

EDMONTON COMMUNITY DEVELOPMENT COMPANY - PROGRESS REPORT AND STRATEGIC PLAN

RECOMMENDATION

That the September 26, 2022, Community Services report CS01007, be received for information.

Requested Council Action	Information		
ConnectEdmonton's Guiding Principle	ConnectEdmonton Strategic Goals		
CONNECTED This unifies our work to achieve our strategic goals.	Healthy City		
City Plan Values	BELONG. LIVE. THRIVE. ACCESS.		
City Plan Big City Move(s)	A rebuildable city	Relationship to Council's Strategic Priorities	Community safety and well-being Economic Growth
Corporate Business Plan	Serving Edmontonians		
Council Policy, Program or Project Relationships	<ul style="list-style-type: none"> • Problem Properties Initiative - Action Plan 2020-2022 • ArtsCommon - Avenue Initiative Revitalization Strategy (March 24, 2014) • ArtsCommon - Further Analysis: Response to Council Directive (March 3, 2014) • ArtsCommon - Avenue Initiative Revitalization Strategy (August 29, 2013) • Neighbourhood Revitalization 		
Related Council Discussions	<ul style="list-style-type: none"> • CR_4295- Recommendations for Sale Agreement for Parcels Transferred to the Community Development Corporation • CR_7596- Update on Edmonton Community Development Company • CR_565 - ArtsCommon Business Plan • CR_646 - ArtsCommon Joint Venture Options 		

EDMONTON COMMUNITY DEVELOPMENT COMPANY - PROGRESS REPORT AND STRATEGIC PLAN

Previous Council/Committee Action

At the November 30/December 1/8/10/14/15/17 2021, City Council meeting, the following motion was passed:

That Administration return to Committee in Fall 2022 with a progress report and strategic plan from the Edmonton Community Development Corporation.

Executive Summary

- This report shares the progress the Edmonton Community Development Company has made since its inception as an incorporated non-profit company in 2017 to advance key priorities initially outlined in the 2017 funding agreement, which aimed to offset the Company's operational costs.
- This report shares new strategic directions and priority areas of work as per Edmonton Community Development Company's 2019-2023 Strategic Framework.

REPORT

Background

The Edmonton Community Development Company was founded via the EndPovertyEdmonton Road Map, under Goal 4 "Invest in a Poverty Free Future," as a flagship action whose aim was to establish a Community Development Company to invest in affordable housing and community economic development. The Edmonton Community Development Company was founded as a non-profit company in 2017 to reduce poverty in low-income neighbourhoods through a community economic development approach, which includes undertaking commercial development, building and renovating affordable housing and launching social enterprises that employ low-income residents. Shareholders of the company are the Edmonton Community Foundation, United Way of the Alberta Capital Region and Homeward Trust.

During the deliberations of the 2016-2018 Supplementary Operating Budget Adjustment, City Council approved Edmonton Community Development Company for operational funding for \$280,000 per year, over five years (2017-2021) for a total of \$1.4 million. During the fall 2021 City Council Budget deliberations, an additional one time operational funding of \$280,000 for 2022 was approved.

Focus Areas and City Support

The Edmonton Community Development Company's mandate is to support optimized development at a community level in low income communities, to support revitalization in those communities and to work to eliminate poverty within Edmonton. This is further outlined in the Edmonton Community Development Company 2019-2023 Strategic Framework (Attachment 1).

EDMONTON COMMUNITY DEVELOPMENT COMPANY - PROGRESS REPORT AND STRATEGIC PLAN

The 2017 operational funding for the Edmonton Community Development Company was approved to assist with the following focus areas:

1. Undertake community economic development that relieves poverty in identified communities.
2. Build capacity in communities to improve employment and economic opportunities as appropriate to the Edmonton Community Development Company.
3. Provide affordable and appropriate residential accommodation.
4. Facilitate grants and loans, program-related investments, community land trusts and other appropriate financing vehicles that advance the purposes of the Edmonton Community Development Company.

To help support the launch of the Edmonton Community Development Company, the City of Edmonton committed to transfer approximately \$10 million (+/- 10 per cent) worth of City-owned land to Edmonton Community Development Company. Administration, with input from the Edmonton Community Development Company Steering Committee, developed a set of principles (Principles of Land Transfers as per CR_3802 - Community Development Corporation - Business Case, Executive Committee, November 22, 2016) for which land transfers are to occur (Attachment 3). These principles were created to provide clarification on roles, duties, and responsibilities related to land transfers and are intended to set up the proposed Edmonton Community Development Corporation for success. Any land transfer will ultimately be governed by the terms of an Agreement for Sale.

Land Transfers Progress

In 2017, Council approved the transfer of seven vacant and underdeveloped properties to the Edmonton Community Development Company to develop (CR_4295 - Update on Land Transfers to Edmonton Community Development Company, Executive Committee, September 5, 2017). On July 10, 2018, Council approved the revised terms and conditions including removal of the buy-back option and subsequent development requirements for all the sites, except Alberta Avenue. The Edmonton Community Development Company requested the removal of the buyback option specifically to ensure that the lands were not encumbered, thereby removing barriers to a future land sale which was a critical requirement at that time.

Selling any of the contributed City parcels to a third party can provide the Edmonton Community Development Company with a cash infusion to either support their operations or to commit funds towards a specific development. The Edmonton Community Development Company has up to four years from the sale agreement execution date to become the legal owner of each property; two of the agreements were executed in 2018, one in 2019, and one in 2020. In addition, the Edmonton Community Development Company has the sole discretion to request that the City transfer ownership earlier. Of the negotiated sales, two closed in August 2022, one is scheduled to close in September 2022, and an additional closing is scheduled in November 2023. Until transfer occurs the City has legal

EDMONTON COMMUNITY DEVELOPMENT COMPANY - PROGRESS REPORT AND STRATEGIC PLAN

ownership of the parcels. The first request to transfer ownership of a parcel occurred in April 2022. Project commencement has yet to occur on any of the sites approved for below market transfer to the Edmonton Community Development Company.

Key components of the Principle of Land Transfers include the requirement for the City to not knowingly transfer contaminated land while also reporting back to Council if a significant cost related to a property transfer arose. To date, Administration has coordinated and paid approximately \$158,000 in remediation costs, with additional costs to be finalized for the remediation of the McCauley laydown site that will occur this year. As part of the November 26, 2019, Executive Committee report CR_7596 (Update on Edmonton Community Development Company), Administration identified significant remediation costs associated with a couple of parcels, resulting in City Council approving \$1,155,000 as cash in lieu of transferring one parcel to the Edmonton Community Development Company. These funds were from the Financial Stabilization Reserve. Sale agreements are in place on four parcels of land for a total commitment of \$6,536,000, including the cash in lieu paid. Negotiations on two additional sites are currently ongoing; cash in lieu was paid to the Edmonton Community Development Company for the remaining property due to concerns with environmental contamination. Once the remaining approved sites are transferred to the Edmonton Community Development Company, the total value of lands transferred to Edmonton Community Development Company will be \$10 million (+/- 10 per cent) previously approved by Council.

2019 - 2023 Strategic Framework

In 2019, the Edmonton Community Development Company developed a 2019-2023 Strategic Framework outlining a clearer focus, strategic direction, and priority areas of work. At this time, Edmonton Community Development Company's priority projects are on lands where land purchase agreements have been completed with the City of Edmonton. Priorities are in central neighbourhoods, specifically the McCauley neighbourhood and Alberta Avenue (118 Avenue) District which include: Alberta Avenue, Delton, Eastwood, Parkdale/Cromdale, Elmwood Park, Spruce Avenue and Westwood. Progress details of each priority area have been provided by the Edmonton Community Development Company (Attachment 2).

Project Update: ArtsCommon 118 (Alberta Avenue Site)

A purchase agreement was completed in July 2018 between the City of Edmonton and Edmonton Community Development Company for the Alberta Avenue site (lands located at 9131 118 Avenue); the land title was transferred in the name of Edmonton Community Development Company as of August 2022.

These lands were intended for development in the ArtsCommon 118 Project, a project that began in 2007 as part of the Avenue Revitalization Initiative and in collaboration with the Arts on the Avenue Edmonton Society, prompting the lands to be purchased by the City in 2009 to assist in moving the project forward. Subsequently, Administration was directed in 2013 to explore financial models that would include private sector involvement or joint venture that would reduce City investment. The project was then transferred to the

EDMONTON COMMUNITY DEVELOPMENT COMPANY - PROGRESS REPORT AND STRATEGIC PLAN

Edmonton Community Development Company for implementation. In anticipation of taking ownership of the lands at 9131 118 Avenue, in 2017 the organization, with financing from the Social Enterprise Fund, purchased five lots behind and adjacent to the lands purchased from the City of Edmonton.

In 2018, Edmonton Community Development Company and the City of Edmonton signed a \$4 million funding agreement to assist with the development of ArtsCommon 118. The Edmonton Community Development Company has since contracted a Project Manager to steer the pre-development efforts, an engineering and planning firm to proceed with the rezoning process and an architecture company to finalize the design. Edmonton Community Development Company, with the guidance of the project manager and with input from Arts on the Ave, has determined a sustainable model that includes an affordably priced rental apartment/lofts for local artists. Within the funding agreement construction commencement is set for January 2023, but the Edmonton Community Development Company is currently securing financing and has begun the rezoning process. Construction is expected to begin in 2023 dependent on rezoning and permit approvals.

Next Steps

In Fall 2022 the Edmonton Community Development Company will begin a planning process to develop a strategic plan following the conclusion of the 2019-2023 Strategic Framework. The updated 2022-2025 strategic plan will focus on revitalizing Edmonton's core neighbourhoods through the development of land purchased from the City of Edmonton, building new homes for families on formerly derelict properties and ongoing support of the McCauley Development Cooperative.

The Edmonton Community Development Company will continue to prioritize:

1. Adequate income.
2. Affordable and relevant housing.
3. Attracting local businesses.
4. Enhanced employment opportunities.
5. Supportive social programs.

The 2019-2023 Strategic Framework outlined the following outcomes to achieve. Following a change in leadership, Edmonton Community Development Company has reprioritized its goals, including a revised housing target - both market and affordable housing. Revised goals are listed below.

- Engagement Participants: 1100 to 1700 (achieved)
- Market Housing: 24 units (by 2023)
- Affordable Housing: 80 -100 (in 2025)
- Jobs: 30-50 (Arts Common 118 - construction 2023-2025)

EDMONTON COMMUNITY DEVELOPMENT COMPANY - PROGRESS REPORT AND STRATEGIC PLAN

Budget/Financial Implications

Edmonton Community Development Company's annual funding of \$280,000 ends in December 2022. A revised funding agreement in respect of the Edmonton Community Development Company's operating expenses would support Edmonton Community Development Company's evolving strategic directions.

Federal and provincial funding timelines may impact the previously scheduled ArtsCommon construction commencement date of January 2023 and another amendment to the funding agreement may be required to support a delayed start to ArtsCommon construction to late Q1 2023.

Within the Financial Stabilization Reserve, \$4.7 million is appropriated to cover the City's future cost impacts of the land transfers to the Edmonton Community Development Company, as they occur.

COMMUNITY INSIGHT

The Edmonton Community Development Company's vision is rooted in community insight, where neighbourhood residents and stakeholders collectively influence their community's future to attain a quality of life that is socially and economically healthy, sustainable and attractive. A core principle outlined in the 2019-2023 Strategic Framework is for Edmonton Community Development Company to "commit to community engagement that delivers results aligned with community needs and priorities."

The Edmonton Community Development Company uses community engagement as its primary decision-making tool, as it believes in:

- The co-creation of transparent, comprehensive, and inclusive processes.
- Going beyond what is required by regulations.
- Co-designing solutions to community problems as well as strategies to achieve community identified aspirations.

The 2019-2023 Strategic Framework outlines engagement outcomes per Edmonton Economic Development Company's listed initiatives, including undergoing community engagement with an anticipated outcome of 1,100 to 1,700 engaged participants. This target has been accomplished through the Fraser, Alberta Avenue, and McCauley engagement processes.

Each community outlined in this framework has and will continue to influence what the Edmonton Community Development Company identifies as goals and strategies and the Company commits to effectively reporting back how community identified aspirations, issues, challenges, ideas are incorporated in each project.

GBA+

The City of Edmonton uses GBA+ to help make evidence-based decisions, challenge assumptions, and adjust programs, services and spaces in order to offer enhanced life

EDMONTON COMMUNITY DEVELOPMENT COMPANY - PROGRESS REPORT AND STRATEGIC PLAN

experiences for those experiencing marginalization in Edmonton. In similar fashion, the Edmonton Community Development Company strives to diversify its board to support ongoing efforts in equity, diversity and inclusion. Its efforts are grounded in community articulated needs and priorities.

As the scope of the report is to provide City Council with information related to the work of the Edmonton Community Development Company over the past four years, GBA+ analysis has not been conducted by Administration. It is important to note, however, that the funds provided for this group directly support low income community revitalization in neighbourhoods. Any future funding decisions will benefit from the application of GBA+.

ATTACHMENTS

1. Edmonton Community Development Company 2019-2023 Strategic Framework
2. Edmonton Community Development Company - Progress on 2019-2023 Strategic Framework
3. Principles of Land Transfer