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## **Memorandum of Understanding – Downtown CRL Participation**

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On behalf of Station Lands Ltd., Qualico would like to advance our discussions with the City of Edmonton to continue to collaborate with the City on an appropriate funding mechanism through the Downtown Community Revitalization Levy that will enable Station Lands District to continue with its development plans. Upon completion, Station Lands will become a vibrant master planned community in the heart of downtown Edmonton that will integrate residential and commercial spaces.

### **Strengthening Our Downtown Core:**

Our vision for Station Lands will reclaim this "lost space" as an animated, accessible and connected master planned community that will be home to approximately 5,000 residents and full time employees. Our master planned community will integrate a curated retail experience of small independent restaurants, amenity retail, personal services, boutique office space, high rise residential space with family friendly amenities, playgrounds, and interactive art with a walkable public space - all while connecting the surrounding districts. From a planning perspective, the goal of the downtown CRL Plan is to stimulate growth, design more complete and vibrant neighborhoods, encourage quality urban design, and reduce dependency on vehicular trips to create a more sustainable downtown. The intent of the CRL is to also spur development and to invest in infrastructure that will attract and support a growing population.

### **Sustainable for the Future:**

Station Lands would be very interested in a long-term environmentally sustainable utility source that can accommodate our long-term development plans. We feel that the Downtown District Energy Initiative can accommodate our goals and can support Edmonton's Community Energy Transition Strategy and Council's 10-year Climate Resilience Goal. The Downtown District Energy Initiative creates alignment with our development, as we would be a suitable end user for a larger district energy program with our overall development potential. This could also facilitate a much larger discussion where our undeveloped land could act as a geo-thermal field or provide thermal energy storage that could provide not only heating options but also cooling options back to the City's district energy facility, thus creating additional scale and cost efficiencies. This could be achieved through a utility corridor connecting Station Lands to the Civic Precinct and funded through the CRL.

### **Anticipated Timeline/Schedule:**

Station Lands is looking to advance our second phase of development that will see two residential towers and a retail podium constructed that will consist of 485 residential units and



21,000sf of retail for a total developed area of 466,000sf. Our zoning is already in place and the next step in our development plans is to finalize an appropriate CRL agreement with the City. The balance of the development will be market driven but the expectation is that we will be fully built out within the next 8-10 years developing close to 2,200,000 square feet in total (please note that this includes the original development of EPCOR Tower that consists of 625,000sf).

### **Next Steps:**

In order for Station Lands to continue with our development plans and make the commitment to commence construction on our second phase of development, there are a series of steps that need to be undertaken, working in collaboration with the City of Edmonton. The CRL funding is critical in advancing our plans to provide the necessary amenities to make our district a center for workplaces and residents to thrive. The below steps are a combination of critical infrastructure commitments, public amenity space improvements and an alignment of overall goals with respect to our social agencies near our development lands.

#### 1. Underground Pedestrian Network (UPN) / Utility Corridor:

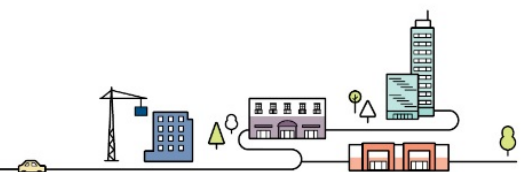
At full build out, our master planned community will be home to 5,000 residents and full time employees who require a safe and reliable connection to the Civic Precinct and the Churchill LRT station. Edmonton's new City Plan states that Edmonton's mobility system should provide residents with convenient options and facilitate opportunity, connection, equity and health while being safe, inclusive and barrier free. This can be achieved by providing a key infrastructure investment through an underground pedestrian link from Station Lands to the Civic Precinct. Investing in Station Lands Underground Pedestrian Network (UPN) connection is a move in the right direction to achieving this goal. Please see Appendix A for additional details that outline the importance of this connection.

#### 2. Environmental Considerations:

The underground pedestrian connection can provide a corridor to house the utility lines to expand the Downtown District Energy System. Not having a means to connect district energy systems utility lines in a downtown setting can often be a challenge to provide scale to this type of system. With forward planning through the design phase, the utility lines can be incorporated in the design to overcome this obstacle. Station Lands would be more than prepared to continue to work with the City of Edmonton to understand how the Downtown District Energy program can facilitate an environmentally sustainable utility source that can accommodate our long-term development plans.

#### 3. Public Amenity Space:

Our master-planned community will integrate residential and commercial spaces with family-friendly and a walkable public plaza all while connecting the surrounding districts. As a transit-oriented development, the neighborhood will also be a gateway for pedestrians, cyclists, and transit users to access the core. Our vision is to provide a public amenity space that can be programmed to include an outdoor performing arts



amphitheater, the ability to have a children's play area, food trucks and vendors and other interactive art exhibits. This is required to provide a sense of place for this master-planned community and will be a feeder for arts and culture within our downtown. Outreach had been completed with the Civic Precinct Partners group and the response was fantastic. Groups like the Winspear and the Citadel will be able to host outdoor productions with this infrastructure. In a post COVID environment, outdoor space will become even more critical to allow people to socialize within their neighborhood, our public space will provide a sense of place for our district.

4. Neighborhood Health and Wellness:

A coordinated effort is required to provide a safe environment for marginalized downtown residents. Homeless conditions have become worse during the COVID pandemic along the 105 Avenue corridor and government, private industry and other organizations need to be able to work together to create an environment that addresses these conditions. This can be handled in many ways but conditions have to improve in order to attract investment in the area. The lack of permeability through the 105 Avenue corridor has curbed the development potential for this area and a response is required to remove this barrier.

**Future Development Phases:**

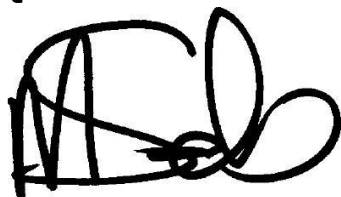
As our development moves to the east, there will be a requirement to address the continuation of the 105<sup>th</sup> Avenue improvements as well as the 97<sup>th</sup> Street bridge connection. It will be our intent to reconvene discussions with the City to time these infrastructure improvements as our development plans move forward.

**Summary:**

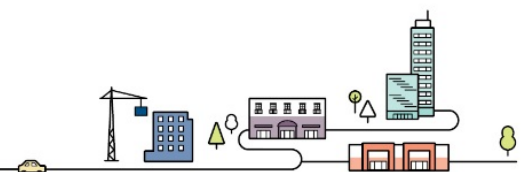
A summary of the proposed costs and a description of the infrastructure improvements are attached in Appendix B of this document. The total future investment for the balance of Station Lands, excluding the original investment through the development of EPCOR Tower, would be approximately \$840,000,000. In order to unlock this potential, an initial CRL investment of \$37,140,000 would be required. In addition to the city building objectives above, our third party property tax analysis that has been completed forecasts a 30-year cumulative incremental tax gain of \$410 million upon the completion of our development. It is our understanding that this initial investment from the CRL will pay sustainable long-term dividends for the future.

Regards,

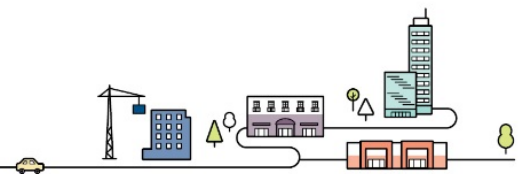
**QUALICO DEVELOPMENTS WEST LTD.**



Mike Saunders, P.Eng, MBA  
Senior Vice President, Qualico Properties



## **Appendix A – Underground Pedestrian Network Link**





ROGERS PLACE



# STATION LANDS

Underground Pedestrian Network Link  
Community Revitalization Levy



# UNDERGROUND PED LINK

Underground Pedestrian Networks (UPN) link people to destinations and can form an integral element of a city's overall transportation strategy. Edmonton is striving to continually improve its position as a walkable city. Walkable cities are built upon connectivity between neighbourhoods, linking various modes of transportation that are non-auto reliant, fine grained land use patterns, and pedestrian networks that are of high quality and are safe.

## EXTENDING THE REACH OF DOWNTOWN EDMONTON

Underground Pedestrian Networks provide spaces where pedestrians can walk safely: accessible routes protected from inclement weather while traveling from point A to B. Providing an Underground Pedestrian Network link from Station Lands to Churchill LRT has the potential to connect a larger population to mass transit, thereby reducing the reliance on automobiles by avoiding redundant parking and increasing connectivity to adjacent neighbourhoods. Having a direct connection to the LRT has a value-add to Station Lands and adjacent communities as the public will have a better protected access to work places, commercial and recreational amenities, as well as residences (as Station Lands begins to develop). Overall, the Underground Pedestrian Network linkage at Station Lands can help densify and reduce the auto usage in this area of the City thereby contributing to the City's goal of reducing the carbon footprint and commitment to make a change for climate.

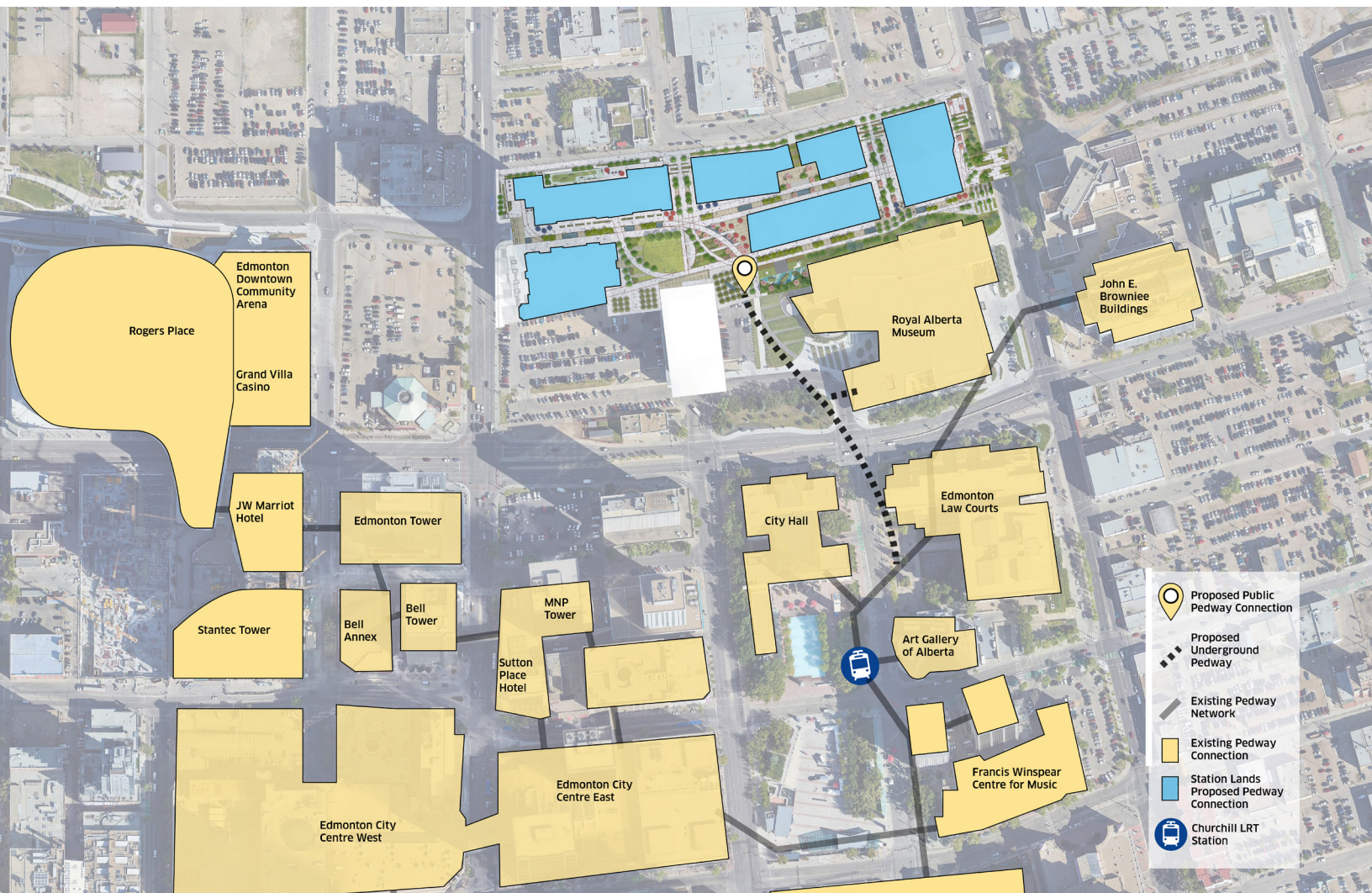




# A VALUABLE CONNECTION TO THE CROSS-DOWNTOWN PEDWAY NETWORK

The Station Lands connection allows the City to realize the value of its previous investments.

A unique feature of Station Lands is the ability to provide connections on the surface as well as below grade, thereby extending the public realm and providing pedestrians and adjacent communities with alternative means to connect destinations. What will be paramount is how the at-grade network interfaces with the underground network and to ensure that this transition is well integrated and seamless. This will provide the greatest mutual benefit to the City, the land owner and the public at large who will be using it by giving an assortment of future avenues for connection. With proper resources, this goal can be easily achieved. Developing this portion of the UPN would leverage investments already made by the City given that a knockout panel and a UPN connection already exists at the Royal Alberta Museum.





On September 17, 2013, Edmonton Council passed Bylaw 16521, City of Edmonton Capital City Downtown Community Revitalization Levy Bylaw. The goal of the CRL Plan is to: contribute to the creation of a sustainable, vibrant, well designed, and accessible community; improve the quality of life for existing residents, workers, and visitors; and attract new residents and businesses to the area. The objectives of the CRL Plan are:

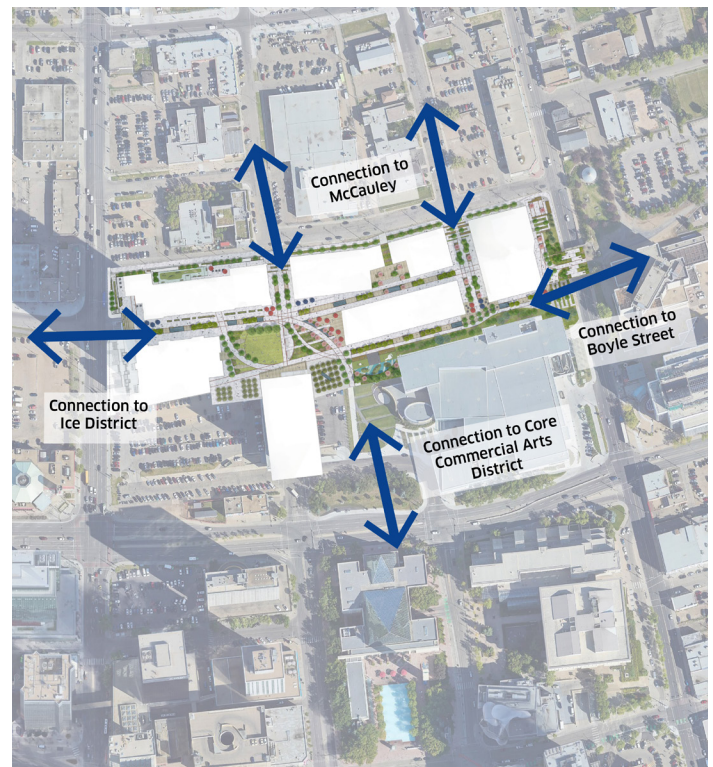
- stimulate growth,
- design more complete and vibrant neighbourhoods,
- encourage quality urban design,
- reduce dependency on vehicular trips,
- support healthy choices,
- increase the use of downtown amenities, and
- create a more vital and vibrant downtown for the betterment of the Capital Region as well as the reputation of Edmonton on the world stage.

The intent of the CRL is to spur development and to invest in infrastructure that would attract and support a growing downtown population. Investment in Station Land's UPN connection will provide opportunities to:

- strengthen the pre-existing linkages downtown through the addition of Station Lands as a strategic extension of the pedestrian network, providing immediate and surrounding communities further options to connect with the rest of the city (via transit), and thereby making Downtown more accessible, sustainable, and livable with improved navigability for residents, workers, and visitors;
- provide an alternative and enhanced downtown pedestrian experience;
- increase transit's share of trips to and from Downtown;
- link together existing and proposed civic, cultural, and transit facilities to create a unique experiential hub for Edmontonians and visitors – improve tourism;
- spark additional development or redevelopment of land in the vicinity to generate further tax revenue and raise property values within the area.

## BRIDGING SOME OF EDMONTON'S MOST UNIQUE NEIGHBOURHOODS

As Edmonton moves into a future that promotes a mobility system based on an integrated transportation network, it is important to consider and plan for how these systems are accessed. The new City Plan, which received two readings by City Council on September 16, 2020 and is currently undergoing regional review prior to a third reading by City Council, states that Edmonton's mobility system should provide residents with convenient options and facilitate opportunity, connection, equity and health while being safe, inclusive and barrier free. Investing in Station Lands UPN connection is a move in the right direction to achieving the goal.





**Appendix B – Legend and Costing Information**



## Station Lands - Developer Investment Relative to CRL Funding

<b>Item</b>	<b>Description of Developer Contribution</b>	<b>Total Investment Value</b>	<b>Total Development Area (sf)</b>
1	<b>Tower A - North Podium - Rental + Condo Residential</b>	\$ 184,200,000	361,472
2	<b>Tower B - Senior's Care + Assisted Living</b>	\$ 214,400,000	423,914
3	<b>Tower C - Residential + Hotel</b>	\$ 153,600,000	298,660
4	<b>Tower D - Rental + Condo Residential</b>	\$ 138,900,000	284,919
5	<b>Tower E - Rental + Condo Residential</b>	\$ 150,500,000	305,425
<b>Total Developer Investment Amount</b>		<b>\$ 841,600,000</b>	<b>1,674,390</b>

<b>Item</b>	<b>Description of CRL Funding Item</b>	<b>Current Phase</b>	<b>Future Phase</b>	<b>Total Budget Amount</b>
1	<b>105th Avenue Bike Lane Improvements</b>		\$ 6,500,000	\$ 6,500,000
2	<b>Public Amenity Area - Mews between EPCOR and The Switch</b>	\$ 2,800,000		\$ 2,800,000
3	<b>Public Amenity Area - Plaza</b>	\$ 7,840,000		\$ 7,840,000
4	<b>Pedway LRT Connection</b>			
	- connection from Station Lands property line to RAM	\$ 6,500,000		\$ 6,500,000
	- connection from RAM to Churchill Station	\$ 20,000,000		\$ 20,000,000
5	<b>Public Amenity Area - Mews between RAM + Future Buildings</b>		\$ 2,100,000	\$ 2,100,000
6	<b>97th Street Bridge Connection</b>		\$ 1,700,000	\$ 1,700,000
<b>Total CRL / TOD Funding Scope</b>		<b>\$ 37,140,000</b>	<b>\$ 10,300,000</b>	<b>\$ 47,440,000</b>
7	<b>Unmarked Areas - Future Development</b>		\$ 3,400,000	\$ 3,400,000
<b>Total CRL / TOD Funding Scope + Future Development*</b>		<b>\$ 37,140,000</b>	<b>\$ 13,700,000</b>	<b>\$ 50,840,000</b>

### Notes:

\* These budget amounts exclude any allowance for soft costs, which include but are not limited to: architectural and engineering design fees; third party consulting; testing and inspections; permits.

\* Our third party property tax analysis that has been completed forecasts a 30-year cumulative incremental tax gain of **\$410 million** upon the completion of our development.



## Station Lands - CRL Funding Detail

Item	Description	Current Phase	Future Development	Total Budget Amount
1	<b>105th Avenue Bike Lane Improvements</b> - improve site walkability / connectivity - improvements to compliment Columbia Ave upgrades - required to transform / soften northern boundary of downtown to Station Lands		\$ 6,500,000	\$ 6,500,000
2	<b>Public Amenity Area - Mews between EPCOR and The Switch</b> - improve site walkability / street vibe - create a public east-west linkage - provide inviting access to public plaza area	\$ 2,800,000		\$ 2,800,000
3	<b>Public Amenity Area - Plaza</b> - oasis of public green space in downtown Edmonton - reflection pool - kids play area / spray park / water feature - public stage for events and live performances that can engage stakeholder groups such as the Winspear, the Citadel Theatre, Taste of Edmonton, The Fringe, etc.	\$ 7,840,000		\$ 7,840,000
4	<b>Pedway LRT Connection</b> - connection from Station Lands property line to RAM - connection from RAM to Churchill Station	\$ 6,500,000 \$ 20,000,000		\$ 6,500,000 \$ 20,000,000
5	<b>Public Amenity Area - Mews between RAM + Future Buildings</b> - improve site walkability / connectivity - create a public east-west linkage - provide inviting access to public plaza area		\$ 2,100,000	\$ 2,100,000
6	<b>97th Street Bridge Connection</b> - improve site walkability / connectivity - provide public linkage over 97th Street (multi-use / bike path) - safety needs to be addressed - activation of Chinatown through improved connectivity and optics		\$ 1,700,000	\$ 1,700,000
<b>Total CRL / TOD Funding Scope</b>		<b>\$ 37,140,000</b>	<b>\$ 10,300,000</b>	<b>\$ 47,440,000</b>
7	<b>Unmarked Areas - Future Development</b> - improve site walkability / connectivity - create 'high-street' vibe		\$ 3,400,000	\$ 3,400,000
<b>Total CRL / TOD Funding Scope + Future Development*</b>		<b>\$ 37,140,000</b>	<b>\$ 13,700,000</b>	<b>\$ 50,840,000</b>

# STATION LANDS

## LEGEND

1. 105 Avenue Bike Lane Improvements
2. Public Amenity Area: Mews between Epcor + The Switch
3. Public Amenity Area: Plaza
4. Pedway LRT Connection
5. Public Amenity Area: Mews between RAM + future buildings
6. 97th Street Bridge connection

