

Progressing the Implementation of the Downtown Strategy

RECOMMENDATION:

That the Executive Committee:

1. Forward this Report to the 2023 June 6 Regular Meeting of Council as an Item of Urgent Business; and
2. Recommend that Council:
 - a. Direct Administration to amend the Arts Commons Transformation (ACT) tri-party Development Management Agreement between The City of Calgary, Calgary Municipal Land Corporation (CMLC), and Arts Commons to include Olympic Plaza and adjacent portion of 8 Avenue SE as shown in Figure 1, Attachment 2; and
 - b. Approve Redirection & Reprioritization of Cultural Municipal Sustainability Initiative Budget Funds as outlined in Attachment 3.

HIGHLIGHTS

- This report advances several key initiatives that will significantly advance the investment in Calgary's Culture + Entertainment District and the Downtown Strategy.
- This report also specifically highlights an opportunity for an aligned investment approach for planned projects in the Olympic Plaza block bringing together four major capital projects under one cohesive delivery model including: Arts Commons Transformation Phases 1 & 2, Olympic Plaza, and the adjacent portion of 8 Avenue SE (Stephen Avenue) to re-envision an integrated space that is anchored by several cultural assets. A single delivery model will enable cohesive design and construction, a comprehensive approach to programming and coordinated delivery.
- To realize the points outlined above, Administration is recommending expanding the geographic scope of the existing tri-party Arts Commons Transformation project Development Management Agreement (DMA) to include Olympic Plaza and the adjacent portion of 8 Avenue SE (Stephen Avenue). This extends CMLC's role as Development Manager and Arts Commons' stewardship as the overall leader and governing entity for the outdoor plaza space for the extended geographic area.
- Current planned projects in the area will have significant construction impacts for up to six years and there is an immediate opportunity to coordinate the efficient delivery of several capital projects already planned in the area.
- To further support the success of the Culture + Entertainment District and Downtown Strategy, this reports also recommends reallocating Cultural Municipal Sustainability Initiative Funds (MSI) to the Glenbow Reimagined project.
- **What does this mean to Calgarians?** A unique opportunity to re-envision an integrated public space in an important area of Calgary's downtown within the larger collection of cultural and civic assets in the area.
- **Why does it matter?** A more coordinated approach to design and construction will mitigate the impacts to businesses in the area and deliver more coordinated and efficient construction and an improved approach to logistics and safety.
- Background and Previous Council Direction is included as Attachment 1.

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DISCUSSION

The Greater Downtown Plan calls for the need to develop an array of key gathering places that contribute to people's everyday experience of interacting with one another. Specifically, it recommends the transformation of Olympic Plaza into a flexible, at-grade 'living room' that offers opportunities for commercial and affordable programming spaces. The Plan also outlines the importance of the redevelopment of a space that is more accessible, vibrant, comfortable, and animated, better able to host large events and festivals, and that its operation be more sustainable through innovative governance and stewardship models.

To achieve this, Administration recommends expanding the geographic scope of the DMA to include Olympic Plaza and adjacent portion of 8 Avenue SE (Stephen Avenue) as outlined in Figure 1, Attachment 2. CMLC will continue to serve as the Development Manager and Arts Commons will become the leader and governing entity for the outdoor plaza space expanding the scope of their work into the expanded geographic area.

Arts Commons & Olympic Plaza: There is immense potential for this area of downtown to be a major arts, innovation, and tourist destination. A coordinated construction approach can generate increased interest and excitement and support coordinated marketing and promotion. Expanding the geographic scope of the DMA offers an opportunity to align the existing governance of the Arts Commons Transformation project between CMLC, The City of Calgary and Arts Commons while also supporting the strategic direction set for this area in the Greater Downtown Plan and the construction coordination challenges.

CMLC serving as the Development Manager for both ACT and the Olympic Plaza Transformation projects, will allow for a cohesive design, construction and delivery approach leveraging their expertise on an important block of Calgary's downtown. Since current planned projects in the area will have significant construction impacts for up to six years, there is an immediate opportunity to coordinate the efficient delivery of several capital projects already planned in the area as outlined in Figure 2, Attachment 2.

Impacts during construction include the relocation of major festivals and events and impacts to private business and vibrancy in the area. For example, road closures on adjacent streets will impact surrounding organizations and facilities like the Calgary TELUS Convention Centre, Glenbow Museum, Dominion Bank Building, Public Building and Burns Building. A coordinated approach to these projects, along with other initiatives Administration will be monitoring in the area, will allow for greater design synergies, construction savings and effective management of significant construction impacts.

With Arts Commons extending its stewardship to become the overall leader and governing entity for the outdoor plaza space, will allow for more comprehensive indoor and outdoor programming. For example, more imaginative design and a stronger connection between Olympic Plaza and Arts Commons will be possible. This also enables Arts Commons opportunities to explore revenue generation and philanthropic participation in both future programming of the space and capital costs in the same way it is leveraged with the Arts Commons buildings.

Developing this area as a major arts and culture hub will complement the culture and entertainment district south of the CP Rail right-of-way, creating a cohesive and dynamic downtown destination to draw Calgarians and visitors with a diverse range of interests and offerings. Administration's proposed approach leverages existing partnerships and allows CMLC

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and Arts Commons to do what they do best to continue enhancing city building, placemaking and the creation and marketing of great urban experiences.

Building out the Culture + Entertainment District: The Downtown Strategy business unit is undertaking several actions and initiatives that are designed to further build out and sustain the investment in Calgary's Culture + Entertainment District and Downtown Strategy. This includes reviewing its \$163M capital funding allocation to support key downtown revitalization capital projects that support the transformation and renewal of the major cultural, visitor and public space assets in the area surrounding Olympic Plaza.

The goal is to prioritize work that can be completed or substantially initiated in the 2023-2026 budget cycle including Glenbow Reimagined, the integration of the Arts Commons Phase 1 expansion building into the immediate area, 8 Avenue SE (Stephen Avenue), Olympic Plaza and 1 St SE.

The reallocation of the Cultural MSI funding to the Glenbow Reimagined project as described in Attachment 3 is directly related to and complementary to this work. Completing projects that can positively impact vibrancy in the area at the earliest date is a top priority. Administration will also be advancing the proposed actions and initiatives outlined in Attachment 4 as part of the long-term success of work by enabling a diverse range of activities and event in this area and identifying ways to generate revenue and funding that can support capital projects, programming and maintenance and operations.

EXTERNAL ENGAGEMENT AND COMMUNICATION

- | | |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed | <input checked="" type="checkbox"/> Public communication or engagement was not required |

CMLC will lead communications and engagement for the project, in partnership with The City of Calgary and Arts Commons. Learnings from several of The City's already completed public engagement initiatives in the area will be leveraged to inform future communications and engagement.

IMPLICATIONS

Social

The Plan establishes a vision for accommodating an equitable community that makes it easier for all citizens to live and thrive in Greater Downtown, regardless of stage of life, income, cultural background, or ability. Investment in this area advances quality of life, downtown vibrancy, safety and allows for equity and inclusion for all Calgarians to access the arts and public spaces.

Environmental

This project will align with the City of Calgary's Sustainable Building Policy and be developed in considered of Climate Resiliency strategies. There will also be opportunity to leverage practices, design elements and building systems that are currently being integrated in the ACT Expansion, where relevant.

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Economic

This project aligns with the economic priorities of the Downtown Strategy and supports and maintains business and tourism growth by creating high quality experiential destinations to visit and stay within the area. A coordinated construction schedule significantly reduces construction fatigue and disruption to existing businesses in the area.

Service and Financial Implications

No anticipated financial impact

There is no impact to current operating and capital budgets. Future requests for funding would align with subsequent cycles of The City's multi-year budgeting process.

Current and Future Capital Budget

Phase 1 of the Arts Commons Transformation expansion is fully funded at \$270 million and \$40 million of funding from the Downtown Strategy budget has already been allocated to Olympic Plaza design development stages. To complete and fully realize the Olympic Plaza Transformation Project additional capital funding will be needed prior to construction initiating and all parties will continue to strategize on new funding sources.

RISK

If all projects referenced in this report were to occur on separate timelines, the block would see construction impacts for an estimated total of six years creating extended impacts to private business and vibrancy in the area and road closures on adjacent streets impacting several buildings. A coordinated approach allows for better management of impacts during and after construction. Administration is actively seeking alternate locations for open space in the Greater Downtown Area for festival and event hosting during and post reconstruction of Olympic Plaza.

ATTACHMENTS

1. Previous Council Direction
2. Expanded Geographic Scope & Planned Capital Projects Timelines
3. Reprioritization of Cultural Municipal Sustainability Initiative Funds
4. Proposed Initiatives Supporting Long-Term Success
5. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Stuart Dalglish	Planning & Development Services	Approve
Katie Black	Community Services	Inform
Jeff Chase	Community Services, Partnerships	Consult
Kyle Ripley	Operating Services, Parks	Inform
Michael Thompson	Infrastructure Services	Inform