

# Streetscape, Capital Improvements and Enhancement Programs - Business Improvement Areas

**Recommendation:**

That the May 23, 2017, Sustainable Development report CR\_3066, be received for information.

**Report Summary**

This report summarizes the historical, current and potential future mechanisms used to move streetscape, other capital improvements and on-street enhancement programs forward in Business Improvement Areas. This report is linked to several other ongoing Council and Committee reports related to main street funding mechanisms, supporting programs and policies.

**Previous Council/Committee Action**

At the October 27, 2015, Executive Committee meeting, the following motion was passed:

That Administration return to Executive Committee with a report on the historical mechanisms used, and current and possible mechanisms to move the streetscapes and other capital improvements, on-street enhancement programs, forward in Business Improvement Areas.

**Report**

Administration is advancing several program reviews and reports related to funding that impacts streetscape and capital improvements in Business Improvement Areas. A summary of these related reports is outlined in the May 23, 2017, Integrated Infrastructure Services report CR\_4716 Great Neighbourhoods Integration. The outcomes of these reports and reviews will influence future funding mechanisms in Business Improvement Areas. This report summarizes historical, current and possible future mechanisms to move streetscapes and other capital improvements forward in Business Improvement Areas.

**Historical and Current Mechanisms**

Funding of streetscape improvements has come from various sources over the last three decades, often through a combination of property taxes, provincial funding and

cost sharing with property owners. Several related delivery funding mechanisms have been used:

- Great Neighbourhoods Capital Program
- Arterial Renewal
- Community Revitalization Levy
- Local Improvement

### Great Neighbourhoods Capital Program

Edmonton City Council approved the Great Neighbourhoods Capital Program, a 10-year (2009-2018) \$150 million capital budget funded through tax-supported debt. These funds have had a primary focus on enhanced streetscape and infrastructure projects. Infrastructure renewal decisions related to these investments consider resident and property owner input, and advance the City's objectives of creating pedestrian-friendly, connected, attractive and vibrant communities. Funded amenities and improvements include, but are not limited to, widened sidewalks, new or replaced street furniture, public art, outdoor lighting upgrades and safety enhancements.

### Arterial Renewal Program

This program has been leveraged for streetscape projects where enhanced infrastructure improvements are coordinated along with required renewal of arterial roads. In these cases, cost efficiencies have been achieved because the Arterial Renewal Program covers the costs of base-level reconstruction efforts.

These renewal programs have been successful in the following Business Improvement Areas: Alberta Avenue, Downtown, Stony Plain Road and Area and Chinatown and Area.

### Community Revitalization Levy

In 2005, the *Municipal Government Act* was amended to introduce a new financing tool for municipalities. The tool is a form of incremental tax financing and is referred to as a Community Revitalization Levy. A Community Revitalization Levy is a funding initiative that allows a municipality to redirect a portion of tax revenues from a specific revitalization area towards approved municipal expenditures in the designated area. The approved expenditures must have a direct role in fostering redevelopment of the area and can include streetscape infrastructure if the Community Revitalization Levy Plan includes such projects. It is the additional assessed property tax values over time that are used to fund repayment of debt incurred on redevelopment.

Community Revitalization Levies have been successfully used in the following Business Improvement Areas: Downtown, Chinatown and Area, and Fort Road and Area.

### Local Improvement Assessments

Local Improvement assessments recover debt that the City incurs to finance

infrastructure improvements up front. Assessments are levied in designated areas on benefiting properties - those that are adjacent to and that benefit most directly from local infrastructure improvements. Local Improvement assessments require the support of the property owners in advance prior to a Bylaw being enacted. Often this tool is used in conjunction with the arterial renewal program to add streetscape improvements (street furniture and lighting) to a higher standard than what existed prior to renewal.

Local Improvement assessments have been used in the following Business Improvement Areas: Old Strathcona, 124 Street and Area, North Edge and Chinatown and Area.

### Development Approval Process

On a case-by-case basis, commitments to off-site improvements adjacent to redevelopment sites are secured through the development approval process. For example, a private developer may construct a new building with large frontage along a main street and, through Site Specific Development Control provisions, commit to fund and contribute to the City various streetscape enhancements such as new sidewalks, street furniture, tree plantings, and decorative lighting to the public realm.

Site specific development approval processes are not, however, comprehensive streetscape funding mechanisms. Instead they provide an opportunity-based approach for incremental improvements associated with revitalized development sites.

### **Potential Future Funding**

#### Capital Project Funding

Recently, segments of streets in nine of the City's 13 Business Improvement Areas have been designated as "Main Streets" or "Aspiring Main Streets." Examples include segments of 118 Ave, 124 St, 107 Ave, and Jasper Ave. City Policy C573A - Complete Streets would guide design and reconstruction of these streets to a higher standard than other roadway renewal projects. Any such work would fall under capital project costs, and enhancements to streetscape could be informed by the City's Main Streets Prioritization Framework and Edmonton's Main Streets Guideline.

#### Other Potential Future Mechanisms

Other possible future mechanisms may exist to move streetscapes and other capital improvements, and on-street enhancement programs forward in Business Improvement Areas (within and outside of identified Main Streets). These mechanisms should be explored in the context of the existing Neighbourhood Renewal programs and the Great Neighbourhoods program's future state. These sources of funding, and those referenced above, are not mutually exclusive. A multi-pronged approach could be utilized to leverage resources most effectively and achieve multiple priorities.

The Business Improvement Area Health Indicators (Attachment 1) could be used to support the identification and prioritization of future streetscape improvements in

Business Improvement Areas in coordination with any of the above mentioned funding mechanisms and policy supports.

### Policy

Policy C573A - City of Edmonton Complete Mainstreet Policy

*The Way We Grow*, Edmonton's Municipal Development Plan - 3.5.2 - Align City revitalization initiatives, the neighbourhood renewal program and departmental community based projects in established neighbourhoods

*The Way We Grow*, Edmonton's Municipal Development Plan - 5.7.1 - Ensure that streets, sidewalks and boulevards are designed to perform their diverse roles and to enable safe access for all users

*The Way We Grow*, Edmonton's Municipal Development Plan - 6.2.1 - Develop sustainable, accessible, and walkable retail and mixed-use centres demonstrating high quality architecture and design

*The Way We Move*, Edmonton's Transportation Master Plan - 4.1 - The City will integrate land use planning and transportation decisions to create an accessible, efficient, and compact urban form

### Corporate Outcomes

Coordination of decisions related to future streetscape investment ensures:

- The City of Edmonton has sustainable and accessible infrastructure
- The City of Edmonton has a resilient financial position

### Budget/Financial Implications

Decisions related to future streetscape investment would require understanding and seeking potential funding sources for capital costs associated with the construction, as well as aligning the timing and funding sources with other renewal programs, if any are already in effect in the Business Improvement Areas. In addition to the capital cost, undertaking any such investment is expected to incur ongoing operating costs to the City that may be estimated in advance, such as additional resources required for ongoing maintenance. Options for funding the operating costs to maintain, sustain and restore aging infrastructure in Business Improvement Areas also needs to be considered. If Council directs Administration to proceed with streetscape investment through the Business Improvement Areas, projected costs and community impacts will be developed and monitored.

### Metrics, Targets and Outcomes

Metrics	Targets	Outcomes
<ul style="list-style-type: none"><li>● Business Improvement Area Health Indicators, specifically:<ul style="list-style-type: none"><li>○ street design standards;</li><li>○ traffic flow</li><li>○ accessibility rating</li><li>○ appearance rating</li><li>○ pedestrian counts</li></ul></li></ul>	<ul style="list-style-type: none"><li>● Positive change in BIA Health Indicator metrics</li></ul>	<ul style="list-style-type: none"><li>● Buildings, streets, and public spaces are attractive and designed to support "connectivity"</li><li>● Neighbourhoods incorporate Complete Streets</li><li>● Edmonton supports established businesses</li><li>● Edmonton attracts and retains commercial businesses</li></ul>

## Attachments

1. BIA Health Indicators - Model

## 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