

BRIEFING

Page 1 of 2

Item # 16.1

**Planning and Development Services Briefing to
Combined Meeting of Council
2022 June 07**

**ISC: UNRESTRICTED
C2022-0397**

Greater Downtown Plan – Initial Investments and Incentives Update

PURPOSE OF BRIEFING

This Briefing provides an update about the Greater Downtown Plan – Initial Investments and Incentives (C2021-0524) approved by Council on 2021 April 26. In total a \$200 million investment was approved through that report and an additional \$55 million investment for the office conversion incentive program was approved during budget adjustments in November 2021 resulting in a total \$255 million investment in Calgary’s downtown. Administration was directed to report back to Council no later than 2022 Q2.

SUPPORTING INFORMATION

Key updates for downtown investment categories:

A. Incentive for office to residential conversion - \$100 million:

There has been significant interest in the Downtown Calgary Development Incentive program and the initial applications far exceeded the initial \$45 million in funding available. In order to support the program and encourage additional private investment Council supplemented that investment in November 2021 with an additional \$55 million.

The first three successful applicants to the Program [have been announced](#) to receive a combined total of approximately \$31 million in funding upon completion of the conversion projects, delivering approximately 400 new homes in Calgary’s downtown. The first units are anticipated to be ready for new residents by late 2023.

Due diligence and funding agreement negotiations are underway with the remaining applicants from Phase 1 of the program and additional announcements are anticipated in the coming weeks. Interest in future phases of the program remain very strong and the Downtown Strategy team is currently analyzing information to develop a Phase 2 of the Downtown Calgary Development Incentive Program that will expand potential uses beyond residential. Further information will be brought forward to Council in the fall of 2022.

B. Incentive to offset +15 Fund contribution for residential development - \$5 million:

The incentive program to offset +15 contributions for residential development has not yet been utilized to date and the funds remain available for future new residential developments that would qualify.

C. Downtown Vibrancy Capital Program - \$55 million:

Projects have been identified for the Downtown Vibrancy Capital program that include some “quick wins” to provide capital dollars to support space activation in Calgary’s downtown. For the majority of the funds, a program of downtown capital investments is being developed for

BRIEFING

Page 2 of 2

Item # 16.1

submission with the One Calgary 2023-2026 service plans and budgets. Although the funds have been approved by Council, each project still requires Council approval and specific budget allocation.

D. Programming - \$5 million (2021-2024):

In 2021, Downtown Strategy supported various programming efforts but was limited due to continued COVID impacts during the year. In 2022 the Downtown Strategy team is working collaboratively with the Downtown Business Improvement Areas and Community Associations to support programming initiated by those groups. Other collaborations are being investigated to support activations in Calgary's Downtown in an inclusive way. More details on programming initiatives can be found in attachment 2.

E. Dedicated Downtown Team (2021-2024): The Downtown Strategy business unit is now operational with six (6) full-time equivalent employees in place. The team is focused on increasing team capacity and is preparing to recruit for other key positions through 2022 and 2023. As the team grows, it will be leading the initiatives above while continuing to grow the network of partnerships with community organizations, private investors, and other orders of government necessary to achieve the long term vision for Calgary's downtown.

F. Arts Commons Transformation Project Phase 1:

Phase 1 of the transformation, valued at \$240 million, is now underway and will involve construction of the new Road House building on the north side of the Arts Commons facility (the Resident House). [Visit this link for the latest project information.](#)

ATTACHMENT(S)

1. Attachment 1 – Previous Council Direction
2. Attachment 2 – State of Downtown Report 2021