

High Level Line Society Project - Next Steps

Recommendation

That the February 2, 2021, Urban Form and Corporate Strategic Development report CR_7847, be received for information.

Previous Council/Committee Action

At the December 10, 2019, City Council meeting, the following motion was passed:

2. That Administration return to Committee with a brief analysis of:
 - How the insights and inclusive public engagement done by the High Level Line Society can be leveraged to support existing and planned City of Edmonton city-building projects, programs and initiatives.
 - A process to allocate \$85,000 to the High Level Line Society for its ongoing work, including whether any community benefits contribution from nearby development could be allocated.
 - Ways the City can use its charitable status to facilitate fundraising for design and project management costs.

Executive Summary

The High Level Society (the Society) is currently seeking funding to support their operations and completion of a design study to enhance and activate the four-kilometre active transportation corridor connecting MacEwan University downtown and the Strathcona neighbourhood.

On January 20, 2020, Administration provided a letter to the Society, confirming the alignment of the High Level Line Project with the City's strategic goals (Attachment 1). Additionally, the Society has engaged Administration and the Society's insights and project vision have been incorporated into several city-building projects such as the Downtown Public Places Plan.

Administration has identified two potential processes for Council to allocate funding to the Society: an operating grant or funding from the 2021 Council Contingency Fund. If Council chooses to provide funds to the Society, Administration would develop a funding agreement between the City and the Society. Community amenity contributions would not be an option at this time as the funding is for the society's operations, not a capital project.

The City, as a qualified donee under the *Income Tax Act*, can provide tax receipts to any event, program or capital project that is within City ownership. The High Level Line is not a City-owned project; therefore, the City cannot issue tax receipts.

Report

Alignment of engagement with city-building projects

To steward the vision of High Level Line, the Society has collaborated with Administration and also aligned its efforts with existing and planned City of Edmonton city-building projects, programs and initiatives. During the development of the Downtown Public Places Plan the Society engaged with Administration and this resulted in key elements of the High Level Line vision being embedded within the Plan. The Society will be engaged as part of future planning work related to the rehabilitation of High Level Bridge. These efforts demonstrate how future community-led initiatives can align with the City's strategic goals.

Further, the Society initiated conversations with Administration to identify areas for alignment with the Strathcona neighbourhood renewal. Specifically, the Society provided input on the alignment of a multi-use pathway along the Canadian Pacific Right-of-Way, a key element of the High Level Line vision.

The collaborative relationship that has evolved between the City and the Society provides shared benefits for both organizations, and is an example of how community-led initiatives may provide a significant role in city-building.

Processes for financial support

Administration has identified two potential processes to allocate \$85,000 to the High Level Line Society for their ongoing work. Administration would develop an agreement between the City and the High Level Line Society outlining the funding's terms and conditions for any of the options presented below:

Process A - Council could direct Administration to allocate \$85,000 from its base budget to provide an operating grant to the High Level Line Society. Given that the base budget is fully allocated, a reassessment of priorities would be required in order to accommodate this grant.

Process B - Council could direct that financial support for the Society be drawn from 2021 Council Contingency Fund. Council's contingency fund is available for emergent, one-time items subject to Council's approval. There is \$700,000 available in the fund, and no funds are currently allocated.

Community Benefits Contribution

City Policy C599 Community Amenity Contributions in Direct Control Provisions establishes the process and conditions to which community amenity contributions can be allocated. The Policy states that the purpose of community contributions are to offset impacts of development and provide a tangible and ongoing benefit to local residents.

The High Level Society is currently seeking funding to support their operations and leverage funds to advance a design study. As these activities will not deliver a physical asset to the community, the allocations of funds through community amenities contributions is not an option at this time to provide financial support for the High Level Line project.

If the High Level Line were to proceed with a capital project in the future, there may be an opportunity for community contributions, such as that outlined in Bylaw 19507 (zoning in Oliver at 111 Street and 100 Avenue) to be allocated to the project depending on the connection that can be achieved between this project and the impact of surrounding development.

Charitable status to facilitate fundraising

As a registered Canadian municipality, the City is not permitted under the legislative provisions of the *Income Tax Act* to extend or lend out its status as a "qualified donee" to other non-profit organizations that are not able to issue tax receipts on their own. The City can issue an official donation tax receipt if the City maintains direction and control over the use of the donated funds it receives, and donations must be applied by the City towards events, programs or capital projects that fall under its ownership.

At this time, funds being sought by the High Level Line Society are to support their operations and leverage the advancement of a design study. As the project is not a City-owned capital project, the City cannot issue tax receipts to donors to fulfil their fundraising, design and project management costs.

Budget/Financial

There is currently no budget allocated to provide the High Level Line Society a grant of \$85,000. However, options (including benefits and trade-offs of each) have been proposed for Committee's consideration.

Corporate Outcomes and Performance Management

Corporate Outcome(s): Edmonton is attractive and compact

Outcome(s)	Measure(s)	Result(s)	Target(s)
Communities are well-designed	Citizen perception survey: Well designed, attractive city	53 percent (2017)	No targets have been identified for this measure.

Attachments

1. Copy of letter from Administration to High Level Line Society

Others Reviewing this Report

- M. Persson, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- C. Owen, Deputy City Manager, Communications and Engagement
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services
- B. Andriachuk, City Solicitor