

2021 EDMONTON ECONOMIC RECOVERY CONSTRUCTION GRANT UPDATE

RECOMMENDATION

That the revised 2021 Edmonton Economic Recovery Construction Grant Incentive Policy, Procedure and Program Guide as outlined in Attachment 1 of the November 30, 2021, Urban Planning and Economy report UPE00919, be approved.

Report Purpose

Council decision required

Council is being asked to approve an amendment to the 2021 Edmonton Economic Recovery Construction Grant Policy to allow projects three additional months to commence construction.

Executive Summary

- The 2021 Edmonton Economic Recovery Construction Grant Update policy required all construction to begin in 2021.
- The updated policy will allow construction to begin by March 31, 2022.

REPORT

Background

The 2021 Edmonton Economic Recovery Construction Grant is an incentive program for high-impact developments in the Centre City area, to support the economy, COVID-19 recovery and advance the objectives of the City Plan.

Projects must meet the following criteria in order to be eligible for the program:

- Project must have an approved development and building permits and break ground in 2021.
- Project must have a construction value of \$10 million or more, and provide 50 or more housing units.
- Projects already underway would not qualify.
- Projects would be limited to those in the Centre City as identified within the accompanying procedure.

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- Projects taking advantage of this program would not be eligible to participate in other City development incentive grant programs, including the Development Incentive Program, and the Brownfield Redevelopment Grant Program. These programs serve different though related purposes.
- Program applicants would need to declare financial need and certify that the program changed their decision to proceed with development.

The owner of each project that is accepted into the program enters into a grant funding agreement with the City. The grant payment reduces the owner's municipal property taxes to 2021 levels for five years (2022-26).

Change to Grant Criteria

The proposed change to the grant criteria in the Edmonton Economic Recovery Construction Grant Incentive Council Policy, C625A (Attachment 1) means that eligible projects must commence construction by March 31, 2022, rather than December 31, 2021. Projects must still satisfy all other requirements, including applying for the grant by December 31, 2021.

This change gives flexibility for program participants to commence construction after December 31, 2021, while maintaining the intent of the program to support economic activity and COVID-19 recovery. This change does not have any further budget implications.

The Administrative Procedure and Program guide will be updated to align with the revised policy. Further, Administration intends to return in Q2 2022 with an analysis of the program.

COMMUNITY INSIGHT

Community insights are not available for this report. Public Engagement was not undertaken, as citizen input would not have influenced the recommendation.

GBA+

The Program supports Urban Places: Edmonton neighbourhoods are vibrant as density increases, where people and businesses thrive and where housing and mobility options are plentiful. Program applicants are required to identify project benefits through a GBA+ lens.

ATTACHMENTS

1. Final Version 2021 Edmonton Economic Recovery Construction Grant Incentive Council Policy C625A
2. Red Line Version 2021 Edmonton Economic Recovery Construction Grant Incentive Council Policy C625A