

Deputy City Manager's Office Report to
SPC on Utilities and Corporate Services
2019 March 20

ISC: UNRESTRICTED
UCS2019-0249

Symons Valley Centre – Build Out and Investment Strategy

EXECUTIVE SUMMARY

In approving the land purchase in Sage Hill, Council directed Administration to report back on a build out and investment strategy for the lands to maximize the value of the investment while achieving Council's vision for a multi-service centre in Calgary's northwest. The proposed build out and investment strategy optimizes the development potential of the site through multi-service facilities, provides for flexibility in execution through phased development, accommodates community and partner uses, provides opportunities for site partnerships with private entities and other orders of government in a transit orientated environment.

The build out and investment strategy for Symons Valley Centre includes Phases 1A, 1B, 2 and 3. Phase 1A includes development of a library, affordable housing units, arts and culture spaces, community spaces, potential child care or retail, and investment in required site infrastructure to facilitate development of subsequent phases. Budget for services included in Phase 1A was approved through OneCalgary 2019-2022 Service Plans and Budgets in 2018 November. Funding and budget for subsequent Phase 2 (if required) and Phase 3 will be requested through future budgeting processes. Plans for development of Phase 1B includes partnership with other orders of government, therefore requiring formal intake of selected civic or other front facing citizen service partners to advance the development of the Symons Valley lands.

ADMINISTRATION RECOMMENDATION:

That the Standing Policy Committee on Utilities and Corporate Services recommends that Council:

1. Direct Administration to pursue build out of the entire Symons Valley Centre site substantially as described in this report and attachments;
2. Approve the Symons Valley Centre Phase 1A Budget Consolidation outlined in Attachment 1; and
3. Direct Administration to solicit selected civic or other front facing citizen service partners for the Phase 1B lands and determine the method of delivery or disposition to achieve the intent of the build out and investment strategy.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2018 November 30, Council approved OneCalgary 2019-2022 Business Plans and Budgets that approved funding support for library, arts and culture and facility management service lines of Symons Valley Centre Phase 1A.

On 2018 July 30, Council approved UCS2018-0525 Integrated Civic Facility Planning Program Update & Policy which approved the Corporate Facility Planning & Delivery Policy.

A full listing of previous Council direction can be found in Attachment 2.

BACKGROUND

The Integrated Civic Facility Planning (ICFP) program was created in Q2 2015 in response to Council and Administrative Leadership Team's direction to coordinate The City's facility planning and delivery functions, optimize The City's facility portfolio, consider multi-use builds, and focus on the value that investment in facilities can provide to citizens. The Symons Valley

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Centre project was designated as a Learning Project under the ICFP program. In Q4 2015, Council directed Administration to negotiate the acquisition of land in Sage Hill and to develop a build out and investment strategy. The land acquisition was completed in 2016 October and development feasibility and master planning consultants were secured shortly thereafter.

Through 2017, initial site due diligence was conducted, followed by feasibility (site constraints, initial build out possibilities); then functional programming (determination of service lines, spatial arrangements/relationships and requirements for accommodation in physical facilities) and development of candidate site partners (program requirements, large scale development configuration and relationships across the site). Also through 2017, in partnership with adjacent land owners/developers, the Symons Valley Area Structure Plan Amendment was approved by Council – this amendment of local land use and mobility policy to accommodate a civic and mixed-use area was an important milestone and pre-requisite in furthering the development of Symons Valley Centre. Through Q1 and Q2 of 2018, the Master Plan further refined site partner relationships, site influences and initial development costing estimates. In Q4 of 2018, Council approved OneCalgary 2019-2022 Business Plans and Budgets that approved funding support for library, arts and culture and facility management service lines of Symons Valley Centre Phase 1A.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Investigation of development alternatives for Symons Valley Centre were generated in alignment with direction from Council through the ICFP program and requirements/conditions for purchase of the Symons Valley lands. The options analysis for the development of Symons Valley Centre has led to the phased approach described in this report and attachments. Principles for the development of the recommended strategy and development phasing for the site is found in Attachment 3; the local planning and development context is detailed in Attachment 4.

Analysis of City service needs initially identified transit and library requirements in the area; further investigation discovered service needs to deliver arts and culture spaces, community spaces and affordable housing units. In addition to identified service requirements, the site provides an ideal opportunity to inform Administration's response to Council direction regarding provision of child care spaces in City facilities, as well as the potential for small-scale retail. It was determined through development of a master plan that in order to maximize the development potential, meet service needs and deliver on Council's vision that an initial shared site investment is required. Based on the results of this analysis, Administration submitted budget requests for a City-centred Phase 1A development to deliver a library, arts and culture components, affordable housing, potential child care and retail (approved in OneCalgary 2019-2022 Business Plans and Budgets). The development of these services would supplement existing transit service that is currently in place.

Initial engagement with potential site partners such as Alberta Health Services and school boards identified an interest in locating on a Site Partner focused Phase 1B of the Symons Valley Centre. Due to independent budgeting processes/timelines and decision-making authority of potential site partners, it is recommended that this demonstration of partnership with other orders of government be tested on the separate Phase 1B parcels, the results of which will be used to develop public site partnership models for future repeatability. Council approval for formal authorization to engage complementary civic or other front facing citizen service

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partners is now required to advance the development of the Phase 1B lands, as described in recommendation 3.

Site partnerships with the private sector will be investigated in subsequent phases including but not exclusive to the sale of private development parcels in Phase 2. This is made possible through subdivision of the lands into independently viable and serviced development parcels that have the capability of generating assessment value when fully built out. Transit and BRT infrastructure will be accommodated in increments around the edges of the site, with the eastern portion of the site (Phase 3) reserved for a future Park and Ride development in response to transit service demand.

As a result of the analysis above, Administration is recommending the full build out of the Symons Valley lands detailed in attachment 3; in addition, Administration is also seeking approval for formal authorization to engage complementary civic or other front facing citizen service partners for Phase 1B.

Identified as a learning project, the lessons extracted from this project will contribute to the ongoing development of the processes, tools and organizational effectiveness to successfully build out multi-service facilities, supported by appropriate site partnership models, to realize Council's objectives as expressed in the requirements/conditions for purchase of the Sage Hill lands and the ICFP program and now outlined in the Corporate Facility Planning and Delivery Framework.

Stakeholder Engagement, Research and Communication

Administration has engaged key stakeholders across the organization to provide effective governance for the development of Symons Valley Centre, ensure cross-corporate alignment, develop programs and services, and coordinate budget requests. The cross-corporate working team has also engaged external partners and executed public engagement and communication. Full details of public engagement activities can be found in Attachment 5.

Strategic Alignment

This report and its recommendations align with the following strategic directions:

- Corporate Facility Planning and Delivery Framework and Policy
- Council Priorities for OneCalgary 2019-2022
 - A Prosperous City
 - A City of Safe and Inspiring Neighbourhoods
 - A City That Moves
 - A Healthy and Green City
- Capital Infrastructure Investment Strategy C2018-0304
- Municipal Development Plan
 - 2.1.1 Creating a city attractive to people
 - 2.2.4 Complete communities
 - 2.3.1 Housing; Child Care Services
 - 2.3.6 Community Services and Facilities
- Developed Areas Guidebook, Municipal Development Plan, Volume 2, Part 3
 - 5.1 Community Services and Facilities
 - 5.1.2 Care Facilities

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- *Foundations for Home*: Calgary's Corporate Affordable Housing Strategy (2016-2025)
- Cultural Plan for Calgary CPS2016-0867

Social, Environmental, Economic (External)

Social

In addition to service benefits to citizens from co-location and co-provision of multiple service lines, individual service lines also provide the following social benefits:

- Affordable Housing: Project will increase number of affordable housing units in Calgary by 48 units; affordable housing avoids future social costs saving on average \$34,000 annually per person housed by reducing the demand for other services.
- Library: Programmable spaces provides a qualitative return to the community; adult learning; educational and community events; social and community hubs.
- Child Care: Provision of child care lease space; benefit of child care spaces increased with proximity to affordable housing.
- Arts and Culture: Provision of spaces to support arts and cultural community activities - provides many community and individual benefits; including creative expression and development, social, emotional and cognitive well-being.

Environmental

Avoided costs of land consumption with multi-use facilities compared to single use facilities; Sustainable Building Policy entails net benefit in reducing environmental impact per square footage of City facilities; reduced overall square footage of multi-use facilities through shared spaces and multi-purpose spaces, thereby improving energy consumption per square foot and per service provided.

Economic

Employment of architects, engineers, design and construction firms; preparation and readiness of parcels suitable for private build out and resulting non-residential assessment value; community cultural spaces and amenities contribute to economic growth and resiliency through developing creative and cultural skills that support creative industries such as design, architecture and media development; affordable housing strengthens residents' purchasing power and boosts the local economy with increased disposable income to invest in other goods and services.

Financial Capacity

Current and Future Operating Budget:

Operating budget requests for all services in Phase 1A have been approved through established budgeting processes. Operating budgets for build out of future phases, if required, will be requested through established budgeting processes in the future.

Current and Future Capital Budget:

Capital budget requests for all services in Phase 1A have been approved through established budgeting processes. Capital budgets for build out of future phases, if required, will be requested through established budgeting processes in the future.

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Risk Assessment

The following top-level risks will be monitored as the project moves forward:

Site Partner or Private Sector Capacity

Symons Valley Centre Phase 1A service lines have been determined and funded. Potential site partners in the remaining phases (Phases 1B and 2) may not have the capacity (financial or otherwise) to co-locate on the property. Timelines for development of Phases 1B and 2 will depend on potential site partner and/or private sector capacity to do so.

Development Lag

There may be a significant development lag where development takes time to fill out the area due to fluctuating market conditions that affect either available capital or private interest. These fluctuations are beyond the control of the project, but can be mitigated through phasing of the site to build out at opportune times that meet both market conditions and Council direction.

REASON(S) FOR RECOMMENDATION(S):

Council approval of the Symons Valley Centre Build Out and Investment Strategy will allow Administration to advance the development of 7 acres in Calgary's northwest. Approval of the recommendations will also allow Administration to continue site partnership development and build out of Phase 1B and future phases as they mature. This will allow the Symons Valley Centre to develop according to Council's vision for a civic presence in the area, thereby adding to the community as a whole and The Corporation's success in delivering multi-service facilities and complete communities.

ATTACHMENT(S)

1. Symons Valley Centre Phase 1A Budget Consolidation
2. Previous Council Direction
3. Symons Valley Centre Principles, Development Phasing and Build Out Plan
4. Symons Valley Planning Context
5. Public Engagement to Date and Next Steps