

CAPITAL PROJECT PROFILE FOR BRIDGE REHABILITATION - OPTIONS

RECOMMENDATION

That the April 13, 2022, Integrated Infrastructure Services report IIS00379, be received for information.

Report Purpose

Information only.

To inform Council of the approach being taken to consider public realm work for the High Level Bridge in conjunction with upcoming renewal and report on the possible pathways to accept charitable donations from interested citizens and benefit businesses towards capital projects.

Previous Council/Committee Action

At the February 2, 2021, Urban Planning Committee meeting the following motion passed:

- That Administration provide a report back to Committee outlining options to scope in the design and public realm work, as part of the capital project profile for the bridge rehabilitation, including all possible pathways to accept charitable donations from interested citizens and benefiting businesses.
- That Administration provide an update report to Committee.

Executive Summary

- This report describes financial strategies available to support public realm enhancements for capital projects such as the High Level Bridge rehabilitation.
- Also described is how the insights gathered from public engagement carried out by the High Level Line Society can be leveraged to support the planning, design and project management for the upcoming High Level Bridge rehabilitation.

REPORT

Where private contributions toward public infrastructure improvements may benefit Edmontonians and the city at large, opportunities may exist to allow the City to receive funding through less traditional approaches. This report describes potential ways the City may be able to

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use its charitable status to accept charitable donations or private funding toward capital projects, such as the High Level Bridge rehabilitation.

Financial Support Strategies for Partners

When examining financial support for partnerships and their infrastructure requirements, the City considers both funding and financing.

- **Funding** - Both the City and the partner provide funding contributions to infrastructure projects as they progress. At the end of project completion, both parties have contributed their share of funding.
- **Financing** - Both the City and the partner share financial contributions to the project. However, the City provides financing for the partner by covering all of the project costs upfront, with repayment from the partner for its share, including interest costs occurring over a set term.

In situations where the City acts as a source of funding, such as through a grant or following specific direction from Council, there are funding mechanisms such as legal agreements that may be used to outline specific public access, benefits, and other measures.

High Level Line Project

The High Level Line is a community-led project that imagines a 4.3 kilometre long linear park connecting Downtown Edmonton to Old Strathcona along an existing rail corridor that supports walkability, connectivity and social and economic objectives.

The High Level Line Society (the Society) is a non-profit organization with the purpose of fundraising, advocating and stewarding a vision of a better connected city core. To steward the vision of the High Level Line, the Society has collaborated with Administration and aligned its efforts with The City Plan and ConnectEdmonton, by supporting its four inclusive goals: Healthy City, Urban Places, Regional Prosperity and Climate Resistance.

On February 2, 2021, the Urban Form and Corporate Strategic Development report CR_7847, High Level Line Society Project - Next Steps, was presented to Urban Planning Committee. Urban Planning Committee did not support the Society's request for funding to further their design on the High Level Line project and subsequently directed Administration to find alternative ways to support the project.

High Level Bridge Rehabilitation - Public Realm Enhancements

As detailed in the April 13, 2022, Integrated Infrastructure Services report IIS00488, High Level Bridge Lifecycle Strategy, the High Level Bridge is scheduled for rehabilitation beginning in the 2023-2026 budget cycle. To optimize the City's investment in the upcoming rehabilitation, while also advancing key policy objectives as articulated in The City Plan, the rehabilitation project will explore strategic enhancements for active transportation through the initial stages of planning. The enhancements being contemplated align with The City Plan, the Mass Transit Study, the Bike Plan, as well as the vision of the High Level Line. While the general rehabilitation strategy has

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been selected, plans have not yet been developed; planning will be completed through 2022 and 2023.

The planning phase for the bridge will begin by developing the vision for the rehabilitation and strategic active mode enhancements. The visioning phase will include technical analysis and public engagement to define options for active mode enhancements approaching and on the High Level Bridge. The work will include direct involvement with the Society. The vision of the High Level Line will be an important consideration during the planning phase of the High Level Bridge rehabilitation. The Society will be engaged early in the development of the description of the urban realm aspects and as part of the planning work related to the bridge rehabilitation project.

Through the initial visioning phase of the rehabilitation, exploration of public realm enhancements on and approaching the bridge will be funded with the Transportation: Bridges & Auxiliary Structures - Renewal Capital Profile (CM-24-0000). This work will form the foundation for further development of the rehabilitation strategy. Planning for the High Level Line, beyond the segment on and approaching the High Level Bridge, will not be part of the High Level Bridge rehabilitation planning work.

Upon completion of the visioning phase of the project planning, Administration will have a better understanding of the options available and costs associated with enhancing the structure for active modes. The cost of features associated with the High Level Line will also be better defined through this process. The work will be completed with the intention that enhancements could be layered on top of the renewal and added over time as funding becomes available (if the full amount is not available at the time of construction).

The visioning stage will be followed by conceptual planning and preliminary design to further define the renewal requirements for the bridge; the extent of strategic enhancements advanced to the subsequent design phases will be determined based on the level of funding available.

High Level Line - Financial Approaches

While the initial visioning phase will be funded through the bridge renewal program, Administration has identified two potential financial approaches for the Society to contribute funds toward further planning, design and delivery of the High Level Line vision in conjunction with the bridge rehabilitation project. These approaches are presented below:

- **Financial Approach 1 - Repayment of Costs Associated with High Level Line Over Time:**
This approach would require the use of tax-supported debt to finance the portion of the High Level Bridge Rehabilitation Capital profile relating to the High Level Line project. City Council would need to approve both a borrowing bylaw and a lending bylaw authorizing a loan between the City of Edmonton and the Society as well as an agreement outlining the terms of repayment.

This approach would offer the opportunity to holistically explore aspirations for the High Level Bridge for future generations and provide an opportunity to create a shared plan and design for implementation with the rehabilitation work. However, a comprehensive assessment of the

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financial risk and a review of a business case validating the Society's ability to repay the loan would be required prior to entering into any agreements.

- **Financial Approach 2 - Design and Delivery of High Level Line Completed Once Funds are Secured:** This approach requires the Society to secure funds first before design and/or delivery commences on High Level Line elements of the High Level Bridge.
 - The Society would be required to provide the funds up-front for Administration to plan, design and implement when the agreed amount is collected.
 - Increased resources are needed to complete the project as it will most likely not be planned along with the High Level Bridge Rehabilitation.
 - Added risk to the vision due to different timelines.
 - Delay in implementing a supporting project of The City Plan (A Community of Communities).

Approach 2 could risk delaying the planning and design due to lack of funds, potentially indefinitely, but mitigates the financial risks to the City inherent in Approach 1.

Charitable Status to Facilitate Fundraising

As a registered Canadian municipality, the City is not permitted under the legislative provisions of the *Income Tax Act* to extend or lend out its status as a “qualified donee” to other non-profit organizations that are not able to issue a tax receipt. To better understand the issue, an official donation tax receipt can be issued if the City maintains direction and control over the use of the donated funds it receives, and donations must be applied by the City towards events, programs or capital projects that fall under its ownership. As the High Level Line is not a City capital project itself, the City cannot issue tax receipts to donors to fulfill fundraising, planning or design costs for the Society.

Budget/Financial Implications

The initial visioning phase of the High Level Bridge rehabilitation is funded from the Transportation: Bridges & Auxiliary Structures - Renewal Capital Profile (CM-24-0000). Funding for the next design and construction stages will be discussed as part of the 2023-2026 Capital Budget deliberations in late 2022. Refer to the April 13, 2022 Integrated Infrastructure Services report IIS00488 High Level Bridge Lifecycle Strategy report for additional details regarding the rehabilitation strategy.

If Council wishes to include the High Level Line enhancements with the rehabilitation project, the City may enter into a partnership agreement with the Society to further explore funding capabilities of the Society, and develop a more comprehensive risk assessment for any potential cost sharing arrangement.

If the City were to fund project costs upfront and collect payment from the Non-Profit Organization over time (Financial Approach 1), a Bylaw for self-supported, tax guaranteed debt would be required and the repayment of the debt servicing costs would be made over the term of the borrowing. In addition, City Council would then need to approve a lending bylaw

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authorizing a loan between the City of Edmonton and the Society as well as an agreement outlining the terms of repayment.

If the Society were to provide funds before the commencement of the project (Financial Approach 2), no borrowing or lending bylaw would be required.

Legal Implications

If Committee wishes to discuss the details of a potential partnership, including the risks and liabilities to the City of Edmonton associated with such, Legal Services recommends doing so in-private pursuant to section 16 (disclosure harmful to the business interest of a third party), 25 (disclosure harmful to economic interests of the public body) and 27 (privileged information) of the *Freedom of Information and Protection of Privacy Act*.

Next Steps

Throughout 2022, Administration will advance the visioning phase of the High Level Bridge rehabilitation project, including planning for active mode enhancements. Administration will return to Executive Committee with an update after the completion of the visioning phase to share the findings and high-level costs and will seek further direction ahead of the 2023-2026 capital budget deliberations.

COMMUNITY INSIGHT

Insights gained from listening to stakeholders through inquiries, public events, community consultation and other active groups are critical in informing plans and designs for the High Level Bridge rehabilitation. As part of the High Level Line project, the Society utilized a variety of tactics and tools to engage with the broader community to share the vision for the High Level Line. The Society met with key organizations including:

- University of Alberta
- Urban Land Institute
- Northern Alberta Institute of Technology (NAIT)
- Association of Professional Engineers and Geoscientists of Alberta (APEGA)
- Oliver Community League
- Downtown Business Association
- Old Strathcona Business Association
- Edmonton Radial Railway Society

Administration has been working with the Society to define their role in the upcoming planning for the High Level Bridge renewal. It is envisioned that the Society will play a key role in supporting the development of the vision and plan for active mode enhancements associated with the upcoming rehabilitation. The insights gathered by the Society and through the implementation of a robust engagement process during the next stages of planning will directly inform the next steps in the rehabilitation of the High Level Bridge.

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GBA+

GBA+ analysis will be an important consideration of the development of the engagement and communications approach for the planning and design phase of the High Level Bridge rehabilitation project. This analysis will be applied to ensure the project is inclusive, decisions are evidence-based, work is effective and the process contributes to equality of outcomes. Beyond informing the engagement and communications approach for the rehabilitation, GBA+ analysis will influence design decisions as the project progresses. At this early stage, the process has identified some key areas and opportunities to address equity for all age groups, abilities and diverse demographics:

- **Accessibility:** To make sure accessibility requirements for people with disabilities in existing and new facilities and their surrounding areas are in place, accessibility is considered at each project stage.
- **Safety:** Consider and address the needs of diverse demographics to improve safety within existing facilities, new facilities, and their surrounding areas.
- **Useability:** Consider how facility renewals (i.e. existing buildings) and new facilities improve the useability for those working in and/or others who visit these facilities for business or other purposes.

The planning and design process will be guided by the principles of universal design which speak to “the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design.”