
Attachment 2: Examples of Potential Ideas for Future EDIF Investment in Calgary

1. Post-Secondary Institutions Downtown Campus

- There is a tremendous opportunity to develop a new post-secondary downtown campus by utilizing existing and vacant office space.
- Institutional uses will be key to help absorb vacant office space while simultaneously contributing to downtown vibrancy, education and training, and supporting area businesses.
- *“Bringing more post-secondary institutions downtown”* was identified as a priority at the Downtown Economic Summit on 2017 March 02.
- The EDIF will be a tool that could be tapped to make this a reality through partnerships with post-secondary institutions and leverage other government and private sector funding. For instance, the EDIF could support the following: upgrade required infrastructure, municipal permitting, partnership funding, research hubs and student housing.
- The potential benefit would include but is not limited to: absorption of office space, job creation, return on investment, uplift in assessment, leveraged funding, and joint venture or partnership
- Investing in a post-secondary downtown campus is strategically important.

2. Logistics and Distribution Centres – Inland Port Strategy

- Logistics distribution centres are significant contributors to economic prosperity in the Calgary Region. It is estimated that one new centre contributes approximately \$75 million over a ten-year period to the Calgary Region’s GDP in direct, indirect and induced economic impacts.
- To assist with the attraction or expansion of distribution centres, the EDIF could provide funding to offset land costs.
- While the scenarios are varied, they could include the following:
 - New or modified roads, connectors and lights in a specified industrial area to ensure traffic flow wait times at lights are minimal, and the transport of goods in and out of the area is safe and efficient.
 - New transit routes are installed or transit frequency is increased in industrial areas to aid in talent retention for companies located in these areas.
 - Investments in energy solutions, including new electricity sub-stations, cogeneration plants or the investment in the installation of solar panels. An investment in energy efficiency for industrial users will offset significant HVAC costs they incur within their large, open floorplan warehouses.
 - Investments to offset some costs associated with brownfield remediation.
 - Investments in dark fibre and other in-ground services for new industrial areas or industrial areas that have not undertaken those investments.
 - Investments to offset zoning or planning bylaws requiring certain types of building structures which potentially could cost more for the client, but are deemed necessary or important for The City of Calgary to maintain architectural standards within a specific area.
- The potential benefit would include but is not limited to job creation, return on investment, uplift in assessment base, leveraged funding, and joint venture or partnership.
- Investing in Calgary’s lead position as an Inland Port is strategically important.

3. Autonomous Systems Testing

- Calgary has potential sites that could serve as an ideal location for autonomous systems testing.
- Calgary could consider finding a niche for autonomous systems testing such as trucks and heavy operating equipment that supports the economic development of this growing high tech industry.
- For instance, the EDIF could support the following: provide testing facility and infrastructure, municipal permitting, partnership funding, and research.
- The potential benefit would include but is not limited to job creation, return on investment, leveraged funding, and joint venture or partnership.
- Investing in Calgary's position as a potential leader in autonomous systems for industrial use is strategically important.

4. Agri-zone Development

- Agriculture and agribusiness are core industries for Calgary.
- The Smart Agri-Food Supercluster (SASC) from Alberta is one of nine supercluster proposals from across the country that has been shortlisted to provide a full application to the federal government to receive a portion of the \$950-million supercluster initiative funding.
- Calgary is ideally located for the development of an agri-zone.
- The EDIF could help provide funding to offset land costs.
- While the scenarios are varied, they could include the following:
 - New or modified roads, connectors and lights in a specified industrial area to ensure traffic flow wait times at lights are minimal, and the transport of goods in and out of the area is safe and efficient.
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 - Investments to offset zoning or planning bylaws requiring certain types of building structures which potentially could cost more for the client, but are deemed necessary or important for The City of Calgary to maintain architectural standards within a specific area.
- The potential benefit would include but not limited to job creation, return on investment, leveraged funding, and joint venture or partnership.
- Investing in Calgary's position as a leader in agribusiness is strategically important.

5. Office to Residential Conversion

- Calgary's downtown office vacancy remains high at 27.4 per cent (Q3-2017, CBRE).
- The conversion from office to residential use is a potential solution to optimize the inventory of vacant office space in the downtown.
- "*Residential densification and repurposing existing downtown real estate*" were priorities identified at the Downtown Economic Summit on 2017 March 02.
- One proposal is to convert a class B/C office building with a floor plate of over 92,000 square feet.
- The idea is to convert two to ten floors into rental apartment and renovate the main level for tenant amenities and commercial use.
- At this time, the proposal is to create 99 rental units totalling 65,000 square feet of direct living space with an average size of 660 square feet per unit.
- The site is close to public transit and has easy access to the C-Train.
- The proposal has the potential to designate a certain portion of the rental units as affordable housing and set aside some units for student housing.
- The office vacancy in Calgary's mid-west downtown core is seen as a structural issue that will require creativity to be rectified.
- Financial analysis shows that the return of keeping the property as offices is approximately the same as converting to residential. The cost to convert the space into a product that will be competitive in the marketplace is cost prohibitive.
- To proceed with the conversion, the proposal will need financial assistance.
- The EDIF could help provide funding to help offset the costs of permitting.
- The potential benefit would include: removal/absorption of office space, increased residential density, enhanced vibrancy downtown and support for neighbouring businesses.
- Investing in a vibrant downtown where citizens can live, work and play is strategically important.