

Capital City Downtown Community Revitalization Levy

Next Steps

Recommendations:

1. That the boundary of the Capital City Downtown Community Revitalization Levy area as shown in Attachment 2 of the October 26, 2011, Sustainable Development report 2011SCO505 be approved.
2. That Mayor S. Mandel, on behalf of City Council, make an application to the Provincial Government requesting designation of the Capital City Downtown Community Revitalization Levy in a regulation.

Report Summary

This report provides direction on the next steps required to gain approval for a Community Revitalization Levy to fund specific City-led catalyst projects contained in the Capital City Downtown Plan and requests approval.

Previous Council/Committee Action

At the August 31, 2011, City Council meeting, the following motion was passed:

That Administration provide a report to the October 12, 2011, City Council meeting outlining the next steps for moving forward with the Capital City Downtown Plan Revitalization Levy boundary as outlined in Attachment 1 of the

August 31, 2011, Sustainable Development report 2011SCO865.

This report was postponed to the October 26, 2011 City Council.

Report

- On August 31, 2011, City Council was presented with report 2011SCO865 that provided an overview of the City-led catalyst projects in the Capital City Downtown Plan, a preliminary budget estimate for the implementation of these projects, and a revenue forecast for an expanded Community Revitalization Levy.
- In this report, Administration is recommending the use of a Community Revitalization Levy to fund specific City-led catalyst projects contained in the Capital City Downtown Plan, including the proposed arena (as outlined in Attachment 1).
- During the discussion at the August 31, 2011, Council meeting, Administration was asked to review the potential of adding the Shaw Conference Centre expansion plans and a portion of the southern part of the Chinatown Business area (as described in the Sustainable Development report 2011SPE019 to Executive Committee on August 24, 2011) to the proposed Capital City Downtown Community Revitalization Levy area.
- Administration reviewed both potential projects for inclusion in the proposed Capital City Downtown Community Revitalization Levy program. In both situations it was determined that amending the boundary of the proposed Capital

City Downtown Community Revitalization Levy area (Attachment 2) to include the areas associated with these potential projects is not advisable.

- In the case of the Shaw Conference Centre, the business plan for the expansion project is still in its preliminary stages and the timelines for the project do not align well with the catalyst projects contained within the Capital City Downtown Plan.
- Similarly in the case of the southern Chinatown Business Area, a business case has not yet been developed and the anticipated timing associated with the implementation of the revitalization strategy for that portion of the McCauley neighbourhood will not likely fit with the Capital City Downtown Community Revitalization Levy proposal. Should work on this project progress to the point where a Community Revitalization Levy might be a viable option for funding future projects, a separate report would be brought forward for City Council's consideration.

Policy

The proposed Capital City Downtown Community Revitalization Levy area and Downtown Catalyst Projects contained within it are consistent with the following policies:

- City of Edmonton Strategic Plan 2009-2018 – *The Way Ahead*
- City of Edmonton Municipal Development Plan – *The Way We Grow*
- City of Edmonton Transportation Master Plan – *The Way We Move*

- City of Edmonton Environmental Strategic Plan – *The Way We Green*
- Capital City Downtown Area Redevelopment Plan – *Bylaw 15200*
- City of Edmonton Zoning – *Bylaw 12800*
- Debt Management Fiscal Policy – *C203C*

Corporate Outcomes

The Capital City Downtown Plan Catalyst Projects are aligned with the City's ten-year strategic goals of transforming Edmonton's urban form, improving Edmonton's livability, and shifting Edmonton's transportation modes

Public Consultation

Stakeholder consultation for the Capital City Downtown Plan, including the Catalyst Projects, occurred over a five year period and included over 1,000 people.

Budget/Financial Implications

The Community Revitalization Levy, if approved, will be the primary funding mechanism for specific City-led catalyst projects within the recommended Capital City Downtown Community Revitalization Levy area.

Legal Implications

- A letter to the Minister of Municipal Affairs (Attachment 3) has been prepared for the Mayor's signature in accordance with the required legislative steps that must be taken in order to get a Community Revitalization Levy area approved.
- Capital projects that are contemplated to be funded through the Capital City Downtown

Community Revitalization Levy should not receive funding approval prior to City Council approving the Capital City Downtown Community Revitalization Levy area.

- City projects that are identified or approved but not already funded within the Capital City Downtown Community Revitalization Levy area may be included in the Capital City Downtown Community Revitalization Levy Area Plan.

Justification of Recommendation

1. City Council approval of the Capital City Downtown Community Revitalization Levy area boundary is required as one of the initial steps in the Community Revitalization Levy process.
2. The Provincial Government is required to approve a Community Revitalization Levy Regulation. Attachment 3 outlines the draft letter to the Province.

Attachments

1. Catalyst Projects
2. Recommended Capital City Downtown Community Revitalization Levy area.
3. Letter to the Honourable Doug Griffiths, Minister of Municipal Affairs

Others Reviewing this Report

- L. Rosen, Chief Financial Officer and Treasurer
- D. H. Edey, General Manager, Corporate Services

Catalyst Projects

City-led Catalyst Projects (not in order of priority) include:

Central Warehouse Housing Incentive Program (Estimated \$12 Million)

- Assists in the creation of family-friendly housing within the downtown, ensuring a high standard of design is upheld.
- Provides grants of \$12,000/unit for the first 1,000 units built within the Urban Warehouse Zone on projects built to high quality design standards, and include 10 per cent of units as family-oriented units (i.e. 2 or more units).

Warehouse Campus Neighbourhood Central Park (Estimated \$48 Million)

- High quality park that will be a catalyst for residential development in the Warehouse Campus Neighbourhood.
- Major public amenity that represents a proactive, strategic intervention to provide current and future residents and businesses a more attractive place to live, work, play, and invest.

Downtown Stormwater Drainage 'Backbone' (Estimated \$47 Million)

- Will improve combined sanitary sewer performance within the Downtown Plan area while accommodating additional sanitary flow and stormwater runoff resulting from future redevelopment.
- This 'backbone' piece of infrastructure is critical to service future development in the downtown.

Jasper Avenue New Vision (Estimated \$61 Million, conceptual only ± 50 percent)

- Includes streetscape and below grade utility improvements undertaken along Jasper Avenue in three phases beginning in 2012:
 - Phase 1 (funded) - repairs to the Central Station LRT roof, streetscape and below grade utility improvements from 100 St to 102 St.
 - Phases 2 and 3 (unfunded) - streetscape and below grade improvements from 97 St. to 110 St. Below grade utility study plus function study must be conducted to assess conditions of utilities and cost.
- Also narrowed roadway, wider sidewalks and improved surfaces, and more trees, seating areas, landscaping, and lighting.

Green and Walkable Downtown (Estimated \$81 Million)

- Enhance attractiveness, connectivity, and active transportation function of each street in the downtown by adding wider sidewalks, trees, high quality lighting, landscaping, street furnishings and paving (i.e. sidewalks, streets, and lanes).
- Enhancements such as improved lighting, murals and display spaces are proposed along the east-west alleyway just north of Jasper Avenue between 103 and 105 Streets, including the small park on the west side of 104 Street (i.e. Alley

of Light Project proposed by Michael Phair, a citizens' group 'Edmonton on the Edge' and the Edmonton Arts Council).

Integration of At Grade LRT (Separately funded outside Community Revitalization Levy)

- Efforts to facilitate the future construction of an 'urban style' (i.e. low-floor technology) LRT system.
- Council reviewed project June 1, 2011 as part of the Downtown LRT Connector. It is separately funded outside the Downtown Community Revitalization Levy.

High Profile Bikeway (Estimated \$1 Million)

- Initial stage will see low-cost interventions such as striping and 'Bike Boxes' along 102 Avenue of up to 11 blocks in advance of at-grade LRT construction.
- Funding, if approved in the Operating Budget, will involve public consultation with property owners.
- Long term funding required and may include potential raised barrier or curb that physically separates a bicycle route from automobile traffic on 102 Ave. Will be undertaken in conjunction with LRT construction.
- Route will link to existing bike routes and could involve highly visible route markings and way-finding signage, and improved cyclist-oriented intersection treatments.

River Valley Promenades (Estimated \$13 Million)

- Expand and enhance pedestrian connections along portions of the Heritage Trail system in the Downtown to improve access to river valley and better link downtown neighbourhoods
- Improve access to the river valley at key river valley stairway access points including 104 Street and 99 Avenue, 100 Street in front of the Hotel Macdonald, and Macdonald Drive in front of the Chateau Lacombe.
- Extend the Heritage Trail Promenade from its current location across McDougall Hill via a pedestrian bridge and eastward to Jasper Avenue at the Armature (i.e. 96 Street) in The Quarters.

Central Gathering Place for McKay Avenue (Estimated \$6 Million)

- Central gathering place is envisioned to be amenity space within the local community linking green spaces and pathways.
- Space may involve a widening of the sidewalks in certain locations to provide additional seating areas fronting on retail services serving to animate and establish a meeting place for the McKay Avenue community.

Green Building and Development Strategy (Funding to be reviewed by Council separately)

- Seeks to establish a Green Building and Development Strategy for private development in Downtown as part of the preparation of a city-wide strategy, to promote healthier indoor environments, energy efficient buildings, and more sustainable development. Funding of the Strategy will focus in particular on

identifying opportunities to improve the energy efficiency of high- density commercial and residential buildings which comprise Edmonton's predominant downtown building form. Existing programs such as LEED®, Built Green and BOMA Best will inform the Strategy while the City encourages major developments to strive for high standards of sustainability through its Urban Design Awards Program, and by setting the example with Public Buildings.

Downtown Arena Building (Estimated Community Revitalization Levy contribution \$45 Million, under negotiation)

- City and Katz Group are currently negotiating the terms of an agreement based on May 18, 2011 Council direction. The deal is not yet complete nor approved by Council.
- Based on proposed Downtown Community Revitalization Levy boundary, and as intimated to Council that \$45 million be allocated to the construction of the arena building which includes the design and building of the arena, parking, loading areas, site servicing and levies

Arena Area Project (Estimated Community Revitalization Levy contribution \$72 Million, funding to be further reviewed by Council)

- Additional \$72 million may be allocated to cover estimated costs for the Arena Area which includes the LRT connection (estimated \$17 million), purchase of land for the arena (estimated \$30 million) and half the cost of the pedway over 104 Avenue (estimated \$25 million). Further work is required to refine the pedway and incremental cost of the pedestrian walkway around the arena.
 - Full funding package for the arena building and arena area has not yet been determined and all capital requests will be presented to Council for approval
- NOTE: The above figures have been amended to reflect the October 14, 2011 discussion.*

Concurrent Projects (not in order of priority and are those which are either already funded or are being led by others or through partnership) include:

Capital Boulevard – Ceremonial Street (Funded)

- Major streetscape improvements along Capital Boulevard to establish the street as one of the Downtown's primary Ceremonial Streets.
- Street will showcase grand urban design (e.g. broad tree-lined sidewalks with amenities, public art, monuments), highlight the connections between the public realm, support for civic activities (e.g. processions, commemorative events, celebrations) and landmark buildings (restoration of Federal Building and new Centennial Plaza), and our shared history.

Legislature Grounds Redevelopment

- Redevelopment underway with improvements focused on removing physical and visual barriers on the northern, western and eastern edges of the site, provision of a continuous pathway/boardwalk along the riverbank and top-of-valley edge, with viewpoints and grand pedestrian connections to the river, improved

pedestrian connectivity to surrounding areas, family-friendly amenities/recreation facilities for McKay Ave and other downtown area residents, a major cultural facility and small scale tourism facilities.

Expansion of Downtown Universities and Colleges

- Recognizes the growth of the downtown knowledge economy by encouraging and supporting the growth of existing educational institutions and other training facilities and by attracting new learning institutions to locate downtown.
- Key educational institutions currently Downtown include: University of Alberta (Enterprise Square), Grant MacEwan University (City Centre Campus) and NorQuest College (Downtown Campus). All of these institutions have recently expanded or are contemplating significant expansions in/consolidation to Edmonton's Downtown.

Royal Alberta Museum (Funded)

- New Royal Alberta Museum will be built in downtown Edmonton starting this year. Will showcase both Alberta's history and its natural wonders.
- Facility will feature twice as much gallery space, direct connections to public transit, proximity to the Arts District, and the ability to host major international exhibits and rare artifacts.
- Alberta Government and City of Edmonton worked together to acquire the site for the new museum, on the northeast corner of 103A Avenue and 99 Street.
- Total project cost estimated at \$340 million. New museum is projected to open by 2015.

Anticipated Benefits of Catalyst Projects and CCDPlan Implementation

- Both the CCD Plan and proposed Catalyst Projects enjoy tremendous community and stakeholder support achieved through more than 1,000 hours of consultations. Together, the policies, zoning, and catalyst projects will deliver direct measurable benefits to the Downtown and the City of Edmonton as a whole. These include:
- Increased Urban Densification – 12,200 new residential units over a 35 year period; more than twice the growth projected without the Plan.
- Increased Economic Activity – 2.35 million square feet of commercial space and 2.25 million square feet of new office space over a 35 year period; 40-70 percent more growth than without the Plan.
- Increased Tax Revenue – An additional \$200-250 million in annual property tax revenues above the base scenario without the plan after 35 years.
- Higher Land Values – Resulting from increased amenities, design quality and livability of the downtown.
- Improved Sustainability – Greenhouse Gas reductions of up to 40 percent per Downtown resident as a result of intensifying development, shifting transportation modal choices towards public transit and active modes, and implementing a Green Building and Development Strategy.
- Clearer Expectations – A predictable framework for investment and development.

- Enhanced Transit Viability – Supported by Edmonton’s greatest concentration of transit users and complementary uses.
- Showcase for Edmonton – a vibrant, well-designed and sustainable Downtown attracting people, investment and opportunity to the City.

Summary of Capital City Downtown Plan City-led Catalyst Projects	
Project¹	Estimated Cost (Millions) – As an Order of Magnitude
Central Warehouse Housing Incentive Program	\$12
Warehouse Campus Neighbourhood Central Park	\$48
Downtown Stormwater Drainage ‘Backbone’	\$47
Jasper Avenue New Vision (conceptual only ± 50 percent)	\$61
Green and Walkable Downtown	\$81
Integration of At Grade LRT ²	
High Profile Bikeway	\$1
River Valley Promenades	\$13
Central Gathering Place for McKay Avenue	\$6
Green Building and Development Strategy ³	
Downtown Arena Building ⁴	\$45
Arena Area Project ⁵	\$72
	\$386

Notes:

Note ¹ All project costs are stated in 2011 dollars.

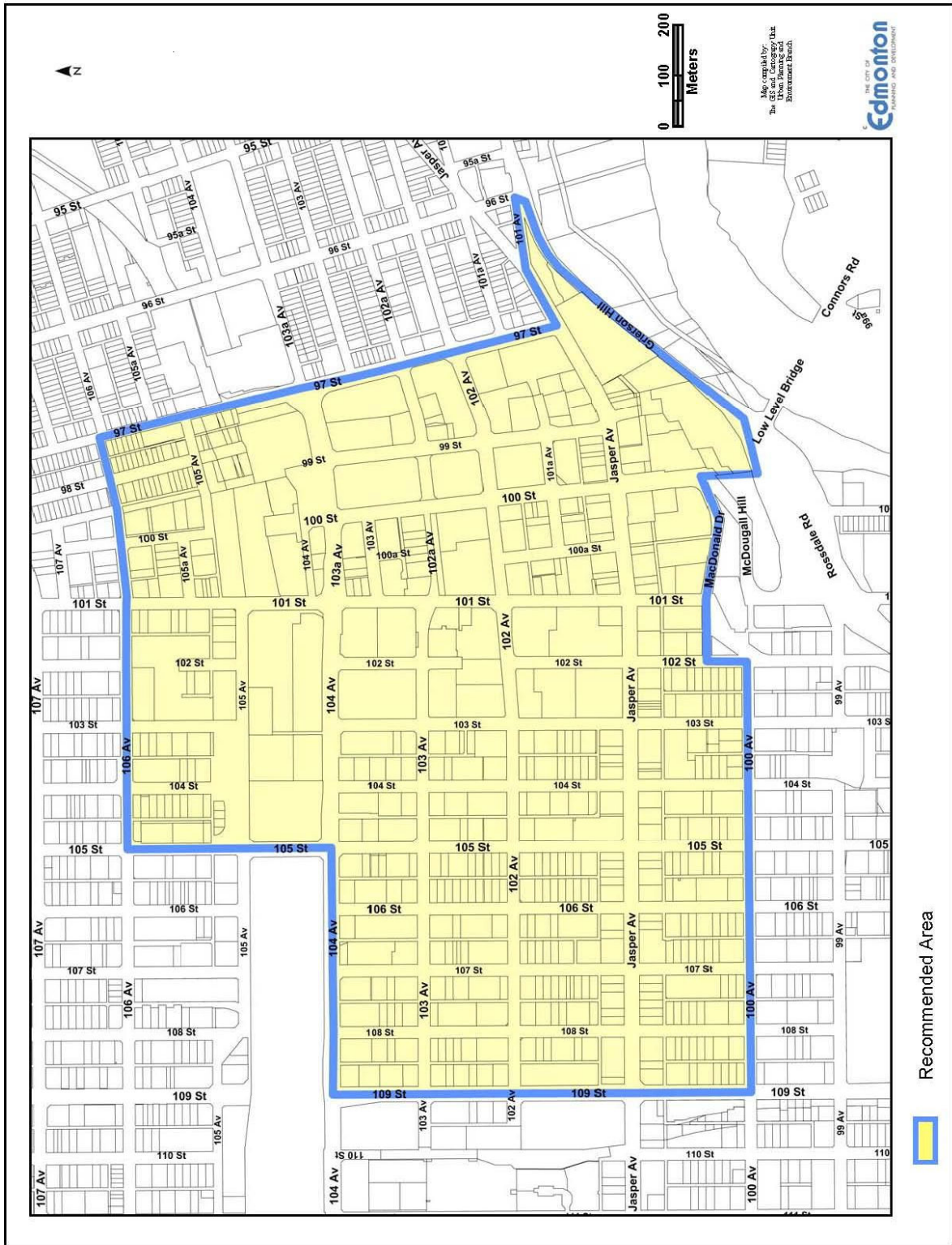
Note ² Approved by Council on June 1, 2011, subject to further public consultation (to be funded outside the Community Revitalization Levy).

Note ³ Funding to be reviewed by Council separately.

Note ⁴ The agreement for the Downtown Arena building is not yet finalized.

Note ⁵ Cost estimates for the Arena Area Project are not yet completed.

Recommended Capital City Downtown Community Revitalization Levy Area



Letter to the Honourable Doug Griffiths, Minister of Municipal Affairs

Alberta Municipal Affairs
#503 Legislature Building
10800 97 Avenue
Edmonton, AB
Canada T5K 2B6

VIA Courier Delivery

Attention: The Honourable Doug Griffiths – Minister of Municipal Affairs

Dear Minister Griffiths:

On _____, 2011 Edmonton City Council passed the following resolution:

That the Mayor make application to the Provincial Government requesting designation of the Capital City Downtown Community Revitalization Levy area in a regulation.

In accordance with section 381.5(1) of the *Municipal Government Act*, R.S.A. 2000, c. M-26, the City of Edmonton looks forward to receiving a regulation from the Lieutenant Governor in Council with respect to the Capital City Downtown Community Revitalization Levy area.

Yours truly,

Mayor Stephen Mandel