

Urban Strategy Report to
Priorities and Finance Committee
2019 June 04

ISC: UNRESTRICTED
PFC2019-0476

5 St SW Underpass Enhancement Project

EXECUTIVE SUMMARY

Administration is seeking a withdrawal from the Beltline Community Investment Fund (BCIF) and Public Art capital deposit to support the implementation of the 5 Street SW Underpass enhancement project. BCIF withdrawals greater than \$75,000 require Council approval. Both of these funds provide this project with enhanced opportunities to help build *A City of Safe and Inspiring Neighbourhoods*.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommends that Council:

For the purposes of capital construction of 5 Street SW Underpass Enhancements, approve a \$1.6M increase to the budget of Program 569, funded by a withdrawal of \$1,000,000 from the Beltline Community Investment Fund (BCIF), and appropriation of \$600,000 from the Public Art capital deposit.

RECOMMENDATION OF THE PRIORITIES AND FINANCE COMMITTEE, 2019 JUNE 4:

That the Administration Recommendation contained in Report PFC2019-0476 be adopted.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2019 March 18, Council approved the City Planning and Policy Priorities 2019 – Workplan, which included the Centre City – 5 Street Underpass Design, item 32, attachment 1, with a start date of Q2 2018 and an end date of Q1 2020.

At the 2017 November 13 Regular Meeting of Council, Council was presented the findings of Report C2017-1157 entitled The Impact of Suspending Public Art Projects. In Attachment #2 of the report, it was identified that the project should proceed with public art component removed until further Council direction. At the meeting, there was a motion carried to reverse the recommendation of the Attachment #2 and “Direct Administration to proceed with the RFPs for the following significant projects currently underway: 5th Street Underpass.” As a result, the project has carried forward with the Public Art component and associated funding into the project scope.

On 2017 July 28, the BCIF Stakeholder Committee passed a motion with respect to capital funding for the 5 Street SW Underpass Enhancement Project “That the BCIF Stakeholder Committee APPROVE spending of up to \$1,000,000 from the BCIF, subject to a review of the concept-level drawings prior to the project and report proceeding to the SPC on Planning & Urban Development.”

On 2016 December 19, Council approved the 6.5 km centre city cycle track network to become permanent infrastructure (refer to report TT2016-0746). This Council directed action has been incorporated into the scope of the 5 St SW Underpass Enhancement Project.

Approval(s): **Dalgleish, Stuart** concurs with this report. Author: **Magnan, Michael**
City Clerk's: **L. Gibb**

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On 2011 June 20 Council approved report LPT2011-40 Terms of Reference – Beltline Community Investment Fund (BCIF). As outlined in these terms, project funding requests that exceed \$75,000 must be approved by Council.

On 2007 May 07 Council approved the Centre City Plan (CPC2007-049) with a long-term vision to “make Centre City a livable, caring and thriving place.”

On 2006 May 15 Council approved the Beltline Area Redevelopment Plan (ARP), which allows for the earning of bonus density through cash contributions to the Beltline Community Investment Fund (BCIF). The Fund was created in conjunction with the density bonusing policies outlined in the ARP and implemented through the Land Use Bylaw 1P2007.

BACKGROUND

Refer to Attachment 1 for a visual representation of the project area. Area 1, the 5 Street SW public right-of-way from 9 to 10 Avenues SW, is the current boundary for the project. Area 2 is a contemplated future improvement from 10 to 11 Avenues SW. Within Area 2, there is an opportunity to widen sidewalks and create permanent cycle infrastructure. The improvements in Area 1 will be compatible with the existing and ultimate conditions in Area 2.

Project Scope

In 2017 an RFP was released to secure a design team for the project, which included a public artist as part of the RFP. The inclusion of public art as part of the project scope resulted from Council direction as outlined in the previous section *Previous Council Direction / Policy*. The project team has developed a concept that greatly improves the 5 Street SW underpass condition, while seamlessly integrating public art into the design.

The project considers the entire public realm from property line to property line, as well as the interface between public property and adjacent developments. Additionally, the project team has worked closely with the developer of the new *The Residence Inn by Marriot* to ensure the interface between the underpass and adjacent development are complimentary to one another.

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Currently, the scope of work within the project boundary contemplates the following improvements:

Underpass Element	Contemplated Improvement
Sidewalks	Widen to improve ease of mobility, make more attractive to elevate user experience above current conditions
Crosswalks	Upgrade to current accessibility standards
Trees and vegetation	Provide space for trees and vegetation to enliven the underpass and increase tree canopy within the Centre City
Lighting + Safety	Meet or exceed minimum standards for safety and crime prevention
Cycle Track	Make existing pilot infrastructure permanent, maintain cycle counter, improve comfort for cyclists waiting at intersections
Traffic lanes	Narrow lanes within acceptable standards for vehicles, transit and goods movement
Traffic signals	Currently meet operational standards
Underpass walls + bridge abutments	Make necessary life cycle improvements and enhance visual appearance of underpass
Underpass concrete median	Remove median and redistribute this space to pedestrians and trees / vegetation

For more information, a summary of the underpass design concept and process is included in the Attachment 1.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The project has undergone a rigorous approach to planning and design that includes:

- development of multiple design concept options;
- ongoing stakeholder and citizen engagement;
- ongoing coordination with multiple Business Units and service line owners; and,
- numerous value management sessions to ensure the project will (a) fall within available capital budget, and (b) fall within available operating budget for impacted asset owners.

Furthermore, the project team has applied lessons learned from previous underpass enhancement projects to streamline project delivery, plan for unforeseen circumstances, and better address the needs and concerns of Calgarians.

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The additional rigour applied during planning and design, application of lessons learned, continuous monitoring of project budgets, and forthright consideration for long-term maintenance will ensure a high degree of economic resilience associated with this project.

Stakeholder Engagement, Research and Communication

The project has been delivered in accordance with the Engage Policy and Framework to ensure that citizens and stakeholders have had genuine opportunities to influence the design. This process began in June 2018 with a discovery engagement that included a stakeholder workshop, walking tour, sounding board and online engagement to understand what issues matter to Calgarians for the underpass.

These ideas were summarized and translated into three distinct design concepts for the underpass. Each concept was presented and reviewed in detail at a stakeholder workshop in October 2018 that was comprised of over 30 individuals representing: (a) City staff – asset owners, subject matter experts, and maintenance and operations staff; and (b) external stakeholders – community association members, Business Improvement Area members, Councillor representatives, adjacent landowners.

Following the workshop, a preferred concept was selected based on stakeholder feedback, and the design was refined and presented back to the public in February 2019 through several on-site pop-up engagements and an online engagement. The preferred concept was generally well-received and supported by participants. Feedback that was critical of the concept was reviewed in detail and, where appropriate, the design was refined. This resulted in: a scaling back of the design to reflect Calgary's current economic constraints, increased pedestrian lighting to address safety concerns, and modification of materials to reduce long-term maintenance costs.

Refer to the Attachment 2 for a summary of engagement activities for the project. Refer to the Attachment 3 for a letter of support from the Public Art Board. Refer to the Attachment 4 for minutes for a vote of support from the BCIF committee.

Strategic Alignment

With the approval of The Centre City Plan (The Plan) in May 2007, a comprehensive and strategic long-term vision for the future of Calgary's Centre City was established. The Plan identifies the need to develop an enhanced public realm with strong pedestrian and bicycle connections throughout the Centre City. The Plan also supports the redevelopment and improvement of the CPR underpasses that connect the Downtown and Beltline Communities. With approximately 43,000 residents and over 150,000 Calgarians working in the Centre City – the underpasses play a critical role in connecting where Calgarians live and where they work.

Social, Environmental, Economic (External)

Citizens and stakeholders have identified three primary goals for the project.

1. Improve the **mobility and functionality** of the underpass for all users, particularly for pedestrians and cyclists. Improvements for active modes will not significantly impact other modes such as transit, vehicles and goods movement.

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2. Address **safety concerns and social considerations** that detracts from citizens feeling comfortable when using the underpass.
3. Make **design and aesthetic** improvements that will enhance user experience and make Calgary a better place to live and work.

Within the private sector, the project team has worked closely with the Marriot Residence Inn to ensure that their needs and concerns are addressed, and the interface with this significant development is as seamless as possible. The project team has made similar considerations for future development on remaining adjacent redevelopment sites.

Additionally, Water Resources is undertaking pump station upgrades to improve the reliability and performance of the pump station within the project boundary. Construction timelines are being coordinated between underpass enhancements and pump station upgrades to minimize disruption to citizens and businesses during construction.

As a result, the underpass enhancements addresses:

- Social considerations by addressing achieving the goals and objectives of citizens and stakeholders;
- Economic considerations by working closely with the private sector to maximize redevelopment potential of adjacent lands; and,
- Environmental considerations by incorporating trees, on-site stormwater management and coordination of pump station improvements that will improve the environmental resilience of the underpass.

Financial Capacity

Impacts to current and future operating and capital budgets have been a primary consideration for this project.

Current and Future Operating Budget:

The project is being delivered by Urban Strategy – Centre City Implementation. The project team will develop a Memorandum of Understanding between asset and service line owners to ensure that “who maintains what” is clearly understood and formally documented and achievable within current operating budgets.

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Current and Future Capital Budget:

Funding sources for the \$4.1m design and construction budget are summarized below:

Funding Source	Funding Status	Value
Centre City Mobility Program (Program 569)	Secured	\$2,000,000
Beltline Community Investment Fund	Seeking approval via this report	\$1,000,000
B12 Bonus Public Art Fund Capital Deposit		\$600,000
Centre City Implementation Operating Budget (from CCIMO fund for internal soft costs and consulting costs)	Secured	\$500,000
Total		\$4,100,000

Of the \$4.1m project budget \$3.6m is dedicated to capital construction. A Class 5 cost estimate was completed in November 2018 with an estimate of \$3.1m. A Class 4 estimate is scheduled in June 2019, and will further improve the accuracy and reliability of the estimate. The project team will continue to track the project budget and (a) adjust the design as necessary to meet available budget; (b) track project risks that may impact budget; and, (c) set aside a reasonable contingency to address unforeseen circumstances.

Risk Assessment

The project is dependent upon multiple capital funding sources to be economically viable. If the Administration recommendations are not endorsed by Council, there will be a significant shortfall in available capital funds, and Administration will not be able to proceed with the project. This will impede The City's ability to achieve the vision and goals of the Centre City Plan, as well as tarnish the reputation of The City with owners of adjacent developments who have made significant investments in the area.

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REASON(S) FOR RECOMMENDATION(S):

(1) The 5 Street SW Underpass Enhancement project represents a significant opportunity to realize the vision and goals of the Centre City plan.

(2) The project will compliment significant investments made by landowners adjacent to the underpass, including the recently completed Alberta Boot Redevelopment (includes the Marriot Residence Inn, a global flagship for the brand), and future redevelopment of the Place 10 site and surface parking lots along 9 Avenue SW.

(3) The underpass is a critical pedestrian corridor between the downtown core and the Beltline, as well as Calgary's most well-used dedicated cycle facility. The project vision – *Making life better every day by transforming an ordinary space into an extraordinary experience* – captures the significance of this project to our citizens.

ATTACHMENT(S)

1. Underpass project overview
2. Consolidated What We Heard Report
3. Public Art Board letter of support
4. BCIF email vote minutes