

Background on 2021 Edmonton Economic Recovery Construction Grant

Administration has previously offered a development incentive grant in Centre City. The 2021 Edmonton Economic Recovery Construction Grant Incentive program offered a tax freeze equivalent grant for a five-year period, with funding of up to \$22.9 million. The intent of the grant program for qualifying Centre City projects was to support short-term job creation and long-term City Plan goals. The grants are a rebate of incremental increases in municipal taxes above 2021 assessments, paid annually for a five-year period (2022-2026).

The 2021 program was intended to stimulate investment and construction activity by incentivizing high-impact developments that would not have proceeded in 2021 without a grant. It was administered for qualifying projects that provided:

- at least 50 new residential units,
- had a construction value over \$10 million and
- had an approved Development Permit
- began construction by March 31, 2022

Thirteen applications were received of which 10 were approved and construction began by March 31, 2022. The 10 successful projects represent approximately \$551 million of private investment and over 2,340 new residential units. This represented an approximate leverage rate of \$24 of private investment per public dollar spent, and a significant acceleration in the number of units being built in the Centre City (compared to a 10-year average of 765 per year).

Further information is available in the June 15, 2022, Urban Planning and Economy report UPE00847 Update on 2021 Edmonton Economic Incentive Construction Grant Program.