

Revitalization in Downtown Edmonton

Effects of an Arena Development in Downtown Edmonton

Recommendation:

That the April 6, 2011, Planning and Development Department report 2011PGM008, be received for information.

Report Summary

This report provides information on:

- context on the development of the Downtown versus the City as a whole
- impact an arena may have as a catalyst for revitalizing downtown and the conditions necessary for success

Report

At the March 2, 2011, City Council meeting, Administration responded to Council's motion to prepare a report on the experience of other cities on a cross section of businesses adjacent to but outside the immediate arena districts of those cities. A report was provided by Drs. D. Mason and M. Rosentraub on the experience of five American cities where sports venues were developed in their respective downtowns. The study included comparisons of the property taxes for the central city (containing the downtown sports venue(s)) versus the surrounding county over a ten year period. The study concluded that there were no adverse impacts to the property values of the central city versus the surrounding county.

Arising from the Council discussion of the March 2, 2011, report, Members of Council made comments and raised questions as to:

- Edmonton's downtown being markedly different from the five American cities cited in the above study focusing on the degree of revitalization the City has already experienced
- whether Administration could provide information on the experience of other cities more comparable to Edmonton
- additional discussion on the conditions necessary for an arena to contribute to the successful revitalization of downtown

To provide additional context about the existing level of development in the Downtown and to further examine potential impacts of a downtown arena, Administration has provided historical information regarding property taxes for the downtown. As well, a more detailed discussion of Edmonton's downtown has been developed based on extensive work already undertaken through the Downtown Plan.

Attachment 1 provides a comparison of property and business taxes for Edmonton's Downtown versus the entire city. The data illustrates property and business tax values in Downtown have been relatively stable and trending upwards over the past decade.

Attachment 2 provides additional information on the degree to which an arena might be a catalyst for revitalizing downtown and the conditions necessary to do so. The report was prepared by Tom Sutherland, FRAIC, Principal for DIALOG and the prime consultant for the Liveable City Design Consortium that assisted Administration in the

preparation of the *Capital City Downtown Plan*. The report reflects the conditions in which an arena in downtown Edmonton can have positive impact on revitalizing the Downtown.

Policy

The Way We Grow, Edmonton's Municipal Development Plan:

- Policy section 3.4.1.5 – Promote the retention and development of major cultural, educational and recreational facilities in the Downtown.

Corporate Outcomes

This report is in response to Council's ongoing consideration of a Downtown Sports and Entertainment Facility. The development of such a facility, particularly within a broader arena district, has the potential to support a number of Council's 10 year goals from *The Way Ahead*, Edmonton's Strategic Plan 2009-2018:

- Improve Edmonton's Livability
- Transform Edmonton's Urban Form
- Diversify Edmonton's Economy

Attachments

1. Property and Business Tax Data – Downtown Versus City Wide, 2000 to 2010
2. *Is a New Arena a Good fit for Downtown Edmonton?* Capital City Downtown Plan – Information Addendum. Prepared by Tom Sutherland, DIALOG

Others Reviewing this Report

- L. Rosen, Chief Financial Officer and Treasurer

