

## LAND SALE APPROVAL - EDMONTON EXHIBITION LANDS

### Phase One

#### Recommendation

1. That the sale of land on the terms and conditions as outlined in Attachment 1 and Attachment 2 of the January 17, 2024, Financial and Corporate Services report FCS02210 be approved, and that the land purchase and sale agreements be in form and content acceptable to the City Manager.
2. That Attachment 1 and Attachment 2 of the January 17, 2024, Financial and Corporate Services report FCS02210 remain private pursuant to sections 16 (disclosure harmful to business interests of third parties), 24 (advice from officials) and 25 (disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*.

<b>Requested Action</b>	Committee decision required		
<b>ConnectEdmonton's Guiding Principle</b>	<b>Connect Edmonton Strategic Goals</b>		
<b>CONNECTED</b> This unifies our work to achieve our strategic goals.	<b>Urban Places</b>		
<b>City Plan Values</b>	LIVE.		
<b>City Plan Big City Move(s)</b>	A community of communities A rebuildable city Greener as we grow	<b>Relationship to Council's Strategic Priorities</b>	15-minute districts Economic Growth Climate adaptation and energy transition
<b>Corporate Business Plan</b>	Transforming for the future		
<b>Council Policy, Program or Project Relationships</b>	<ul style="list-style-type: none"> <li>• C512 - Environmental Policy</li> <li>• C511A - Land Development Policy</li> </ul>		
<b>Related Council Discussions</b>	<ul style="list-style-type: none"> <li>• CR7713 Exhibition Lands Planning Framework</li> <li>• CR8382 Exhibition Lands Implementation Strategy</li> </ul>		

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### Executive Summary

- Avison Young Commercial Real Estate Services, LP (“Avison Young”), a real estate services firm, marketed the sale of approximately 20 acres of redevelopment land, Parcel 1A and 1B, in the southwest quadrant of the Exhibition Lands on behalf of the City during the spring of 2023. In summer 2023, Administration completed a thorough evaluation process and selected a single proponent to enter into final negotiations with.
- Administration is seeking approval for the sale of land, which is at market value, and requires Executive Committee approval as the value exceeds Administration's delegated authority.
- As per the *Municipal Government Act*, the City must advertise proposed City land transfers for a public park and subsequently have the transfer approved by the appropriate Council Committee following a petition period. As a portion of Parcel 1B is a public park, the proposed land sale was advertised in accordance with the relevant sections.

## REPORT

### Edmonton Exhibition Lands, Execution of Implementation Strategy

The Exhibition Lands Implementation Strategy, as outlined in the April 26, 2021, Financial and Corporate Services report CR\_8382 was received for information by Council. This strategy outlined the proposed roadmap for a successful redevelopment strategy for the Exhibition Lands. The Exhibition Lands Implementation Strategy aligns with the vision and policies of the Exhibition Lands Planning Framework<sup>1</sup>, The City Plan and Edmonton's Energy Transition Strategy. The City's mandate, as detailed in the Exhibition Lands Implementation Strategy<sup>2</sup>, is to represent the vision and integrity of the Planning Framework.

The Implementation Strategy highlighted the proposed development timelines, land preparation and development facilitation for the entirety of the Exhibition Lands. The first phase of development and sale lands are located in the southwest corner of the Exhibition Lands redevelopment area and fall within the area identified as the short-term redevelopment lands within the Implementation Strategy.

In May 2023, Avison Young, a real estate services firm with international reach and exposure, listed the first two parcels of land (Phase One), Parcels 1A and 1B, accounting for approximately eight acres and 12 acres of developable land for public sale. The listing included evaluation guidelines requiring all submissions to align with the vision and goals of the Exhibition Lands Planning Framework and Implementation Strategy and a fair market value purchase price.

In marketing the Phase One lands for sale via Avison Young, the opportunity to participate in the Phase One redevelopment of the Exhibition Lands was presented to all interested parties. The focused submission guidelines and clear evaluation process ensured that qualified submissions were considered. Following Administration's review of all submissions, proponents with satisfactory evaluations were selected for interviews. The interviewing of select proponents allowed Administration to ask targeted questions to ensure the proponents' vision and goals

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<sup>1</sup>[https://uploads-ssl.webflow.com/602d9fcef4a247dbd33354ed/610035da0fe39f00f4f2ffd1\\_Edmonton\\_Exhibition\\_Lands\\_PlanningFramework-Optimized.pdf](https://uploads-ssl.webflow.com/602d9fcef4a247dbd33354ed/610035da0fe39f00f4f2ffd1_Edmonton_Exhibition_Lands_PlanningFramework-Optimized.pdf)

<sup>2</sup>[https://uploads-ssl.webflow.com/602d9fcef4a247dbd33354ed/610035f30746a83c450567a3\\_Edmonton\\_Exhibition\\_Lands\\_Implementation\\_Strategy-Optimized.pdf](https://uploads-ssl.webflow.com/602d9fcef4a247dbd33354ed/610035f30746a83c450567a3_Edmonton_Exhibition_Lands_Implementation_Strategy-Optimized.pdf)

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aligned with the City's expectations and the Edmonton Exhibition Lands Planning Framework. After the interviews, Administration entered into exclusive negotiations with a single proponent resulting in the recommendation to approve the terms of land sale agreements outlined within this report (Attachments 1 and 2).

Approval of the land sale agreement terms is a critical step which will facilitate the necessary due diligence that any proponent requires as part of a typical land transaction. In addition, this will allow Administration to continue to work with the proponent to ensure that the proposed development concept and plans for the lands align with the Planning Framework, Implementation Strategy, The City Plan and the Energy Transition Strategy. The land is expected to transfer to the proponent in Q1/Q2 2025; however, this may change depending on the time required to complete the conditions precedent and due diligence.

Administration will also ensure density targets meet or exceed the expectations of the Planning Framework and land use requirements, with built forms, greenspaces and shared use paths aligning with the vision presented for the Exhibition Lands. Phase One land use is designated as Ground-Oriented Residential in the Edmonton Exhibition Lands Planning Framework, which allows for a diverse mix of residential uses, including mid to low rise apartments, row houses, stacked row houses, and some compact semi-detached, duplex, and single detached housing. Small-scale neighbourhood commercial uses are also permitted. The proponent intends for all residential residences constructed in Phase One to be built to a Net Zero Ready standard, with the ability to transition to Net Zero operational. This would ensure homes are designed and constructed to allow for renewable energy systems to be installed with adequate power services. The land sale is conditional on City Council approval to rezone the Phase One lands to align with the Ground-Oriented Residential land use designation as well as the buyer's proposed development plan.

### Next Steps

- Following Executive Committee approval of the land sale, and execution of the sale agreements by Administration and the buyer, the buyer will provide a Development Concept Plan to Administration for approval.
  - The Development Concept will communicate general land use distribution, product and building types (including schemes on stylistic goals of the architecture), open space allocations and design characteristics, general layout for multi-modal transportation circulation and approaches to achieving energy performance and sustainability goals.
- Administration will apply for subdivision and rezoning of the Phase One land parcels to satisfy the condition precedents of the sale. The rezoning applications will be heard at a future City Council Public Hearing meeting where City Council will be able to discuss the proposed land use changes.
- As part of the conditions precedent of the land purchase and sale agreements, work is also underway in the engineering and design work for the redevelopment of the roadways, utilities and public realm areas the City are responsible for delivering. Construction on this work is expected to begin in the summer 2024 and be completed prior to year-end 2024.

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### Budget/Financial Implications

As a part of the 2023-2026 Capital Budget deliberations City Council approved capital profile CM-17-5046 Edmonton Exhibition Lands, funded by Land Enterprise Retained Earnings, to allow for Exhibition Lands redevelopment. This land sale would be recognized in Land Enterprise and allow for revenues from the land sale to be used to facilitate activities forwarding the redevelopment of the site, such as demolition, utility and road network upgrades. The sale of these parcels also aligns with the Implementation Strategy and prioritizes the phased development of the Exhibition Lands in conjunction with private development industry partners. This ensures that the neighbourhood is developed inline with market conditions and strategy while also aligning with the overall goals of the Edmonton Exhibition Lands Planning Framework.

### Legal Implications

Section 35 of Bylaw 16620 - City Administration Bylaw enables the City Manager to approve agreements for disposition of a fee simple interest in land for fair market value or more, up to \$5 million. Approval is being sought as the proposed sale relates to the disposition of a fee simple interest in land exceeding \$5 million.

As required by the *Municipal Government Act*, the City advertised a notice of intention to transfer that portion of the land that is public park in the Edmonton Journal for two consecutive weeks (the weeks of October 16, 2023, and October 23, 2023). The City did not receive any petitions or other public objections during the 60-day petition period. When the City does not receive sufficient petition during the petition period, Executive Committee can approve the proposed transfer.

### Community Insight

Extensive stakeholder and community engagement informed the Edmonton Exhibition Lands Planning Framework and Implementation Strategy. The process began in 2017 with public input through open houses and surveys and continued with community and public stakeholder engagement. To implement the Planning Framework, key stakeholders engaged by Administration include surrounding community leagues and their members, Explore Edmonton, industry participants and the public at large through exhibitionlands.ca and other communications tactics.

### GBA+

Administration evaluated and considered submissions from all prospective purchasers equally.

The Phase One lands were publicly listed for sale on both the City of Edmonton's sales listings website and through the marketing of a third-party broker Avison Young, which allowed any individual or group to provide a submission for consideration. The evaluations of the submissions were based on content and not language use or communication style. Applicant identity factors were not considered in the evaluation process.

In developing both the Edmonton Exhibition Lands Planning Framework and Implementation Strategy key guiding principles were considered as pillars for the future neighborhood. A

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comprehensive approach to transportation planning will be applied to ensure people who walk, cycle, wheel, ride transit and drive all have safe, reliable, high-quality and connected travel options to and through the area. Planning will also support vibrant, safe, accessible, and inclusive communities for existing and new residents and visitors. Edmontonians of all ages and abilities have an opportunity to fully participate in the life of their city and neighbourhoods.

### **Attachments**

1. Parcel 1A - Sales Agreement Terms and Conditions (PRIVATE)
2. Parcel 1B - Sales Agreement Terms and Conditions (PRIVATE)
3. Exhibition Lands Phase One Land Sales Map and Overview