

Facade Improvement and Development Incentive Program Expansion

Recommendation:

That Executive Committee recommend to City Council:

That the properties located within the Community Economic Development Corner Store program outlined in Attachment 1 of the June 6, 2017, Sustainable Development report CR_4563, be eligible to receive funding as Council supported initiative areas under City Policy 216B - Façade Improvement Program Policy and Enterprise Areas in City Policy C553B - Development Incentive Program Policy.

Report Summary

This report provides the rationale for replacing an existing Corner Store Program Pilot site with a new site, subsequently adding this new site into the Façade Improvement Program and Development Incentive Program.

Report

Background

The Corner Store Program strives to revitalize neighbourhood shopping sites in Edmonton's mature neighbourhoods. The program objectives are to stimulate local small business growth, enhance access to local amenities and contribute to community building. The program has the capacity to work with eight sites varying in size and location. These sites were identified based on the following criteria:

- commercial clustering potential
- demonstrated landowner interest
- site improvement needs (lacks investment in infrastructure)
- marketing strategy needs
- commercial vacancies

On June 28, 2016, City Council approved Development Incentive and Façade Improvement Program funding eligibility for five of the eight Corner Store program properties. The previous three properties were approved in March 2015. Under the relevant policies, Council approval is required to consider Development Improvement or Façade Improvement Program funding for Corner Store Program sites outside of Business Improvement Areas.

The eight approved sites include Ritchie (96 Street and 76 Avenue), Elmwood (166 Street and 83 Avenue), Newton (54 Street and 121 Avenue), Belvedere (65 Street and 132 Avenue), Calder (119 Street and 129 Avenue), Eastwood (82 Street and 119 Avenue), Forest Heights (79 Street and 101 Avenue) and Patricia Heights (156 Street and 76 Avenue).

Recent developments require that one of the previously selected properties (Forest Heights) be removed from the Façade Improvement Program and Development Incentive Program and a different property be included in its place. There has been a recent change of ownership of this Corner Store site and the new owners have declined participation, citing other priorities. The Forest Heights site will be considered for future iterations of the Corner Store Program.

Administration is therefore seeking the authority to offer funding from the Façade Improvement Program and Development Incentive Program to a commercial property in the neighbourhood of Wellington. The Wellington site is located at 132 Street and 132 Avenue (Attachment 1) and meets the Corner Store program selection criteria previously identified.

Expanding the Façade Improvement Program and Development Incentive Program into the above pilot project has the potential to:

- Stimulate investment in these areas of need.
- Support the growth efforts of small businesses in these areas.
- Beautify and improve the pedestrian element of each area's streetscape.
- Enhance the revitalization efforts of our community partners.

Policy

- City Policy C216B - Façade Improvement Program Policy
- City Policy C553B - Development Incentive Program Policy

Corporate Outcomes

This report contributes to the corporate outcomes “Edmonton is attractive and compact”, “Edmonton has a globally competitive and entrepreneurial business climate,” and “Edmonton Region is a catalyst for industry and business growth.” The recommendation supports investment to positively impact the outward appearance of commercial properties and contribute to sustainable business growth. This report also contributes to the corporate outcome “Edmontonians are connected to the city in which they live, work and play” as these programs support the attractiveness and vitality of local community shops and businesses.

Risk Assessment

Risk Element	Risk Description	Likelihood	Impact	Risk Score	Current Mitigations	Potential Future Mitigations
Leveraging Community Partnerships with Complex Requirements	Community partners may lack resources (financial, technical, organizational, etc.) to assist in achievement of strategic objectives.	2	5	Medium	Continuous collaboration and partnership development	Decrease timeline between acceptance into program and implementation

Budget/Financial Implications

The removal of one site and the inclusion of another in its place will not affect ongoing operations of the Façade Improvement Program. It should be noted that the Development Incentive Program is currently fully subscribed with all funding dollars either paid out, under contract to projects in construction, or allocated to projects in contract negotiation. This applicant will potentially be considered for the Development Incentive Program, if funding becomes available in the future.

Metrics, Targets and Outcomes

The metrics and intended outcomes important to determining areas of success for the Corner Store Pilot Program include a thriving place of commerce, businesses are busy, businesses are profitable, businesses are stable and businesses contribute to neighbourhood vitality. These outcomes are similar to the health indicators developed for the Business Improvement Areas, which measure the impact of community economic development strategies including façade improvement, marketing and local market engagement embedded in the Corner Store pilot program and Business Improvement Areas. Administration will measure the health indicators in late 2017, the data results will benchmark the impact of the economic development strategies and be used to set targets to measure future outcomes.

Metrics	Targets	Outcomes
<ul style="list-style-type: none"> ● Appearance rating <ul style="list-style-type: none"> ● Increase in appearance rating ● Pedestrian count <ul style="list-style-type: none"> ● Increase in pedestrian counts ● Parking occupancy rate <ul style="list-style-type: none"> ● Increase in parking occupancy rates ● Retail unit occupancy rate <ul style="list-style-type: none"> ● Increase in retail unit occupancy rate ● Perception of safety rate <ul style="list-style-type: none"> ● Increase in safety perceptions rate 	<ul style="list-style-type: none"> ● Metrics to be measured in 2017 and results used to form a benchmark and set targets 	<ul style="list-style-type: none"> ● Commercial site aesthetically pleasing ● Commercial site a destination location ● Commercial site retail units in demand ● Commercial site perceived as safe

Justification of Recommendation:

City Council approval is required to apply the Façade Improvement Program and Development Incentive Program to the Corner Store Program areas. This will contribute to stimulating local small business growth, enhancing access to local amenities for surrounding communities, and contribute to community building.

Attachment

1. Wellington Site

Others Reviewing this Report

- T. Burge, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services
- R. Smyth, Deputy City Manager, Citizen Services
- C. Campbell, Deputy City Manager, Communications and Engagement
- D. Jones, Deputy City Manager, City Operations