



Calgary



C2019-0415 Downtown Strategy and Focus

2019 April 01 Strategic Council Meeting

Outcomes for the April 1 Meeting

OUTCOME 1 | Clear line-of-sight on a
Downtown Strategy and Focus – Define The
City and Our Partners' Scope of Work and
Action

OUTCOME 2 | Decision on 2019 Tax Rate

OUTCOME 3 | Direction on 2020 to 2022 Tax
Shift/Rate



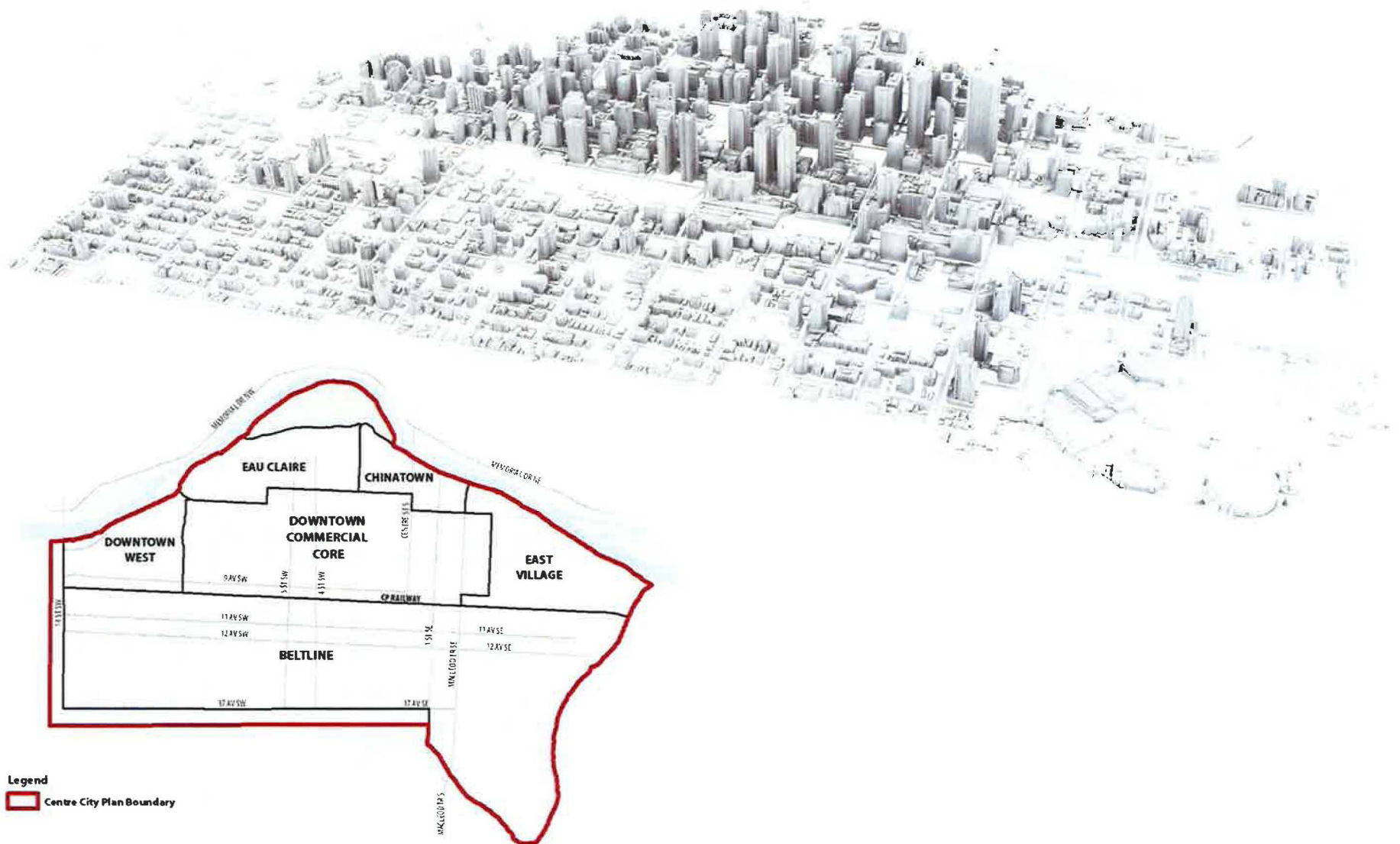
1. Mayor's Overview of Meeting	9:30-9:35 am
2. Council Business (Question Period)	9:35-9:55 am
3. Downtown Strategy & Focus <ul style="list-style-type: none">I. ContextII. OpportunityIII. AccountabilityDiscussion and Recommendations	10:00-12:00 pm
Lunch Break	12:00-1:15 pm
4. Downtown Tax Shift Response	1:15-3:15 pm
Afternoon Break	3:15-3:45 pm
Continuation of Downtown Tax Shift Response	3:45-6:00 pm

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I. CONTEXT

“Downtown” Centre City Boundaries



When considering a Downtown Strategy it is important to keep two things in mind:

1. **The City and its partners including Calgary Economic Development and the Calgary Municipal Land Corporation are doing a lot of work related to the Downtown and its future.**
2. **We are enhancing our work together to communicate and inform Council and Calgarians of our progress and results.**





Why is the Downtown Important?



Since the start of the oil boom in the 1970s, Calgary's downtown has been the heart of the city with **50M square feet of office space.**

CAN
ACCOMMODATE
250,000
EMPLOYEES

-

IN 2016,
THERE WERE
APPROXIMATELY
160,000
EMPLOYEES

=

OPPORTUNITY
FOR ABOUT
90,000
MORE
EMPLOYEES
IN EXISTING
SPACE



The Downtown's Value

Although downtowns, generally, occupy less than 1% of the total land area, they generate outsized benefits in terms of jobs, tax revenue and construction value.

In Calgary's case, our Centre City (that includes the downtown) includes:

- **60% of the city's office inventory in the downtown.**
- **25% of jobs.**
- **Between 10% to 24% of the city's total construction value over the past 10 years has been in the Centre City.**
- **Financial, legal and business services that serve the entire city, region and world.**

Centre City office vacancy rate is 26% as of Q4 2018 (CBRE).



City Strategies

CITY-WIDE STRATEGIES

- **Municipal Development Plan / Calgary Transportation Plan** (review underway)
- **The Economic Strategy | Calgary in the New Economy** (approved)
- **Pedestrian Strategy** (approved) • **Resilient Calgary strategy** (underway)
- **Culture Plan** (approved) • **Mental Health + Addiction Strategy** (approved)
- **Established Area Growth + Change Strategy** (underway)
- **Enough for All Strategy** (approved)

CENTRE CITY WIDE STRATEGIES

- **The Centre City Plan** (review underway)

CENTRE CITY NEIGHBOURHOOD STRATEGIES

- **The Beltline Area Redevelopment Plan** (review underway)
- **Downtown West Revitalization Strategy** (underway)
- **The Chinatown Area Redevelopment Plan** (review underway)
- **The Rivers District Master Plan** (approved)

- **Includes multiple Centre City investments.**
- **Approximately *\$350M in capital investment is identified (excluding recent approvals).**

***Identifying the total capital investment dollars depends on how the data is filtered.**



The City + Partner Investments

- The New Central Library
 - Contemporary Calgary
 - The National Music Centre
 - Historic City Hall Restoration
 - Calgary Public Building Restoration
 - Sanitary + Watermain upgrades
 - 9 Avenue Parkade + Innovation Centre
 - BMO Convention Venue Expansion
 - Environmental Design/University of Calgary Castell Building Activation
 - Beltline Recreation Centre
 - Flood Barriers
 - Stormwater Lift Stations
 - +15 Lifecycle
 - West Eau Claire Park
 - Devonian Gardens
 - East Eau Claire Promenade
 - Eau Claire Plaza
 - Prince's Island Stage
 - Streetscape Improvements
 - MAX Yellow Improvements
 - 9 Avenue Bridge Replacement
 - Green Line
 - Eau Claire Bridges
 - Underpasses
 - 17 Avenue Extension
 - Reconciliation Bridge Rehab.
 - Centre Street Paving
 - Complete Streets
 - Cycle Track
- + more.**



The City + Partners' Services + Initiatives

- The Centre City Enterprise District
- The Opportunity Calgary Investment Fund
- The Joint Encampment Team
- The Corporate Coordinated Graffiti Abatement Program
- The Centre City Levy
- **The Downtown Economic Summit**
- Beltline Urban Murals Project
- Business Licensing Service Improvements
- Commercial Property Fire Inspections
- Customer Coordinator, Small Business Position
- myBusiness Online Hub + Live Chat
- Mobile Bike Repairs + Fire Pits
- Online Business Licensing
- Business Perspectives Research Panel
- Business and Industry Roundtable
- Living Lab Initiative
- Business Advisory Committee
- Community Drainage Improvements
- Community Standards Fund
- Community Clean-ups
- ReadyBiz
- Housing Incentive Program
- Cannabis Retail Program
- Dockless Bike Share

+ more.

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Civic Partners

Calgary Economic Development- Stewards of the Economic Strategy for Calgary. Attract and retain investment + talent, foster trade + economic diversification, support start-up businesses.

Calgary TELUS Convention Centre- Central hub to connect + learn.

Calgary Technologies Inc. (Platform Calgary)- Accelerate innovation through space, programs + mentorship.

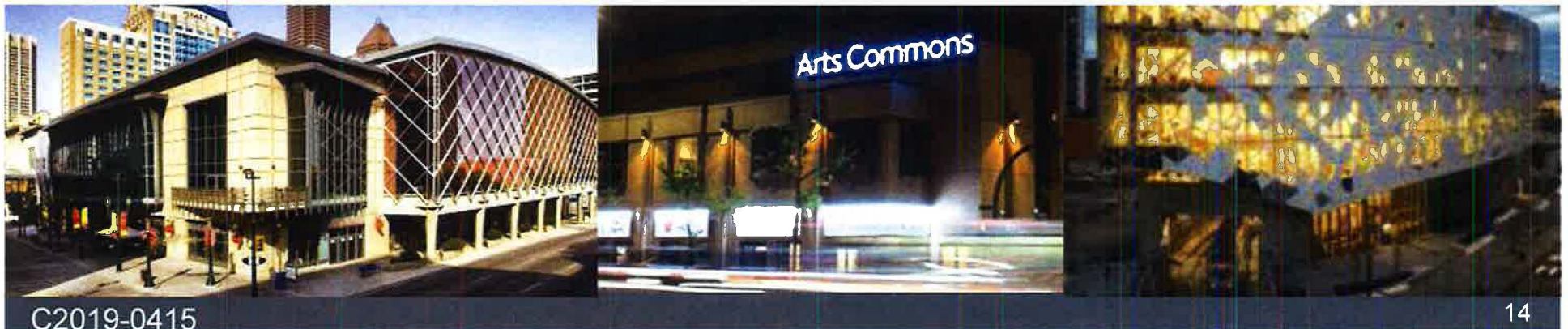
CADA- Arts sector investor, catalyst, connector + champion.

Arts Commons- Present + promote the arts. Support economic vitality.

Calgary Public Library- Connect community to ideas, experiences, inspiration + insight.

Tourism Calgary- Promote Calgary as the ultimate host city.

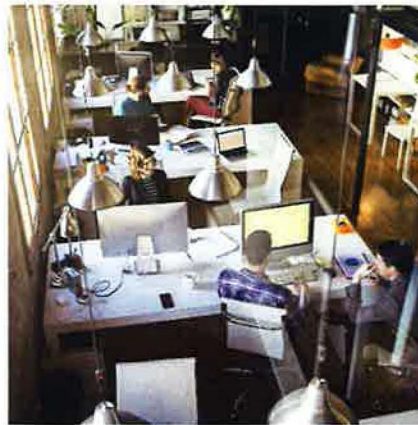
Calgary Municipal Land Corporation- East Village + Rivers District.



Trends & Facts



Oil and Gas:
Structural change



GDP growth does
not correlate to
office space
absorption or job
creation



Industry 4.0
leads to
disruption across
all industries

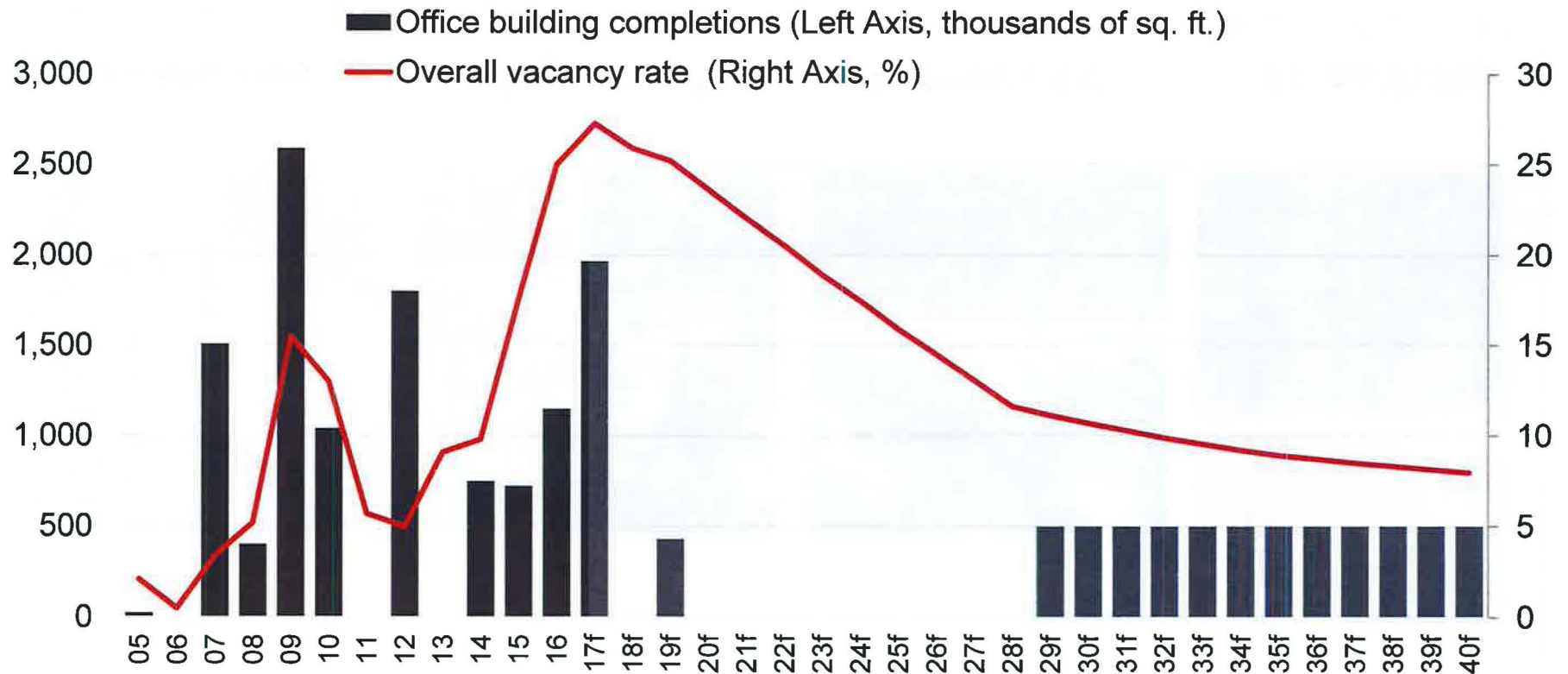


**An evolving
economy** means
an evolving
downtown



Special Report: Conference Board of Canada (2017)

Office Building Completions + the Overall Vacancy Rate in Downtown Calgary



Indicates Projected Rates 2017 - 2040

Source: CBRE; The Conference Board of Canada

Beyond the vacancy situation, there are other impacts created by the reduced workforce and corporate investment.

- **Reduced expenditures on restaurants and hospitality services**
- **Increased retail vacancies**
- **Decreased pedestrian activity**
- **A decline in daytime activity levels**
- **Changing perceptions of vitality and safety**
- **Reduced arts and culture sponsorship**



Our Foundation is Strong



**Growing
Residential
Neighbourhoods**



**National Historic
District
Valued
+15
Network**



**Existing +
Planned Facility
Expansion**



**World Class
Riverfront
Promenade**



**Modern +
Plentiful Office
Space
Growing
Transit
Service**



**Growing
Educational
Sector**



**Growing Cycle
Track**

+ more.

*Including ranking as the 4th most livable city to live in
the world*

The Economist Intelligence Unit

Calgary in the New Economy: Vision



Calgary is the city of choice
in Canada for the world's
best entrepreneurs.

We embrace innovation and create
solutions to meet the world's greatest
needs: food, health, energy and
transportation

NEIL ZELLER

Calgary in the New Economy: Focus Areas



TALENT

Canada's
Destination
for talent.



INNOVATION

Canada's leading
B2B innovation
ecosystem.



PLACE

Canada's
most
livable city.



BUSINESS ENVIRONMENT

Canada's most
business-friendly
city.



Economic Development Tools to Grow Calgary



**Opportunity
Calgary
Investment
Fund**



Competing Dynamics

Some owners are not motivated to spend money in the short term.

Flight to quality.

Owned by large companies with national + international portfolio.

OFFICE VACANCY

Buildings designed + programmed for head offices.

Some buildings with significant space are under a long term lease.

Devalued buildings now an attractive buying opportunity.



Place Committee

WORKING GROUPS: Convention Centre District, Downtown West, Industry Engagement

CHAIR: Michael Brown

PARTICIPANTS:

Brian Hahn
BILD Calgary Region

Ken Toews
Strategic Group

John Fisher
CBRE/NAIOP

Trent Edwards
Brookfield Residential

Cassandra McAuley
Tourism Calgary

Patti Pon
CADA

Clark Grue
CTCC

Franco Savoia
Vibrant Communities Calgary

Martina Jileckova
Horizon Housing Society
(CHAC)

Whitney Hughes
BCG

Marco Delaco
Downtown Business
Association

Augusto Romero
City of Calgary Culture

James McLaughlin
City of Calgary Recreation

Druh Farrell
Councillor Ward 7

Evan Woolley
Councillor Ward 8

Erin Chrusch
Mayor's Office

Thom Mahler
City of Calgary Planning

Sarah Quayle
City of Calgary Green Line



1. Accelerate urbanization and connectivity in the downtown core (immediate initiative)

Activities

Target investment to build on existing and planned assets.

Investigate funding models for catalytic investments.

Create a multi-agency committee to implement the vision for our downtown core.

Enhance connectivity between the downtown core, Rivers and Entertainment Districts and the Beltline.

2. Expand and enhance tourism, cultural and recreational assets

Activities

Attract, enhance and promote premier experiences and events showcasing Calgary as the Ultimate Host City.

Pursue a transportation corridor linking YYC Calgary Airport, Downtown Calgary and Banff.

Support [Cultural Plan for Calgary](#) and [Living a Creative Life](#).

Continue to build on livability assets that reflect our diversity throughout the city.

3. Actively support diversity and inclusion

Activities

Increase economic participation for the underrepresented and underemployed.

Promote [Enough for All](#) – Calgary's poverty reduction strategy.

Continually provide affordable housing options.

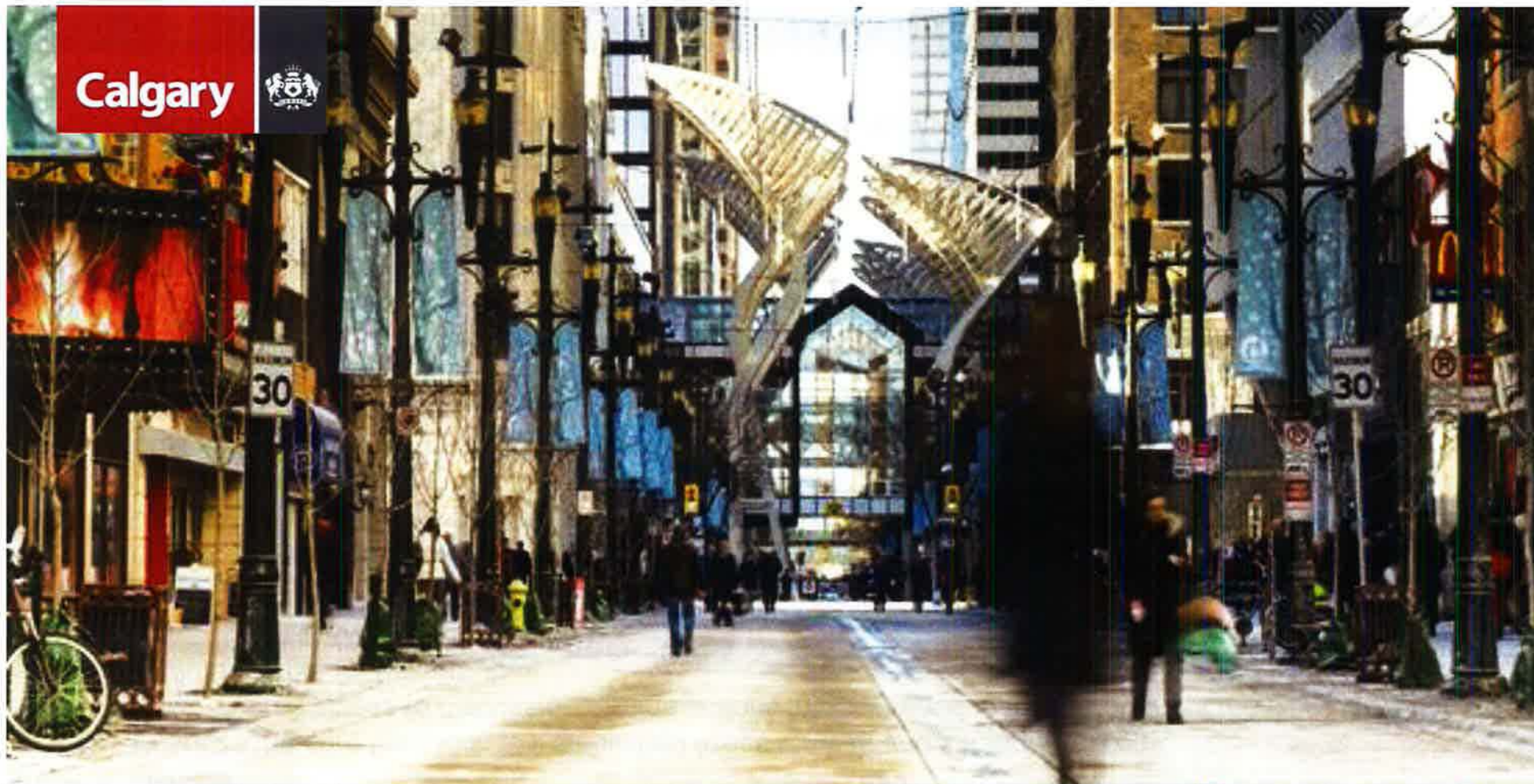
Opportunities:

- Overlay potential private sector investment in the core with Stampede, CMLC and City intentions and look for best alignment for co-investment. Investments might be programming not just capital investments.
- Consider the arts and culture ecosystem in the city – Cultural Plan incorporates design and cultural districts.
- Prioritize the core then look to Established Areas Growth and Change Strategy.
- Bring diverse voices to discuss/determine actions in designated places throughout the city – advocacy could be a role for this group.

Next Steps:

- Create a multi-layered map of downtown including city past, current and future projects; private sector current and potential investments; social agencies; art and culture agencies; and other relevant data points to assist in targeting areas for additional focus to accelerate public and private sector investment
- Build a name for the Convention District while seeking ways to activate indoor and outdoor spaces.
- Improve connectivity and wayfinding throughout downtown while appointing a '*nightlife mayor*' who serves as a bridge builder with nightlife businesses.
- Continuously engage Arts Commons and the Glenbow to build on activations.
- Deploy industry survey to more comprehensively understand private sector intentions.
- Align private sector with public sector events.
- Deploy speaker series on downtown vibrancy.
- Create multi-stakeholder group for downtown west including residents, businesses and City.
- Identify buildings for repurposing.
- Deploy downtown and downtown west marketing campaign.

Calgary



II. OPPORTUNITY

Calgary:

“A great place to make a living, a great place to make a life.”

One Calgary

Downtown:

*Downtown is the economic and cultural **heart** of Calgary - a livable, thriving place for people, business, innovation and creativity.*

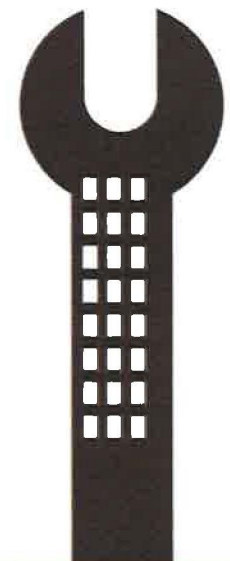
Combined intent of the Centre City Plan and Calgary’s Economic Strategy





Core Strategies & Actions Toolkit

- 1. Support and incentivize private investments in businesses and buildings.**
- 2. Invest in physical infrastructure that complements private investment.**
- 3. Invest in and align programming that generates new visits and spending.**
- 4. Attract new and expand existing businesses that fit the strategy.**
- 5. Provide amenities and services to enhance the quality of life for people living downtown.**
- 6. Engage, communicate and market.**



Illustrating Focus Area Alignment

INITIATIVES

<ul style="list-style-type: none"> Mural Programs Joint Encampment Team 	<ul style="list-style-type: none"> Opportunity Calgary Investment Fund Centre City Enterprise Area 	<ul style="list-style-type: none"> Housing Incentive Program Fire Pits 	<ul style="list-style-type: none"> Dockless Bike Share Mobile Bike Repair
DOWNTOWN the Place	Working DOWNTOWN	Living DOWNTOWN	DOWNTOWN Connectivity

INVESTMENTS

<ul style="list-style-type: none"> New Central Library West Eau Claire Park 	<ul style="list-style-type: none"> 9 Avenue Parkade + Innovation Centre BMO Convention Centre Expansion 	<ul style="list-style-type: none"> Beltline Recreation Centre Devonian Gardens 	<ul style="list-style-type: none"> 17 Avenue Extension Green Line
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Developing Our Downtown Scorecard

**DOWNTOWN
the Place**

**Working
DOWNTOWN**

**Living
DOWNTOWN**

**DOWNTOWN
Connectivity**

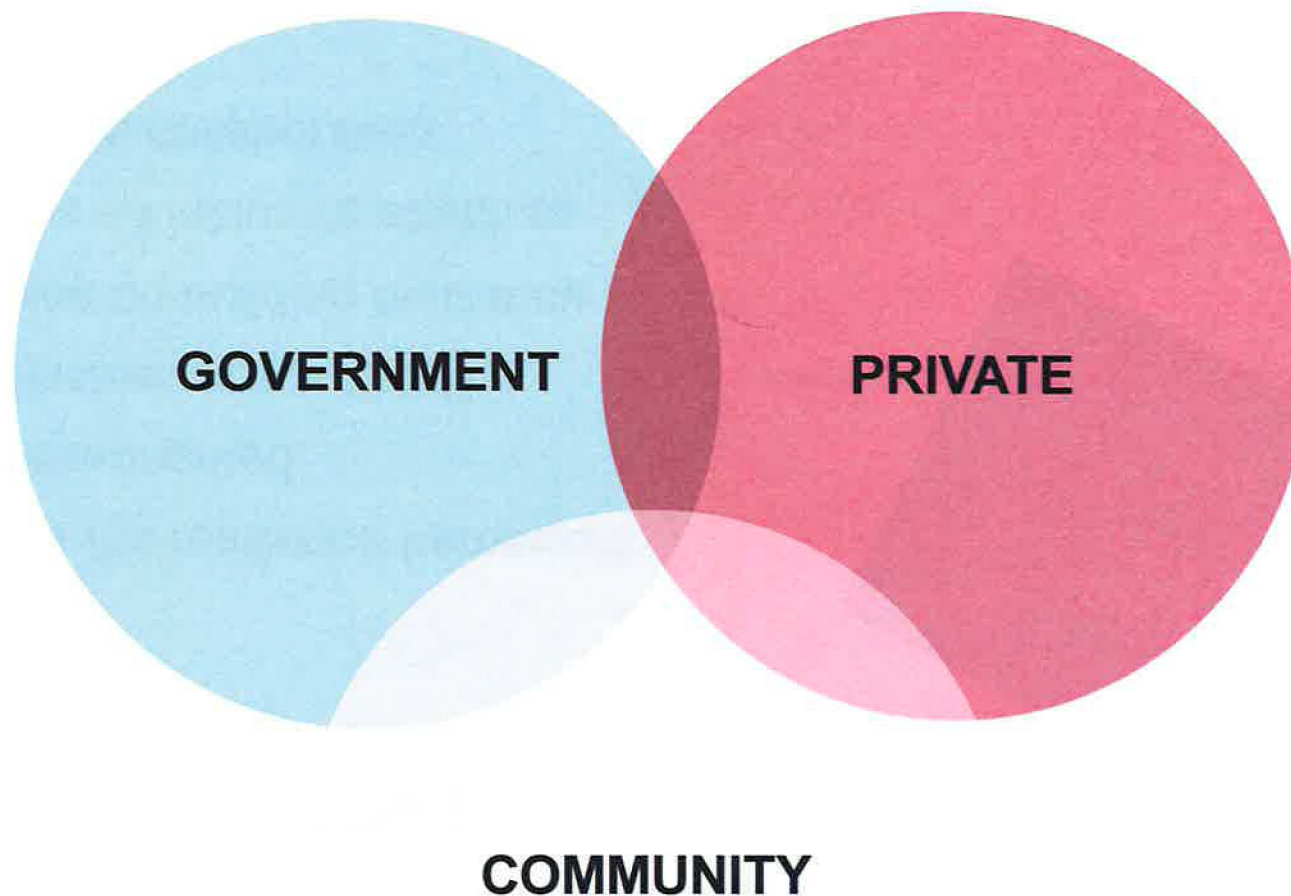
SAMPLE INDICATORS

- | | | | |
|---|--|---|---|
| <ul style="list-style-type: none"> • Downtown Office Concentration • Community Pride • Residential Units • Public Realm Investment • Programming • Etc. | <ul style="list-style-type: none"> • Number of Jobs • Number of Businesses • Growth rates • Etc. | <ul style="list-style-type: none"> • Number of Residents • Number of Visitors • Etc. | <ul style="list-style-type: none"> • Transit Ridership • Parking Metrics • Pedestrian + Cycling Counts • Etc. |
|---|--|---|---|

III. ACCOUNTABILITY



Downtown Coordination



INCORPORATE A RECOVERY / RESILIENCE MODEL

This model:

- Applies the resilience framework.
- Is action-oriented.
- Emphasizes accountability.
- Focuses on building resiliency.
- Creates an inclusive structure.
- Facilitates collaboration.





Recovery/Resilience Phases

SYSTEMATIC PROCESS



ELEMENT	CURRENT STATUS	UNDERWAY/ NEED TO DEFINE
Leadership	Executive Sponsor (Stuart Dalglish).	Dedicated assigned lead and administrative team.
Team	The City / Calgary Municipal Land Corporation / Calgary Economic Development.	Formalize stakeholders, roles and responsibilities.
Decision-Making Model	At individual project level.	Cohesive, integrated at project program and portfolio level.
Metrics	At individual project level and within One Calgary service plans and budgets.	Define and create the Downtown Scorecard.
Reporting Frequency	One Calgary accountability reporting.	Define administrative and Council/committee frequency.



Summary of Today + Look Ahead

SUMMARY

TODAY

NEXT STEPS

Vision (slide 27)

Focus Areas (slide 28)

Strategies + Action Toolkit (slide 29)

Initiatives + Services (slide 13)

Investments (slide 12)

Accountability (slide 36)



Input, feedback + guidance.



Implement improved accountability framework + confirm team and stakeholders.

Align strategies + actions with focus areas.

Develop Downtown scorecard.

That Council:

1. Receive this verbal report for information.
2. Direct Administration to provide an update on the further development of a Downtown Strategy to the Priorities and Finance Committee in 2019 July and October.

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Ensuring a Vibrant Downtown for Tomorrow