

REVIEW OF POTENTIAL PUBLIC/PRIVATE CITY BUILDING OPPORTUNITIES

Recommendation

That the November 18, 2025, Integrated Infrastructure Services report IIS03133, be received for information.

Requested Action	Information only
ConnectEdmonton's Guiding Principle	ConnectEdmonton Strategic Goals
CONNECTED This unifies our work to achieve our strategic goals.	Urban Places
City Plan Values.	THRIVE. CREATE.
Corporate Business Plan	Transforming for the future
Council Policy, Program or Project Relationships	<ul style="list-style-type: none"> • C591 - Capital Project Governance Policy • C627A - Climate Resilience Policy • C602 - Accessibility for People with Disabilities Policy • C555A - Capital Infrastructure - Project Delivery Policy • C593D - Public Engagement Council Policy • C598A - Infrastructure Asset Management Policy
Related Council Discussions	<ul style="list-style-type: none"> • February 3, 2021, Citizen Services report CR_8024, Innovative Funding Strategies to Build, Operate and Maintain Recreation Centres • November 15, 2021, Integrated Infrastructure Services report IIS00400, Lewis Farms Facility and Park - Expression of Interest • January 31, 2022, Community Services report CS00387, Policy Options for Alternative Financing Tools - Recreation Centres • May 16, 2022, Community Services report CS00386, Recreation Centre Master Plan - District and Local Level - Funding Strategy Options for Recreation Centres • June 7, 2022, Financial and Corporate Services report FCS01169, 2023-2032 Capital Investment Outlook • October 17, 2022, Integrated Infrastructure Services report IIS01349, Rationalizing and Rightsizing Municipal Assets • October 31, 2022, Financial and Corporate Services report FCS01393, Proposed 2023-2026 Capital Budget

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- October 13, 2023, Integrated Infrastructure Services report IIS01767, Asset Rationalization Framework and Pilot
- June 25, 2025, Integrated Infrastructure Services report IIS02538rev, Capital Project Planning and Design - Processes and Resources: Attachment 6
- June 25, 2025, Integrated Infrastructure Services report IIS02811, Capital Infrastructure Program - Delivery Model Overview
- September 16/17, 2025, City Operations report COO3139, Canada Public Transit Fund Update

Previous Council/Committee Action

At the June 25, 2025, Special Infrastructure Committee meeting, the following motion was passed:

That Administration review priority capital investments, in consideration of currently available infrastructure growth plans, as well as City land holdings, and provide a report with a recommendation on potential future unfunded capital investments that may be suitable for collaboration with public and/or private partners.

Executive Summary

- Based on the approved capital plans, Administration reviewed which infrastructure needs could be suitable for collaboration with the private sector or other entities.
- Additional analysis of 10 priority investments yielded four projects from the unfunded priorities list as potentially viable opportunities for the possible pursuit of a public-private partnership in city building.
- Administration considered the feasibility and perceived benefit of engaging private or partner investment, ensuring that the projects selected may allow for value-add for both the City and any potential partners.
- Administration is committed to continuing to engage private partners in delivering services to residents, where feasible. This has been done historically and is also already underway on several projects.
- Partnership projects should consider risks and opportunities related to preserving public benefit, lifecycle and operational costs, fairness and transparency if Council wishes to pursue these potential opportunities.

REPORT

Edmonton's current pace of growth, combined with the growing deficit in renewal investment to preserve existing assets, is challenging the City of Edmonton to make necessary capital investments for new or expanded infrastructure, which supports the services and social infrastructure¹ relied upon by Edmontonians. A solution to this challenge requires innovation and

¹ **Social infrastructure** refers to the interconnected system of built environments, community programs, and social networks that enable Edmontonians to build relationships, foster belonging, and thrive in inclusive, safe, and resilient communities. It supports how we build, how we serve, and connect people to enhance quality of life and community wellness.

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creativity to explore different ways of delivering the infrastructure or services. These municipal investments are important as infrastructure can catalyze business investment and job creation.

The City of Edmonton has prioritized investments in renewal infrastructure but is still not keeping up with renewal needs and at the same time expansion is creating new demands for infrastructure. The City faces ongoing budgetary challenges for both capital investment and operating budgets. While partnerships will always have a cost, there is a strong need to consider all options.

The City of Edmonton has previously implemented service colocation to optimize capital investments. Colocation examples include fire and ambulance services, libraries and recreation facilities, as well as integrated operational sites and yards, with many services launching from a shared location. The City has also partnered regularly with the non-profit and education sectors to build shared facilities, mostly recreation amenities. Attachment 1 presents a list of past partnerships that have been explored or executed.

Based on the motion from Council, Administration reviewed which additional infrastructure needs could be suitable for collaboration with the private sector or other public entities and the types of partnerships that could be explored.

Priority Capital Investments

To identify the priority capital investments that may be suitable for delivery under a partnership model, Administration reviewed the list of priority projects that were not funded in the current capital budget and selected the ones that are best suited to partnership opportunities. The following documents informed the review:

- 2023-2032 Capital Infrastructure Outlook
- 2023-2026 Capital Budget
- Growth Projects Funded for Design (Completed or Underway)
- Edmonton Transit Service Canada Public Transit Fund Update
- 2023-2032 Edmonton Public Library Capital Plan²
- Asset Rationalization Framework
- Arena Facilities Capital Development Needs Update³

The review focused on facility infrastructure where private or partner ownership or investment is feasible and where there is a perceived benefit for the partner. Perceived benefits for a private or partner investment may include extrinsic value to the partner or investor, such as opportunities to develop additional infrastructure or amenities on the site, along with the City service.

Administration did not anticipate roadway or open space infrastructure projects providing value for money or interest from partners.

² Edmonton Public Library. Finance and Audit Committee. Minutes of EPL Finance and Audit Committee. March 1, 2022.

[https://www2.epl.ca/public-files/board-agendas/docs/2022/March/7a\)%202022-03-01%20F&A%20Report%20Combined.pdf](https://www2.epl.ca/public-files/board-agendas/docs/2022/March/7a)%202022-03-01%20F&A%20Report%20Combined.pdf)

³ City of Edmonton. Arena Facilities Capital Development Needs Update. Memo to City Council. July 12, 2024. https://drive.google.com/file/d/1052_RtSSxMB65drK2VLVljuf7WLSu1h/view?usp=drive_link

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Ten priority investments were identified and are listed in Attachment 2. The four chosen projects were selected based on their priority and unfunded status and Edmonton owns the parcels of land where these facilities are to be located. These sites no longer meet the needs of residents in terms of service delivery, and the assets were identified through the Asset Rationalization Framework and/or may have opportunities for housing development. Using this criterion, four investment opportunities were selected for consideration for the next steps:

- Woodcroft Library Replacement;
- Cumberland Fire Station Development;
- Windermere North Transit Centre; and
- Arenas.

Opportunities and Partnerships

The City most commonly allocates capital funding to undertake the planning and design, and construction of infrastructure projects with the support of industry partners, including land developers, consulting engineering and architectural firms and general contractors, as well as non-profit and community organizations.

Multiple categories of potential partnership are possible outlining the general exchange of goods and services between the City and private partners. These can typically include:

- **Land:** The City owns a parcel of land identified to support future infrastructure that is location specific, such as a fire station. A partnership could be considered for the development of that land to meet the City's needs, as well as to leverage additional goals by a partner.
- **Redevelopment:** The City owns a facility and parcel of land that does not meet Edmontonians' needs, such as an undersized library. A partnership could be considered to replace that facility and redevelop the land to meet the City's needs, as well as to leverage to meet additional goals by a partner.
- **Service Replacement:** As identified through the Asset Rationalization Framework, opportunities will arise for partners to meet the needs of Edmontonians for a service where the City is no longer able to provide the necessary infrastructure to support the service level.
- **Non-Profit Housing Development:** Working with the City's non-profit sector to deliver infrastructure that meets the needs of the City within a housing development.

Challenges

Providing public infrastructure or amenities through a partnership with another public or private entity can be straightforward: identify public needs, find an interested partner, outline roles and responsibilities, and deliver the infrastructure. However, many aspects of the partnership must be considered, evaluated and mitigated prior to a decision to ensure public value and benefit are preserved, such as:

- **Funding:** To make a partnership viable, the City of Edmonton may be required to contribute to the capital project's cost or enter into a long-term arrangement that requires operational funding. In both instances, funding would need to be available and committed to the identified priority.

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- **Municipal Reserve Land:** Municipal Reserve is land dedicated by a developer for specific uses, such as parks and open space, as per the *Municipal Government Act*. Opportunities to change the land use designation, remove the Municipal Reserve designation and change a proposed land use from public to private (or hybrid), with private commercial benefits, should be investigated on a case-by-case basis.
- **Geotechnical conditions or contamination:** The geotechnical and environmental conditions of land parcels may influence whether a specific development is cost effective or suitable for those lands. Future partnerships would need to determine how any necessary geotechnical or environmental work would be funded, and additional funding may be required to support development or remediate the land.
- **City policies and standards:** City policies and standards are applied differently or may not apply altogether, depending on asset ownership. Work will need to be completed to determine which policies and standards apply and how they will be implemented for each partnership opportunity.
- **Change in service level:** Service delivered by a private partner may require adjustments to different operating policies, standards, or programming both initially and over the life span of the service and infrastructure. Public perceptions and experience may also require adjustments uniquely to suit the constraints or opportunity being evaluated. Efforts would be required to identify creative approaches to ensure equity, public access and value, and the need for subsidies and other cost related items.
- **Off-site Levy:** Off-site levies are collected from developers to support the delivery of needed infrastructure to enable the public services required to service resulting from new neighbourhood development. A shift from traditional service delivery models to a partnership may impact the off-site levy structure.

Risks

As with any approach to delivering service, there are inherent risks to be considered before moving ahead with a partnership, whether for profit or not for profit. The risks must be identified, mitigated and responsibility assigned. Potential public/private building opportunities bring more nuanced risks when layering the needs of a municipality with the expectation of private industry, such as:

- **Equity:** Administration creates a list of infrastructure priorities based on growth projections, future renewal needs, gaps in service, and other models and methods to ensure that the projects put forward for budget consideration are those with the highest probability of meeting the service needs of users and Edmontonians. Identifying opportunities out of sequence or not in a priority area may create gaps in other areas of the city, further exacerbating perceived equity across the city.
- **Public Benefit:** perceived or actual, public expectations can vary depending on the types of benefits sought by the community. Within an exchange of goods or services, there is inevitably a tradeoff consideration that could constrain future opportunity or encumber the public use and benefit of a City asset or investment.

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- **Timing:** Aligning the City's capacity to pursue an opportunity with a partner's schedule is often challenging due to competing priorities, processes, approvals and budget availability.
- **Municipal Context:** The provision of services to residents is within the purview of any municipality. Service delivery, along with the supporting infrastructure, must be done in an open and transparent manner, adhering to specific policy and standards that ensure equity for all. Incorporating a private partner must be done carefully, with consideration for transparency and competitiveness, and always with the interest of Edmontonians at the forefront.
- **Total Cost of Ownership:** Considering a public/private opportunity may allow for support at the outset of the project, meaning the initial capital outlay of funds. This approach may not account for ongoing operating and maintenance costs, future renewal needs, and eventual asset replacement, which, over time, can exceed the initial investment. Additionally, the City may be exposed to the risk of the partner not being able to meet its obligations over the lifecycle of the asset.
- **Procurement:** Consideration of trade agreements the City is bound by, which require fairness of competition and transparency within the selection process. As a municipal government in the Province of Alberta, the City of Edmonton is bound by provincial and federal trade agreements that outline the requirements for how the City is to procure goods, services and construction. Edmonton has a responsibility to all interested parties, including suppliers and the public, to ensure the efficiency and effectiveness of the procurement process.

Proposed Approach and Next Steps

Considering public-private partnerships requires a layered and nuanced approach. Partnership decisions will depend on various factors, such as:

- **Value for Edmontonians** offered by the partnership proposal.
- **Equity** of available amenities within the 15-minute districts as outlined in The City Plan⁴.
- **Asset Condition** of existing infrastructure.
- **Land Use** or existing zoning of the area and site.
- **Strategic Alignment** with City strategies, policies and standards.
- **Value for Partners** offered by the City to attract investment.

Respecting feedback from Council, Administration will conduct Requests for Expression of Interest (RFEOI) for the four investments selected for consideration:

- Woodcroft Library Replacement;
- Cumberland Fire Station Development;
- Windermere North Transit Centre; and
- Arenas.

The RFEOI will solicit market interest in partnering with the City of Edmonton in the partial or full capacity of providing the necessary goods and services to plan, design, deliver, operate and/or

⁴ "The City Plan." *City of Edmonton*, 2025, https://www.edmonton.ca/city_government/city_vision_and_strategic_plcurrently_unknownan/city-plan. Accessed 8 August 2025

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maintain the identified amenity, potentially through a larger development that integrates other infrastructure or amenities. The RFEOI will be conducted in the first quarter of 2026.

Administration will report back to Council on the evaluation of submissions received and recommended next steps in the second quarter of 2026.

Additionally, Administration is currently working on the development of a social infrastructure framework and related assessment tool to assess community resources and gaps to guide smart investment for long-term community growth.

Budget/Financial Implications

The budget and financial implications are currently unknown. The RFEOI process itself is non-binding and does not include any budget or financial implications. However, depending on the evaluation of the results of the RFEOI process, Administration may bring forward a funding request for Council's consideration to commit to a capital investment or a long-term operating arrangement.

While partnerships may reduce the initial capital investment, the addition of infrastructure and services will require additional operating funding, which may be higher than a City-led project. The review of the value for money of the partnerships will need to take into account the full lifecycle, in addition to the potential for one-time capital savings. Such considerations will be explored in the next steps.

The potential impact of any partnerships on capital and operating funding will be considered when they are recommended to Council for approval.

Community Insight

Administration continues to listen to and engage with the public and various community interest holders throughout the different phases of a capital project, including planning, design and construction. The feedback gathered through the engagement process helps Administration adjust designs and mitigate any potential impacts to reflect the needs of Edmontonians. The RFEOI will provide engagement and market sounding with industry and potential partners to support determining the next steps for each opportunity.

Feedback from Edmontonians has significantly influenced the City's policies and guidelines for infrastructure projects. The City Plan and other Council priorities provide key policy direction.

GBA+

Administration integrates GBA+ considerations into the planning and design phases of its infrastructure projects. City policies and Council priorities can also influence the functional program and design elements of projects, which can directly impact end users, particularly those facing unique barriers and challenges. Public engagement plans are designed to be inclusive, ensuring that diverse groups and those whose voices are often underrepresented have the opportunity to contribute their perspectives.

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This information is an exploration of ideas; thus, a comprehensive GBA+ was not undertaken for this report. However, upon the commencement of a project, a full analysis is applied on an individual project basis, allowing for future contributions to the equality outcomes.

Environment and Climate Review

Climate modelling for Edmonton has identified future challenges such as rising temperatures, changing precipitation patterns, and an increasing frequency and severity of storm events. These factors will increase climate related risks that will place greater pressure on infrastructure and assets. Opportunities exist to ensure that investment towards the planning, design and construction of infrastructure projects appropriately allocates the climate risk to different project entities when the development of priority infrastructure that supports City growth and renewal are considered. Should the recommended projects progress to the next steps, environmental and climate implications of the individual projects will need to be considered.

Attachments

1. Projects with a Partner Supporting
2. Priority Investments Review