities profiled in Pacific US/Canada in KPMG's 2010 Competitive Alternatives Study.
- Prince George is a college and university city with 10% of its population attending post-secondary studies at the College of New Caledonia or the research intensive, award-winning University of Northern British Columbia, Canada's Green University.
- Prince George is a large regional health centre. Since 2010 more than \$100m has been invested into Northern BC's Cancer Centre and Lodge, scheduled to open in 2012.
- Prince George is a supply and service centre for resource sector development in the region (traditional forestry, mining and green bioenergy). The largest employment sectors include retail trade, health care, manufacturing, construction, education, transportation & warehousing, and tourism.
- Situated on the newest, shortest and most uncongested trade route connecting the Asia-Pacific to North America, Prince George is a growing multimodal transportation hub and has seen more than \$200m in private and public investment over the past two years.

PRINCE GEORGE BY THE NUMBERS

	5YR Annual Average	Average Annual Growth Rate
City Population	75,568 *	1.0% (3 YR)
Regional Service Area Population	201,229 **	0.7% (3 YR)
Housing Starts	245	17.7% (10 YR)
Building Permits	\$122m	22.0% (10 YR)
Business Licenses	5056	0.1% (10 YR)
YXS Passengers	397,111	0.9% (5 YR)

* 2010 BC Stats

** 2010 BC Stats, includes Regional Districts of Fraser-Fort George, Cariboo, Bulkley-Nechako

'MAKE NO LITTLE PLANS'

– Daniel Burnham, 1921

The Revitalization Zone is defined primarily by the C1 Commercial Downtown Zone. This area is the central portion of the original town site as planned for the Grand Trunk Pacific Railway in 1912. The original City Beautiful plan included parks, squares, and buildings arranged along boulevards and at the terminus points of grand axes of streets. The grid of broad streets remain, and the City Beautiful's civic ideals are well realized in the Courthouse at 3rd Ave and George Street. In 1921, Daniel Burnham, the leader of the City Beautiful movement, said:

"Make no little plans. They have no magic to stir men's blood and probably themselves will not be realized. Make big plans; aim high in hope and work, remembering that a noble, logical diagram once recorded will never die, but long after we are gone will be a living thing, asserting itself with ever-growing insistency. Remember that our sons and grandsons are going to do things that would stagger us . . . Think big."

In 2009 the Prince George community completed a Smart Growth on the Ground Planning Process generating a shared vision, principles, and plans for revitalization.



Lheidli T'enneh

"Prince George is in the traditional territory of the Lheidli T'enneh people – the people of the confluence of rivers. With its abundant resources and beauty, the area has been the home of the Lheidli T'enneh for many generations. Like the rivers, the Lheidli T'enneh aspire to move ahead as an organized, highly motivated, determined and self-reliant nation."

– Chief Dominic Frederick

- Central Business District
- LAND COVER BY TYPE
- Church Yard; Park Plaza
- Commercial Building
- Civic Building
- Small Lots and Building Exteriors
- Surface Parking
- Undeveloped
- Right of Way



Derived, original data source: City of Prince George, 2009

CITY CENTRE OF PRINCE GEORGE

The total area of the City Centre of Prince George is 53 hectares. Within this area, there are 3.3m square feet of office/retail space which is 42% of Prince George's total. Approximately 57% of the Gross Leasable Area (2.9m square feet) in the City Centre is office, the remaining is retail/service. This includes about 940,000 square feet of retail.

Less than 1% of housing in Prince George is located in the City Centre, however three adjacent attractive and quality neighbourhoods are well populated – Crescents, Millar Addition, and Connaught Hill.

DOWNTOWN C1 ECONOMIC ACTIVITY

Five Year Summary (2006-2010)

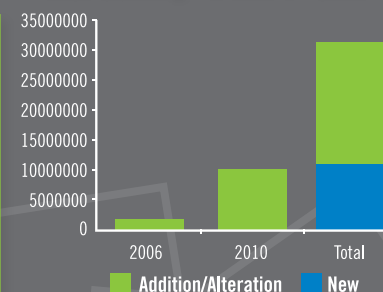
Value of Building Permits	\$31 million
Number of Building Permits	107
% of City of PG Building Permit Value	6%
Assessed Value C1 Zone	\$250 million (2009)

Office Vacancy Rate (2010)	12.7%
Retail/Service Area (m ²)	14,550
Office Area (m ²)	17,195
TOTAL	31,745

Central Business District – Vacancy Rates (1983 - 2010)



Value Building Permits C1 Zone



SMART GROWTH ON THE GROUND VISION FOR CITY CENTRE DEVELOPMENT

- City wide population growth focused more dominantly in city centre neighbourhoods
- 40% of Project Area to be residential land use
- Tree canopy cover – 22% of Project Area
- Historic places listed on Community Heritage Register – 5 places per 1000 people
- Wood is featured in new and renovated construction
- Surface parking reduced to 10% of total project area
- Parks and plazas constitute 10% of project area
- Heating demand supplied by local low-carbon energy (bioenergy, geothermal, solar)



MOVING TOWARD THE VISION:

In 2011, The City of Prince George will complete an updated Official Community Plan (OCP) that reflects a growth management strategy focused on sustainability goals. The OCP will establish policies that recognize City Centre development as a priority.

The Mayor's Task Force for a Better Downtown, now known as the Downtown Partnership, is a City Committee acting on a series of recommended actions that are set to achieve these growth and improvement targets for City Centre development. The action items fit one or more of the following objectives:

- Develop a business plan to carry forward the City Centre revitalization agenda
- Improve the downtown marketplace climate
- Improve cultural vibrancy
- Improve public safety, cleanliness, health and wellness services, and housing
- Improve public spaces and green spaces
- Improve air quality and reduce greenhouse gases
- Improve municipal infrastructure

The Downtown Partnership provides quarterly updates on progress toward these targets and other achievements driving the development of the City Centre.

GROWTH TARGETED TO CATALYST DISTRICTS



CATALYST DISTRICTS

- ① Financial Core District
- ② Civic Core District
- ③ River Park
- ④ Market and Cultural Core District
- ⑤ Vancouver-Victoria Flex

Catalyst Districts are mixed use areas with highly flexible spaces for a variety of potential uses including retail, office, residential, social service and cultural or civic uses.

City Centre development will enhance growth opportunities for Prince George.

CATALYST DISTRICT - FINANCIAL CORE

The FINANCIAL CORE DISTRICT is well-developed today. It is characterized by the existing mid-rise buildings and acts as an employment anchor for the downtown core.

CATALYST PROJECTS:

- New RCMP Detachment underway and scheduled for completion in 2013.
- This area includes streetscape improvements that beautify the area and accommodate cyclists and pedestrians.
- The first stage of residential infill development is occurring, with a new mixed-use townhouse project on 2nd and Victoria providing high-end options for downtown residents.

CATALYST PROJECT



NEW RCMP DETACHMENT

The City of Prince George has awarded a contract to construct a new RCMP Detachment facility at the corner of Victoria and 5th Avenue by 2013. The facility, with a construction cost valued at \$25m, will be 63,645 sq. ft. and is designed to LEED standards. The design includes many energy saving features like exhaust heat recovery, increased insulation, sustainable energy production, daylight harvesting, groundwater cooling, innovative lighting controls and improved windows. There are also environmental features like site greening, improved natural light for office spaces and reuse of rainwater for irrigation and flushing.



CATALYST PROJECT

Approved RCMP Detachment Facility

CATALYST DISTRICT - CIVIC CORE

The CIVIC CORE Catalyst District expands on the existing Civic Plaza complete with the Prince George Civic Centre, Two Rivers Art Gallery, Public Library, and Connaught Hill Park. Added will be park space and greenways that link park and plaza space to Patricia Boulevard, and that recognize the attachment of the City Centre to the Nechako and Fraser Rivers that enfold it.

CATALYST PROJECTS:

- The Civic Plaza will be central to Prince George's hosting of the 2015 Canada Winter Games.
- The Prince George Regional Performing Arts Centre Society is advancing a plan for a performance facility to be located in the CIVIC CORE. Prince George City Council has proceeded with a project application to P3 Canada and the Society is working toward finalizing the project financing model.

Prince George Regional
Performing Arts Centre (proposed)



Image by Won Kang, © DIALOG + PGRPACS

CATALYST PROJECT



Civic Plaza



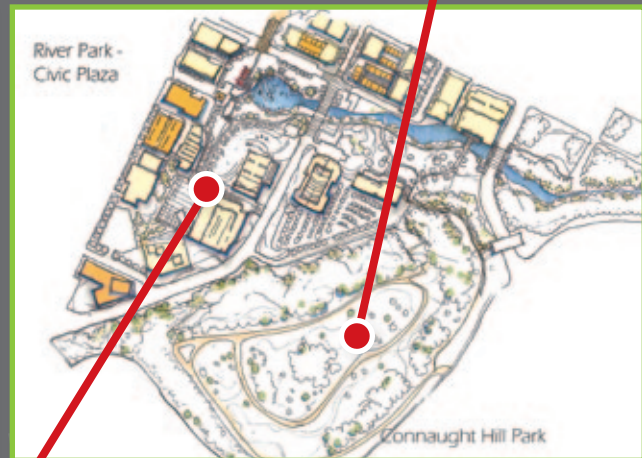
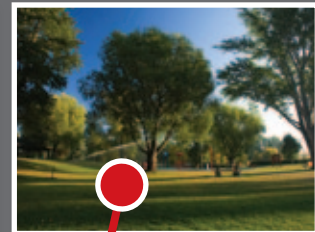
Civic Plaza
2015 Canada Winter Games



Northern Lights Winter Festival



Connaught Hill Park



CATALYST DISTRICT - RIVER PARK

RIVER PARK will be a high density, mixed residential and commercial area surrounding the CIVIC CORE district and providing residents with convenient access to 3rd and 4th Avenue retail areas. The area currently hosts business class hotels and office/retail activity which fit well with potential projects including tower apartments and mixed commercial/residential development. The City of Prince George owns real estate in this area to catalyze new developments.

CATALYST PROJECTS:

- Commonwealth Health Centre is a new commercial development on the corner of 7th and Quebec that opened in 2010.
- Elizabeth Fry Place is a new \$6m, 36-unit seniors' housing development on 6th Avenue, being built in partnership between the City of Prince George and BC Housing.
- Further mixed commercial/residential projects are envisioned for RIVER PARK. Proposals for additional residential developments are being advanced.

CATALYST PROJECT



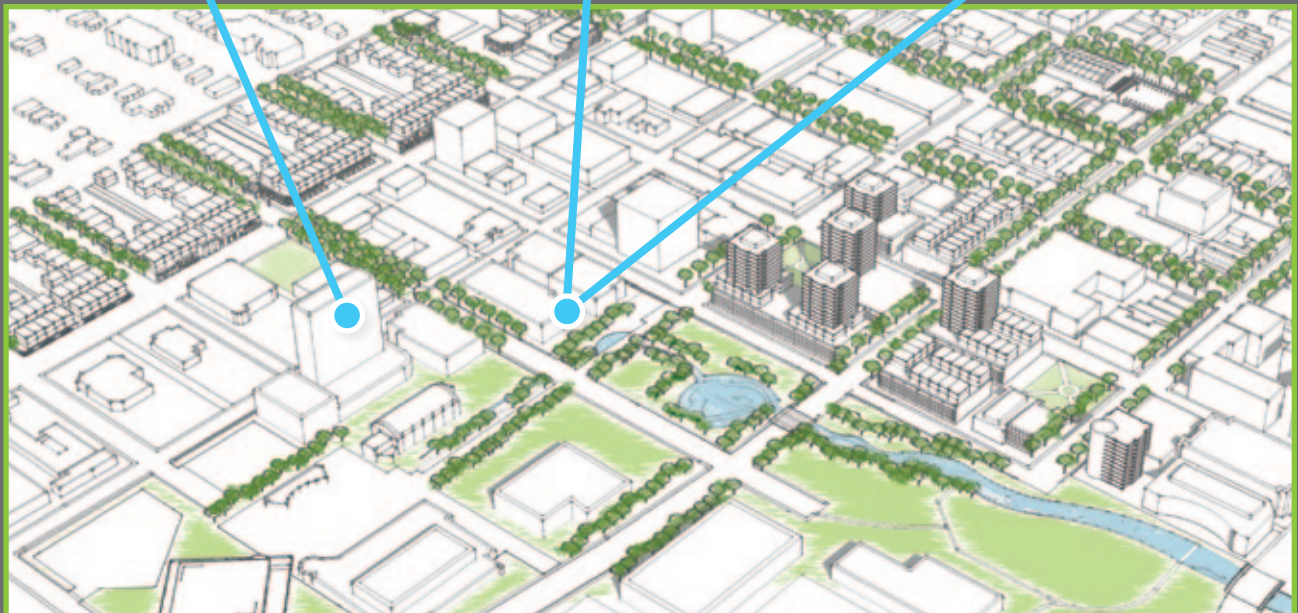
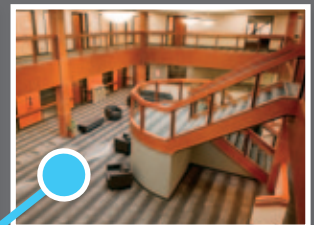
Coast Hotel



Commonwealth Health Centre



Commonwealth Health Centre



CATALYST DISTRICT

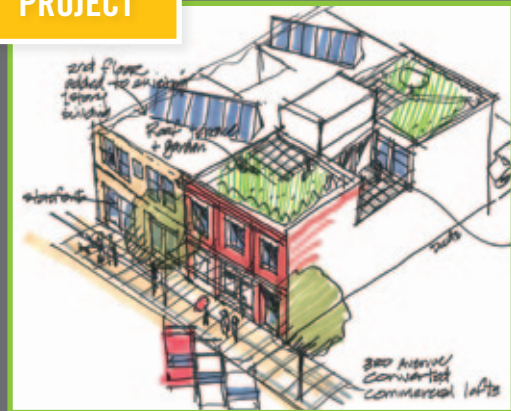
- MARKET & CULTURAL CORE

The MARKET AND CULTURAL CORE is the District with the greatest area and potential for new projects and renovations, comprising a total of 14 blocks. 3rd and 4th Avenues have become choice locations for small scale shops, boutiques and restaurants, including 'The Northern', a featured hardware store that began business in 1919. Historic George Street, intersecting these two Avenues and anchored on the south end by City Hall, is a targeted area for re-development and has many key sites available. The Prince George Courthouse, Prince George Farmer's Market, Ramada Hotel, and Keg Steakhouse & Bar are some of the businesses located on George Street today.

CATALYST PROJECTS:

- The Ramada Hotel is undergoing an \$8m renovation, and recently opened a Starbucks coffee shop in its front lobby.
- The Keg Steakhouse & Bar will complete a \$3m renovation in 2012 that will feature the largest outdoor patio in Prince George — heated!
- The Prince George Farmer's Market Society is preparing a renovation plan for its George Street location where it operates year-round on weekends.
- Fortis BC has completed a \$4m renovation on their 2nd Avenue property, where a new customer contact centre will employ more than 100 people beginning in 2012.
- TELUS invested \$1.5m to further expand its Prince George call centre and create 100 new jobs at its 6th Avenue location in 2011.
- New lighting and façade improvements are underway along George Street.
- In-fill and redevelopment will add spaces for residential apartments, lofts, studios, office and retail.
- Development of a public marketplace is envisioned.
- The Province of BC, City of Prince George, University of Northern BC and other community partners are advancing a plan for a Wood Innovation and Design Centre that will support the goal for a campus in the City Centre and accelerate the feasibility for student housing here.

CATALYST PROJECT



Ramada Plaza / Starbucks



The Keg Steakhouse & Bar



CATALYST DISTRICT - VANCOUVER-VICTORIA FLEX

CATALYST PROJECT

The VANCOUVER-VICTORIA FLEX DISTRICT is named in reference to the 5 block area between these two streets. This area is adjacent to the Crescents residential neighbourhood and connects it to the City Centre. Comprised of offices today, the District is targeted for expansion to include 3 to 4 storey townhouses and mixed commercial development facing Victoria. This area offers convenient access to existing amenities including the Parkwood Mall with 350,000 square feet of retail space, and Duchess Park Secondary School.

CATALYST PROJECTS:

- The new \$39m Duchess Park Secondary School, built to LEEDS Gold Standards was completed and opened in 2010.
- The City of Prince George is proceeding with redevelopment of a community park on the Duchess Park lands as envisioned in the Crescents Neighborhood Plan. The redevelopment will honour the site's historical prominence at the heart of the Crescents Neighbourhood as conceived by the City Beautiful Plan and Grand Trunk Pacific Development Company in 1913.



Duchess Park Secondary School



PHOTO CREDIT: Duchess Park Secondary • Hughes Condon Marler Architects (Hubert Kang)



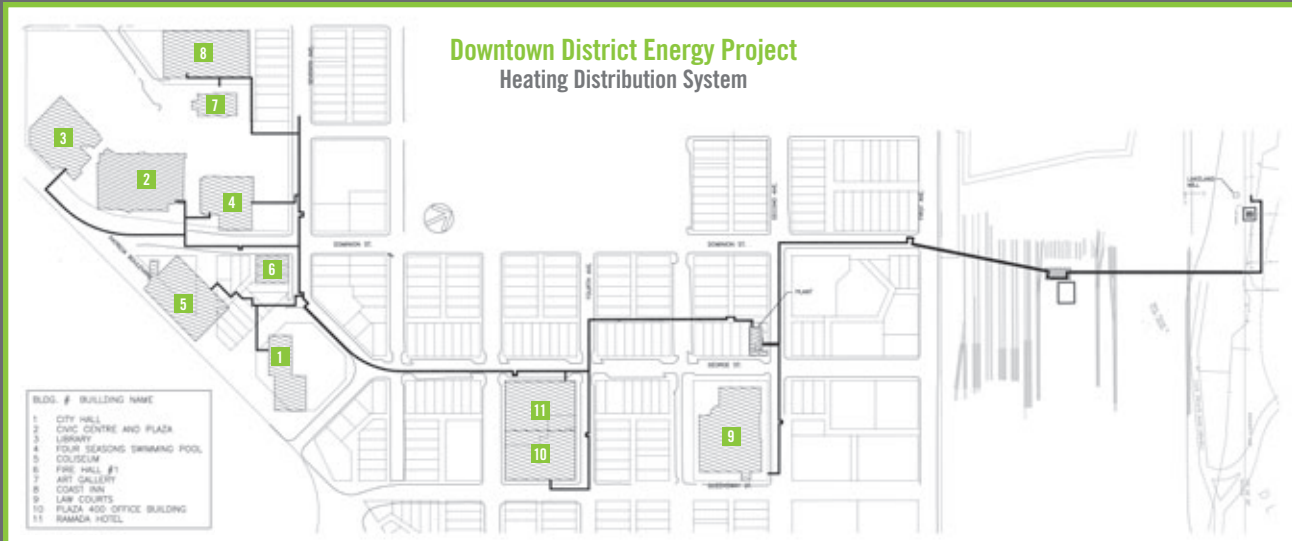
Crescents Neighbourhood Plan

PUBLIC WORKS - CIVIC IMPROVEMENTS

Development of the City Centre has become a point of pride for Prince George.

GREEN ENERGY INFRASTRUCTURE:

The City of Prince George is investing \$15m, primarily funded through grants, in the largest biomass-based district energy project in Canada, to service the City Centre. The Downtown District Energy System, scheduled for commissioning in spring 2012, will reduce particulate emissions in Prince George's sensitive airshed by 100 tonnes per year, reducing greenhouse gas emissions by 1,868 tonnes per year and move the City toward its sustainability objectives. A new building being constructed at 2nd Avenue and George Street to house system operations will also provide additional retail/office space.



CAPITAL IMPROVEMENTS:

Between 2006 and 2010, the City of Prince George spent \$7m on 100 projects in the City Centre.* This included the development of Veterans Plaza and Spirit Square in front of City Hall and the removal of canopies to improve façades along George Street. Priorities moving forward include further 4th Ave streetscape improvements between Queensway and Victoria, and conversion of one-way streets to two-way to improve traffic calming.

*Full project list available and includes downtown tree planting, storm and sewer system rehab, paving, road rehab, planning for 4th Ave conversion to 2-way, wheelchair ramps, etc.

HIGH SPEED FIBRE OPTIC:

The City Centre of Prince George is serviced by a high speed fibre optic network owned by the City of Prince George. A model is currently in final development to ensure businesses requiring high data capacity have access to this network in the downtown.

DOWNTOWN BUSINESS IMPROVEMENT ASSOCIATION:

Downtown Prince George, in partnership with organizations, delivers events including the Northern Lights Festival, Summerfest, a variety of marketing initiatives and is piloting the Downtown Clean Team to provide additional cleaning services within the City Centre.

HONOURING HISTORY:

Following the Prince George Heritage Context Study in 2010, thirteen Downtown Heritage Educational Signs were unveiled in support of heritage preservation and the incorporation of heritage values into downtown designs. Signs for eight additional sites were installed in 2011.

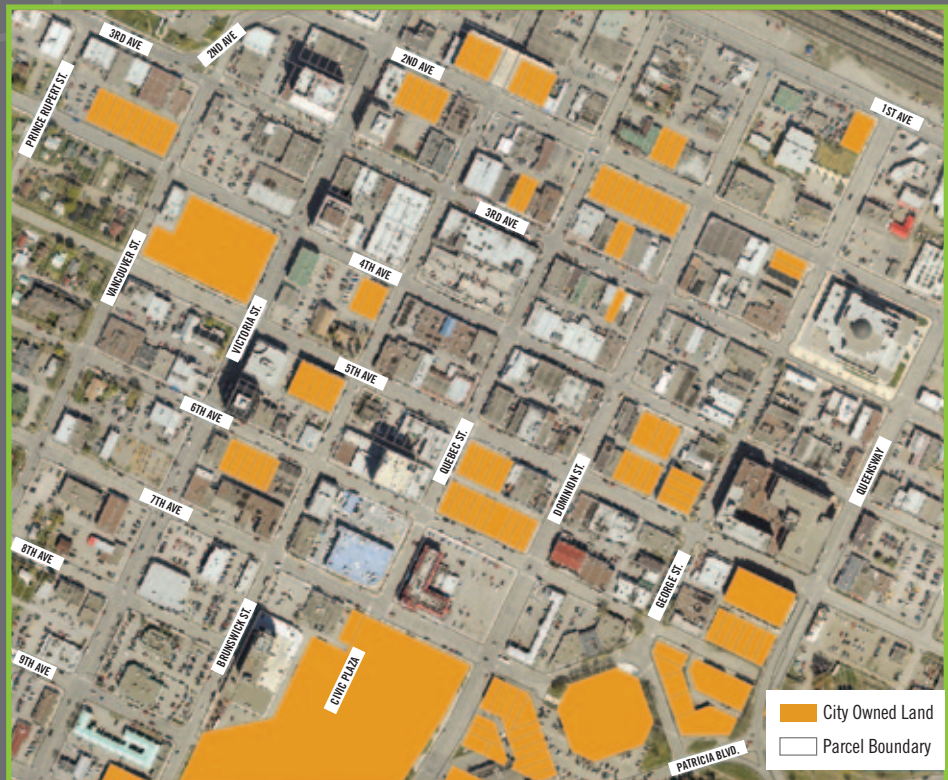


DEVELOPMENT INCENTIVES

SHAPING AND FORMING GROWTH:

The Downtown Partnership's plan consists of strategies and policies to enhance the City Centre's growth opportunities. Included are:

- Develop City Centre housing strategy for market and non-market housing
- Wood-first design standards development
- Establish comprehensive urban design process
- Continue support of RCMP Downtown Enforcement Unit
- Utilize Crime Prevention Through Environmental Design (CPTED) principles
- Provide space for community gardens
- The City of Prince George owns several sites available for development



DEVELOPMENT INCENTIVES:

The City of Prince George has established the new Downtown Incentives Program to encourage new residential development, commercial development and façade improvements for buildings in the City Centre. The Program offers incentives for new multi-family, mixed-use, commercial and green development, as well as upgrades to existing buildings in downtown Prince George. The new program augments the City's current suite of development incentives which includes:

- C1 Flexible Zoning
- Lowest Development Cost Charges amongst all cities in British Columbia
- City of Prince George provides off-street parking, no up-front capital parking costs to developers
- City owned land may be provided below-market for new housing or mixed-use projects (market and non-market)



DOWNTOWN INCENTIVES PROGRAM

The City of Prince George's Downtown Incentives Program offers incentives for new multi-family, commercial, mixed use and green development, and improvements to existing development in downtown Prince George.

1. Revitalization Tax Exemption Program

The City of Prince George Downtown Revitalization Tax Exemption Bylaw provides municipal tax exemptions for projects that meet the criteria set out in Tables A, B, and C.

2. Northern Development Initiative Trust Community Revitalization Program

Through an innovative program developed in partnership between Northern Development Initiative Trust and the City of Prince George, additional incentives are available for projects that meet the criteria set out in Table A (b) or (c), Table B (e), or Table C (f). The program has two components:

a. RTE Early Benefit Program

Qualified property owners may choose to receive an amount equal to the value of the tax exemption that would have been received through the City's Revitalization Tax Exemption Program, payable to the property owner on issuance of an occupancy permit. Properties owners are not eligible to receive tax exemption and benefit through this program for the same property.

b. Housing Contribution Program

Contributions of \$10,000 per unit are available for residential and mixed use projects that meet the criteria set out in Table A (b) or (c).

QUALIFYING CRITERIA: Revitalization Tax Exemption and RTE Early Benefit Program

Table A – Revitalization Tax Exemption for Residential and Mixed Use Development

Description	Residential Development Area A: Medium density mixed use or High density multi-family development Area B: Medium density multi-family development		
Minimum Investment	(a) \$50,000	(b) \$500,000	(c) \$500,000
Location	Area A & B	Area A	Area B
Improvements	Any construction or upgrade	Any new construction	Any new construction
Exemption	100% of increase in assessed value of improvements over previous calendar year.	100% of assessed value of land and improvements.	100% of assessed value of improvements.

Table B – Revitalization Tax Exemption for Commercial Development

Description	Commercial Development	
Minimum Investment	(d) \$50,000	(e) \$500,000
Location	Area A	Area A
Improvements	Any construction or upgrade	Any new construction
Exemption	100% of increase in assessed value of improvements over previous calendar year.	50% of assessed value of land and 100% of assessed value of improvements.

Table C – Revitalization Tax Exemption for LEED Certified Development and Exterior Improvements

Description	LEED Certified Development	Exterior Improvements
Minimum Investment	(f) \$500,000	(g) \$20,000
Location	Area A & B	Area A
Improvements	LEED certified developments	Any exterior improvement
Exemption	100% of assessed value of land and improvements.	100% of the value of the improvement.

Minimum investment = Minimum qualifying value of project, derived from building permit.

In all cases, the exemption granted includes municipal taxes only for a 10 year period with no decline in benefit.

High density multi-family = Minimum 3 residential units and density ≥ 90 units per ha.

Medium density multi-family = Minimum 3 residential units and density $\geq 20 < 90$ units per ha.

Medium density mixed-use = Mixed use development with minimum 3 residential units and density $\geq 20 < 90$ units per ha.

