

River Crossing Business Plan

Recommendation

That Urban Planning Committee recommend to City Council:

1. That the overall parameters, including the approach to development, planning principles, and constraints, of the River Crossing Project, as outlined in the September 3, 2019, Urban Form and Corporate Strategic Development report CR_6792, be approved.
2. That Administration prepare amendments to the Rossdale Area Redevelopment Plan for a future Public Hearing, based on the overall approach to city building and placemaking, as outlined in Attachment 1 of the September 3, 2019, Urban Form and Corporate Strategic Development report CR_6792, with any refinements that may prove necessary as River Crossing implementation begins.

Executive Summary

River Crossing is at the heart of Edmonton along the North Saskatchewan River. Rich with historic and cultural significance, it is an exciting opportunity for place-making and identity-building. The River Crossing Business Plan (Attachment 1) outlines that it can be successfully developed through a consistent effort, stable funding, an incremental approach, and partnerships with other orders of government, the private sector, and other organizations. River Crossing strongly helps move forward ConnectEdmonton: Edmonton's Strategic Plan 2019-2028 and especially the goal of Urban Places by prioritizing meaningful placemaking, delivering a premier destination in Edmonton's central river valley, and facilitating mixed-use infill development with a high quality public realm and amenities for residents.

As decisions are made about governance and funding, Administration can start work on planning approvals, historical designation, potential gondola integration, and affordable housing. Funding already allocated in the 2019-22 Capital Budget is sufficient to do design work on new and upgraded streets, sewers, and open space as well as strategic, limited renovations to the Rossdale Power Plant complex. If construction of new infrastructure and open space is funded in the 2023-26 Capital Budget cycle, Edmonton could have an attractive riverfront area to share with visitors during the potential 2026 FIFA World Cup.

Report

River Crossing is a historically and culturally significant, but primarily vacant, area in the geographic centre of Edmonton. Prominently located in the western portion of the Rosedale neighbourhood between the river, Downtown and the Legislature grounds, River Crossing has been fertile ground for redevelopment plans since the 1980s. There has been a long-standing goal to develop this area, which is primarily City owned. The 2011 West Rosedale Urban Design Plan established a land use concept for the area, which led to amendments to the Rosedale Area Redevelopment Plan and zoning; however, the plan was not implemented due to a lack of consensus around its marketability and financial viability.

In 2015, City Council established a vision (Attachment 2) that would see the area transformed into a special destination in the river valley at the gateway to Downtown. The vision called for this city-building project to honour the rich, layered and complex heritage of the area. To do this work, Council instructed Administration to deliver two plans: a heritage interpretive plan (approved by Council through the July 11, 2017, City Council report CR_4438 - River Crossing Heritage Interpretive Plan) and a business plan.

The River Crossing Business Plan builds on the River Crossing Heritage Interpretive Plan and proposes a path forward for redeveloping West Rosedale into a signature community and City-wide gathering area that honours its true sense of place.

This is the place where Edmonton can tell a contemporary, confident story through the repurposing of some of the city's most striking heritage assets, gathering and event spaces, places for reflection and connection with the river valley, and acknowledgement and respect of our shared Indigenous and settler roots. River Crossing advances ConnectEdmonton: Edmonton's Strategic Plan 2019-2028 and the goal of Urban Places. Creating a destination here will connect the city to the river, densify Edmonton's urban fabric, improve valley access, foster tourism, attract business, and support a strong downtown.

Process

Building on Council's 2015 River Crossing vision, Administration worked with consulting teams in the areas of design, economic analysis and Indigenous engagement to create the business plan. The process involved establishing and validating project objectives and desired outcomes, collecting ideas for redevelopment, conducting market analysis, testing tradeoffs between key themes and actions, developing and testing land scenario options, transportation modelling, refining a preferred land use concept and associated business case, and preparing a high-level

implementation plan. Redevelopment concept options assessed during the process are summarized in Attachment 3.

Redevelopment Concept

The River Crossing Business Plan builds on the 2011 West Rosedale Urban Design Plan, Council's 2015 River Crossing vision, the 2017 Heritage Interpretive Plan, research and analysis, and input from stakeholders, Edmontonians, and Indigenous communities and related organizations. The key goals of the redevelopment concept are:

- Public amenities that create a destination for Edmontonians and visitors, fostering a connection to Edmonton's heritage and providing spaces to gather, celebrate, and enjoy the river valley. Specifically:
 - Touch the Water, a riverfront promenade now being designed.
 - The Rosedale Power Plant and associated pump houses reused for a variety of commercial, cultural, and event uses.
 - An important new river valley park focused on gathering and heritage. This interpretive park would be co-designed with Indigenous Nations and Edmontonians to create a versatile, programmable and welcoming space that celebrates the area's history and provides a sensitive transition between new development in River Crossing and the Traditional Burial Grounds and Fort Edmonton Cemetery.
 - An urban plaza at the north end of the interpretive park serving surrounding residents and supporting larger events held in the area.
 - RE/MAX Field retained at least as long as the land it occupies is not required for development, with efforts to use it for a broader range of activities.
 - Space atop an underground water reservoir that EPCOR is expected to allow the public to access.
 - Rehabilitated Ortona Armoury arts hub with community space.
 - Neighbourhood level park amenities.
 - Connection to amenities south of the river (e.g. Kinsmen Park, John Walter Museum, Îñîw (Îñîw) River Lot 11∞) via Walterdale Bridge.
- A transformed road network. The development concept in the business plan shows 104 Street converted into an attractive local street and Rosedale Road becoming a 2-way arterial road with improved pedestrian and bike infrastructure, and parking during off-peak hours. Other options are also possible depending on the progress of development and the viability of RE/MAX Field, including turning 104 Street into a fully pedestrianized street to carry residents and visitors towards the riverfront. These changes should:
 - Make the area more desirable and attract private development.
 - Improve navigability in a simplified road network.
 - Increase safety for all road users.

- Maintain traffic routes into downtown and access to the Rossdale Power Plant and EPCOR's Rossdale site.
- Make more efficient use of land.
- Improve access to amenities in the area.
- Increase on-street parking capacity for the public amenities and events.
- Modestly increase auto travel times.
- Synergize with an urban gondola system if constructed.
- New residential development that stitches together the Downtown and existing parts of Rossdale. This development will create denser urban blocks while remaining sensitive to the context of the river valley and neighbouring residential areas, as well as views of the river valley, Legislature, power plant and Walterdale Bridge. There could be up to 4,067 residents in 2,654 housing units in the area on build-out, in both market and non-market housing.

Concept Rationale

While there is broad agreement about the importance of River Crossing as a city-building opportunity in Edmonton, consensus about the redevelopment concept has not been achieved. Some people want more open space; others less open space and more development. Most people want RE/MAX Field to be retained, but some call for it to be demolished to make room for more development. Some people advocated for a new attraction in the northern portion of the area to catalyze development but most others see the riverfront as the primary amenity in the area. Many people believe that Rossdale Road should be removed to create a larger riverfront pedestrian area but the downtown business community has expressed concerns about further constraints to the flow of traffic downtown.

After having listened to and learned from these and many other perspectives, Administration has prepared a redevelopment concept that constitutes its best city-building advice. The redevelopment concept contains a level of flexibility to accommodate private sector investment, aligns with City policy and project objectives, and is based on facts and requirements including the following:

- Consistent desire from Indigenous groups to keep development away from the burial grounds and cemetery.
- Pre-contact Indigenous archaeological site in the triangular block west of RE/MAX Field.
- Demonstrated potential of Rossdale Power Plant to serve as an exciting riverfront venue.
- City investment in Touch the Water promenade design.
- Vehicular access to the Rossdale Power Plant and EPCOR's Rossdale site.
- Development absorption forecast demonstrating that RE/MAX Field will not be needed for development for at least 10 years.

- Extensive parking and LRT stations downtown that can be connected to RE/MAX Field, the interpretive park and/or the power plant via a shuttle bus service.

The redevelopment concept is a high-level framework which can be adjusted on the basis of emerging ideas and proposals provided they align with principles of good city building.

Costs and Revenues

As elaborated in section 5 of the business plan (Attachment 1), the costs (pre-design cost estimates) required to effect the transformation of River Crossing include the following:

- Capital: \$74 million for new streets, sewers and open spaces.
- Capital: \$6 million for initial, strategic renovations of the Rossdale Power Plant.
- Operating: \$40,000 annually for maintenance of new open space and roads.

The costs do not include: full renovation of the Rossdale Power Plant, operation of the power plant, construction of the Touch the Water promenade, or programming of the interpretive park.

Funding sources for this project include:

- \$9.7 million in retained land sale earnings allocated to River Crossing in the 2019-22 capital budget through capital profile 19-17-0601.
- Neighbourhood renewal program funding in the 2023-2026 capital budget (estimated to be \$0.5 million in the Capital Investment Outlook).
- Arterial renewal program funding in the 2023-2026 capital budget (estimated to be \$2.5 million in the Capital Investment Outlook).

Potential revenues include:

- Estimated \$30 million in additional City land sale proceeds.
- Additional property tax revenues associated with River Crossing. If a Community Revitalization Levy were established for River Crossing, an estimated \$77 million would be generated over 20 years. (Approximately \$54 million of this would be in property tax revenues that would otherwise be available for other city-wide needs, and the remaining \$23 million would come from the education tax amount). To date the City has established three Community Revitalization Levies: The Quarters (2010), Belvedere (2010), and Downtown (2013). Prior to the provincial election, the Government of Alberta was reviewing the Community Revitalization Levy program and is not currently accepting any new applications. Discussions with the province about the potential of establishing a River Crossing Community Revitalization Levy would clarify whether this is a tool that could be used to help finance needed

infrastructure in River Crossing. Alternatively, this funding would be sought through the regular budget process.

- Potential opportunities to integrate EPCOR'S flood mitigation funding into the development of some public realm amenities. As mentioned in the May 10, 2019 Utility Committee report CR_7054 EPCOR Water Services Inc.- Storm Water Integrated Resource Plan (SIRP) - Recommendations, EPCOR intends to flood proof its Rossdale water treatment plant and construct a dry pond in the neighbourhood to slow the entry of stormwater into the drainage network. Funds for this work may be able to help achieve River Crossing open space objectives.

Governance

Successfully carrying out this vision will require an effective governance structure with dedicated resources and reliable funding. There are two separate questions regarding governance.

1. **Riverfront activation governance.** Given Council's vision for River Crossing to become a special destination and the costs of fully renovating the power plant, a not-for-profit organization may be the ideal vehicle to operate and program the riverfront amenities proposed in this business plan (the Rossdale Power Plant, the interpretive park, Touch the Water promenade and the water reservoir). Signature destinations in other cities (e.g. The Forks in Winnipeg, Navy Pier in Chicago, Central Park in New York City) are run by not-for-profit organizations. A not-for-profit organization could:
 - Focus on and reinvest in the River Crossing area Be entrepreneurial in programming and marketing the area;
 - Focus on fundraising, be better positioned to obtain revenues from additional sources, and be motivated to generate revenue streams to meet operating costs; and,
 - Be accountable to the City for the use of public funds.

Any entity operating the riverfront, whether not-for-profit or otherwise, would need to know what the cost of fully reusing the Rossdale Power Plant will be. Accordingly, Administration plans to return to Urban Planning Committee with a report on options regarding an entity to operate the riverfront after conducting a Rossdale Power Plant building assessment and conservation plan.

2. **Land development governance.** The City will need to determine the role it will play in land development in River Crossing. Options include:
 - *City sells its lands in River Crossing as is.* This would place the obligation for extraordinary infrastructure costs on the land purchaser(s) and result in proportional reduction in City land sale revenues.

- *City develops land then sells it.* This would require Council to make a long-term funding commitment for the required infrastructure upgrades.
- *City-private cost-sharing agreement.* In addition to a long-term City funding commitment, this would require a legal agreement with a private developer about what infrastructure upgrades the developer would be required to pay for.
- *City-private joint venture.* This would require a long-term City funding commitment; however, the City in this situation would also obtain a share of subsequent development profits.
- *Public benefit corporation.* In this situation, the City would establish an arms-length company to construct infrastructure and open space in River Crossing and coordinate the disposition of City land holdings.

The Real Estate Advisory Committee (REAC) discussed the River Crossing Business Plan in July 2019 as part of the ongoing work supporting the Land Governance Strategy report (CR_7122) scheduled for Executive Committee on November 18, 2019. REAC felt that additional changes to the River Crossing development concept are required before any additional investment is made. It noted that the proposed plan is not significantly different from the existing land use plan and that implementation of the finalized plan should initially focus on investing in city building, rather than residential development, and on creating momentum and excitement for the area.

Specifically, REAC advised that the City should invest in further access improvements and transportation connections, such as removing Rossdale Road and further upgrading 105 Street. REAC also suggested that the activation of the Power Plant, while important, does not currently have commercial potential, and that city building costs versus development costs should be clearly defined. The committee felt it was too early to advise on governance for the project and that other land development projects (such as Exhibition Lands) will be viable for residential/commercial development sooner than River Crossing will be.

While the November 18, 2019 Land Governance Strategy report may help point a way forward, the governance structure for land development in River Crossing will need to continue to be considered in context with the riverfront activation governance.

Implementation

As outlined in the River Crossing Business Plan, many steps are necessary to implement the River Crossing vision. These steps include deciding on a governance structure, obtaining planning approvals, starting design of new infrastructure, initial infrastructure construction, and vertical development. The specific actions outlined in the business plan will be adjusted as necessary based on Council direction, alignment with related initiatives, and funding.

Key to implementation is transfer of the Rossdale Power Plant and other land from EPCOR to the City of Edmonton. While Administration expects the City to retain the land, responsibility for the power plant buildings could then be transferred to a third party operator. A report about the City-EPCOR transfer of land in Rossdale will come to Executive Committee when ready.

Public Engagement

Public, Indigenous and stakeholder input were integral to the process of developing the business plan. A total of four public workshops and engagement events were held, as well as online surveys at each stage of the project. In addition, an Indigenous engagement process was developed and followed in collaboration with the Indigenous Relations Office and building on engagement done previously through the River Crossing Heritage Interpretive Plan.

Two external advisory committees, the Business Advisory Group and the Community Advisory Committee, provided input to the project throughout the preparation of the business plan. The project team also had many meetings with private landowners, stakeholder groups, and the City's advisory committees.

Attachment 4 provides a summary of engagement and describes how input was considered in the River Crossing Business Plan. Public engagement processes were designed in accordance with City Policy C513.

Budget/Financial

Initial capital work identified in the River Crossing Business Plan will be funded by profile 19-17-0601 (\$9.7 million), approved in the 2019-2022 Capital Budget. Resource evaluations for a River Crossing project office will be funded by the existing Operating Budget and pending a review Administration may submit an unfunded service package as part of a future Supplemental Operating Budget Adjustment.

Corporate Outcomes and Performance Management and Risk Assessment

The Corporate Outcomes and Performance Management, and Risk Assessment can be found in Attachment 5.

Attachments

1. River Crossing Business Plan
2. River Crossing Council Vision (2015)
3. Scenario Comparison
4. Summary of Engagement
5. Corporate Outcomes and Performance Management and Risk Assessment

Others Reviewing this Report

- J. Meliefste, Acting Deputy City Manager, Integrated Infrastructure Services
- R. Smyth, Deputy City Manager, Citizen Services
- A. Laughlin, Acting Deputy City Manager, Financial and Corporate Services
- C. Owen, Deputy City Manager, Communications and Engagement
- G. Cebryk, Deputy City Manager, City Operations
- B. Andriachuk, City Solicitor