



# PFC2019-0664 Downtown Strategy and Focus Update

2019 July 02 Priorities and Finance Committee



**I. Introduction**

**II. Calgary's Downtown Strategy**

**III. Team & Alignment**

**IV. Results & Highlights**

**V. Summary & Recommendation**

*Focus*

*Align*

*Intensify*



# I. INTRODUCTION



# Importance of Downtowns & Calgary's Downtown

**Downtowns generally occupy less than 1% of the total land area and generate outsized benefits in terms of jobs, tax revenue and construction value.**

**Our Downtown includes:**

- **60% of the city's office inventory in the downtown.**
- **25% of jobs.**
- **Financial, legal and business services that serve the entire city and region.**
- **Between 10% to 24% of total construction value over past 10 years.**
- **The central connection of our transit and fibre network that connects 118km of CTrain track and 400km of dark fibre**



# Calgary's downtown has been the heart of the city with **50M square feet of office space.**

CAN  
ACCOMMODATE  
**250,000**  
EMPLOYEES

-

IN 2016,  
THERE WERE  
APPROXIMATELY  
**160,000**  
EMPLOYEES

=

OPPORTUNITY  
FOR ABOUT  
**90,000**  
MORE  
EMPLOYEES  
IN EXISTING  
SPACE

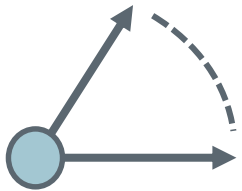


1. Endorse the direction as presented (C2019-0415-Downtown Strategy and Focus).
2. Direct Administration to provide an update on the further development of a Downtown Strategy to the Priorities and Finance Committee in 2019 July and October; and
3. For the July Priorities and Finance Committee, Administration further refine the Downtown Strategy to include:
  - heritage,
  - safety, and
  - competitive research.

# Calgary's Downtown Strategy



**Acting with urgency to address a structural shift in our economy.**



**Pivoting to a new downtown that thrives in the new economy.**



**Building momentum with partners.**



**Focusing and aligning our efforts to intensify our collective energy.**





## II. CALGARY'S DOWNTOWN STRATEGY

# Trends + Facts



**Oil and Gas:**  
Structural change



**GDP growth** does not correlate to office space absorption or job creation



**Industry 4.0** leads to disruption across all industries



**An evolving economy** means an evolving downtown

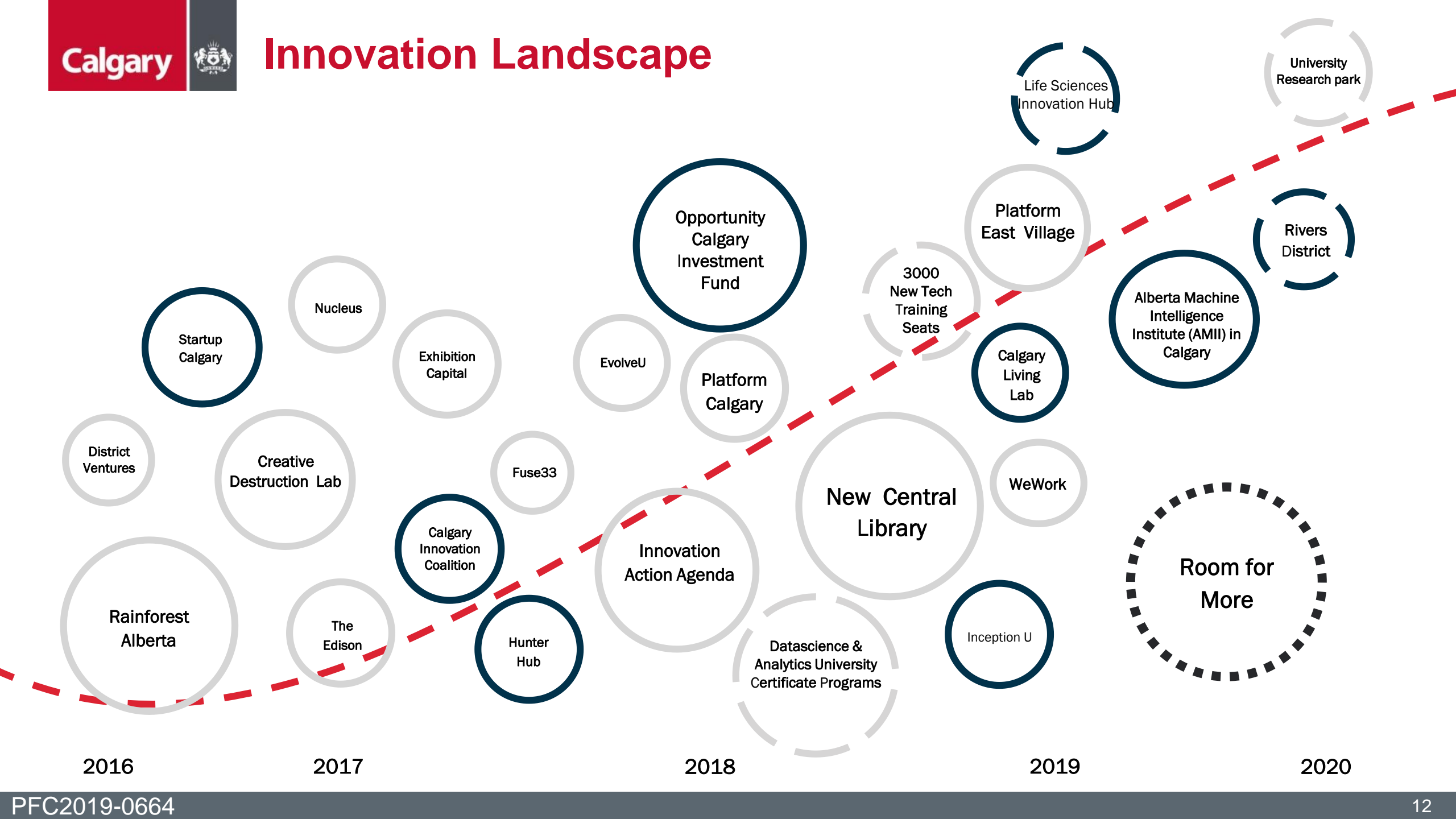


# Embracing Innovation Intensified the Wave of Growth





# Innovation Landscape



2016

2017

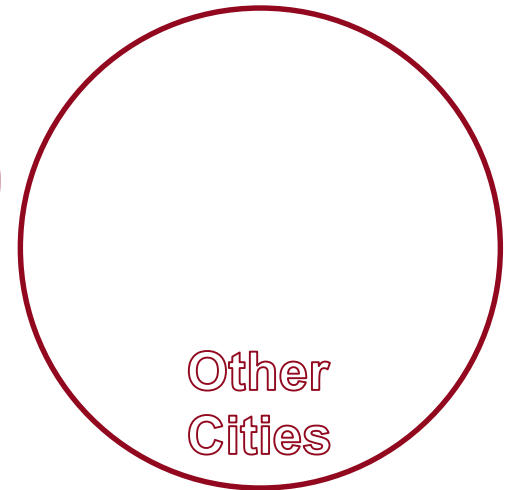
2018

2019

2020



# Informed by Research + Others' Practices





## **Calgary:**

*“A great place to make a living, a great place to make a life.”*

Vision

## **Calgary’s Downtown:**

*Core to our city’s **vibrancy** and **economic** resilience.*

Beacon

*Downtown is Calgary’s community.*

Tagline

# Focus Areas & Strategies



## PLACE



## WORK



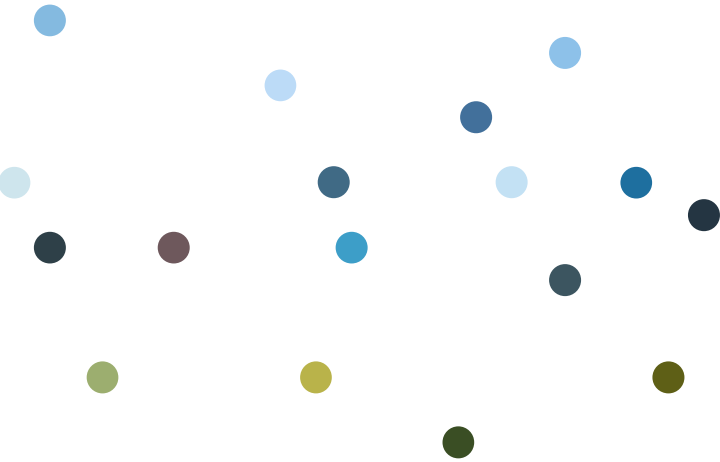
## LIVE



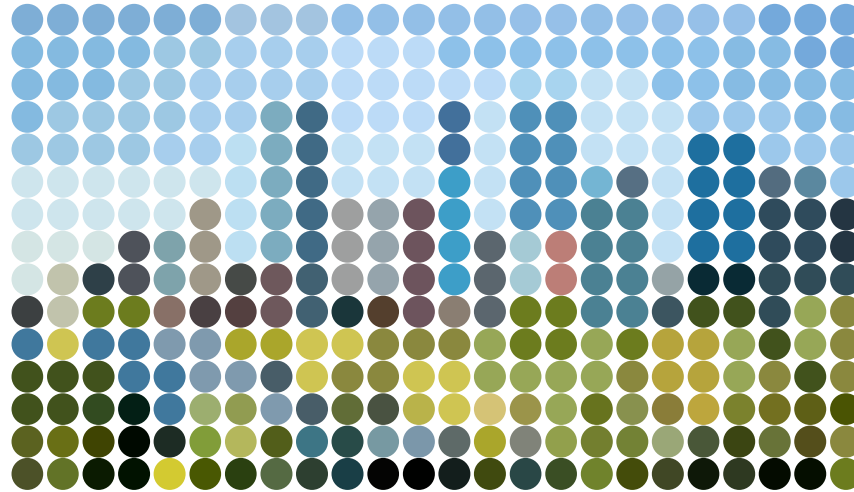
## CONNECT

1. Support and incentivize private investments in businesses and buildings.
2. Invest in physical infrastructure that complements private investment.
3. Invest in and align programming that generates new visits and spending.
4. Attract new and expand existing businesses that fit the strategy.
5. Provide amenities and services to enhance the quality of life for people living downtown.
6. Engage, communicate and market.
7. Advance our Downtown with people at its core.

# Opportunities Today and Tomorrow



In the short term, we will continue with multiple, ongoing actions. . .



. . that together . . .



. . . lead to the long-term resilience, vibrancy and success of our downtown.





# Focus on Downtown Vibrancy and Resilience





# Timeline: Art of the Long View

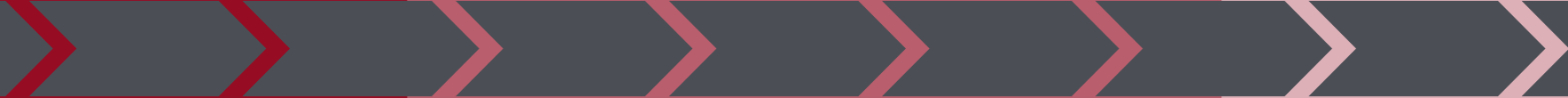
Actions ~ 1 - 3 Years

Strategies ~ 5 Years

Outcomes ~ 15 Years

TODAY

GOAL



## OUTCOME

*A central setting and built form that's desirable to current and future businesses, residents and visitors*



## STRATEGIES

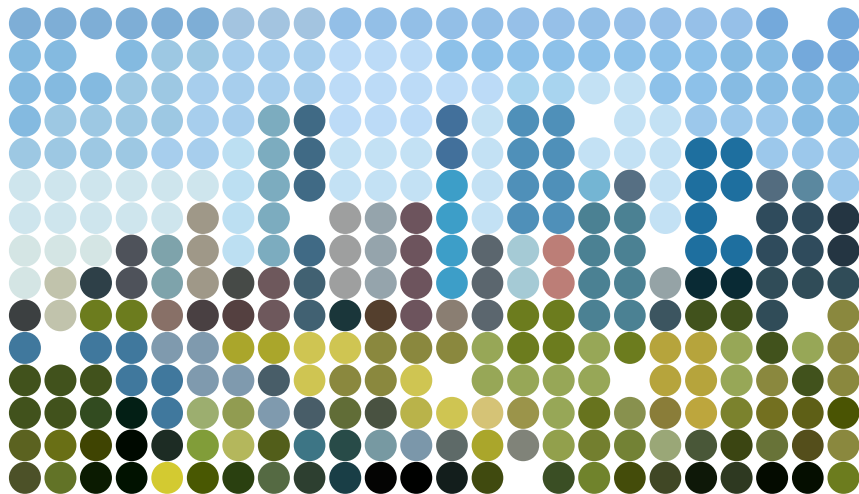
- Support private investment
- Invest in physical Infrastructure
- Provide amenities/services
- Align safety resources for optimal benefit
- Work with Calgary Heritage Authority and Calgary Growth Strategies on downtown heritage priorities

## METRICS

- Investment: Building Permit Values & Volume
- Value: Downtown Office Sales
- Value: Downtown Office Average Net Rental Rates
- Perception of Safety & Cleanliness

## Place | Actions in 2019

- Initiate a project to develop a Master Plan/Vision for Downtown West.
- Prepare a Master Strategy document for the vision and implementation of the Convention / Arts / Olympic Plaza District.
- Survey and interview private building owners to understand and align with their investment plans
- Meet with residential developers to stimulate investment.
- Engage with heritage building owners to identify opportunities to leverage heritage assets for placemaking and creative uses.



## OUTCOME

*Downtown office spaces are re-energized with diverse and innovative businesses and jobs supporting the community's strategy, Calgary in the New Economy.*



## STRATEGIES

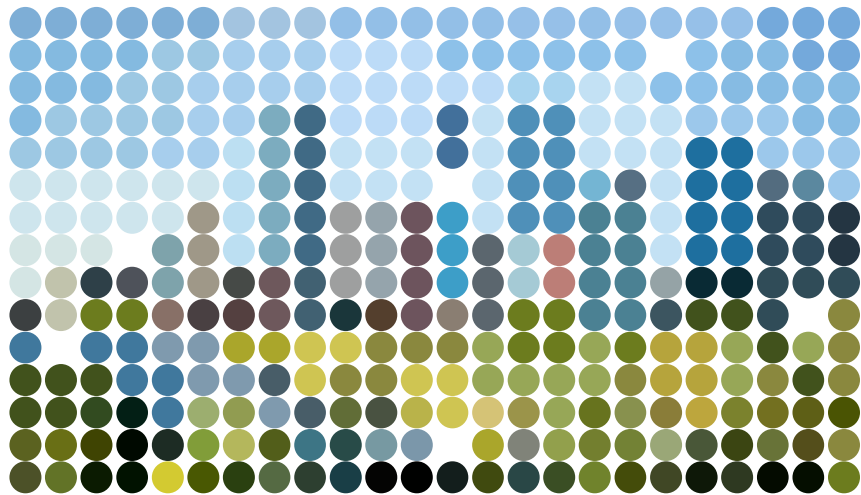
- Grow existing and attract new companies that support high-potential innovative ecosystem and clusters
- Retain, retrain and recruit top talent to support Calgary in the New Economy

## METRICS

- Office Absorption Volume
- Office Inventory Volume
- Retail Inventory Volume
- Business Count
- Type of Business by Industry

## Work | Actions in 2019

- Attract and retain high growth innovation companies with a focus on technology in industrial and emerging sectors
- Develop and deliver a comprehensive marketing plan to promote Calgary's growing innovation ecosystem in an attempt to attract companies and talent
- Leverage OCIF to pursue high potential opportunities in downtown Calgary
- Align events, conference and inbound mission for company attraction
- Collaborate with post-secondary and community education organization to build a STEAM Talent Accelerator in downtown
- Collaborate and align stakeholders to enhance start-up and scale up programs to accelerate company growth opportunities



## OUTCOME

*Downtown is an inclusive and vibrant neighbourhood; a destination for unique experiences for visitors and all Calgarians.*

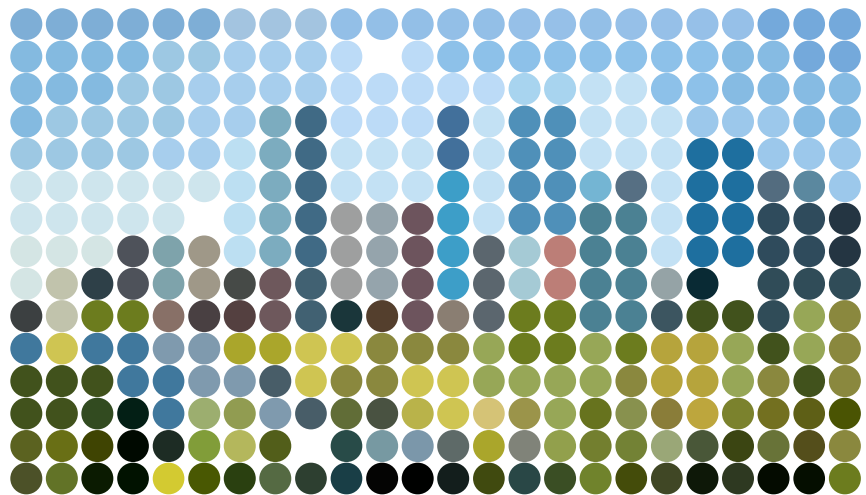


## STRATEGIES

- Provide programming and services to enhance visitor and resident experiences
- Identify and prioritize programming that increases visits locally and from afar

## METRICS

- Population (number + diversity)
- Activities + participation
- Desirable Place to Live %
- Hospitality + restaurant patronage
- Residential inventory + characteristics
- Walkability + accessibility



- Develop a “resort approach” for amenities and service offerings.
  - 129 annual downtown events attracting more than 3M people
  - Arts Commons: hosts 200+ organizations, 1,800+ performances/events attended, 400,000 attendees
  - Centre City Banner program inviting local artists to create banners welcoming visitors to the core
  
- Develop enhanced map of attractions for visitors.
  - CCMA Country Music Week & Awards
  - 107<sup>th</sup> CFL Grey Cup Festival
  - Where We Walked interpretive walk
  - 36<sup>th</sup> Annual ArtWalk
  - Stephen Avenue Live
  - Sled Island Music and Arts Festival
  
- Continue to build on livability assets that reflect our diversity.
  - Parks & Open Spaces
  - Gray Family Eau Claire YMCA
  - Beltline Urban Murals Project
  - Repsol Sport Centre
  - Arts Commons
  - Glenblow Museum
  - BMO Convention Centre
  - TELUS Convention Centre
  
- Seek to identify opportunities to repurpose use.
  - Leverage underused spaces Downtown for gallery/performances, pop-up attractions and regular programming



## OUTCOME

*Our downtown is where people, goods, information and ideas connect.*



## STRATEGIES

- Strengthen the resilience of our mobility, utility and digital networks;
- Foster a future focused ecosystem that embraces disruptors and innovation.

## METRICS

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>• Modes of Transportation Travelling To and From Downtown</li><li>• Downtown Connectivity</li></ul> | <ul style="list-style-type: none"><li>• Taxi and Rideshare, Pick-ups and Drop-Offs</li><li>• People connecting with people</li></ul> |
|---|--|

# Connect | Actions in 2019

## ● Mobility

- 4th Street SE Cycle track scheduled to be complete
- 9th Avenue Bridge construction begins
- 17th Ave Improvements complete
- 4th St underpass construction completion
- Max Transit Service began
- Stephen Ave Master Plan Design phase begins
- Sidewalk Block Replacement begins along 6 St SW
- Green Line: 9 Ave Replacement and Enabling works

## ● Utility

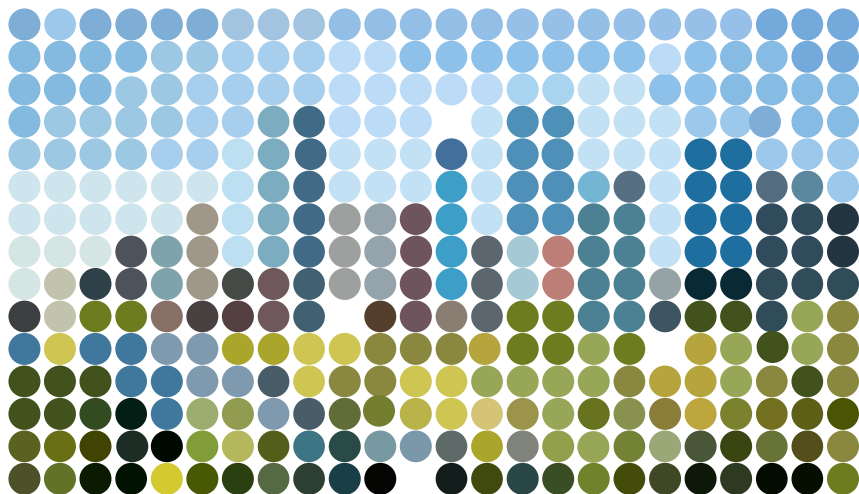
- Connection of Public Building to ENMAX's district energy system
- East Eau Claire/Promenade Flood mitigation

## ● Digital

- Municipal building fibre connects 600+ City of Calgary sites, post-secondary institutions and businesses

## ● Innovation

- Platform Construction underway
- 6 Living Lab projects completed in the Downtown

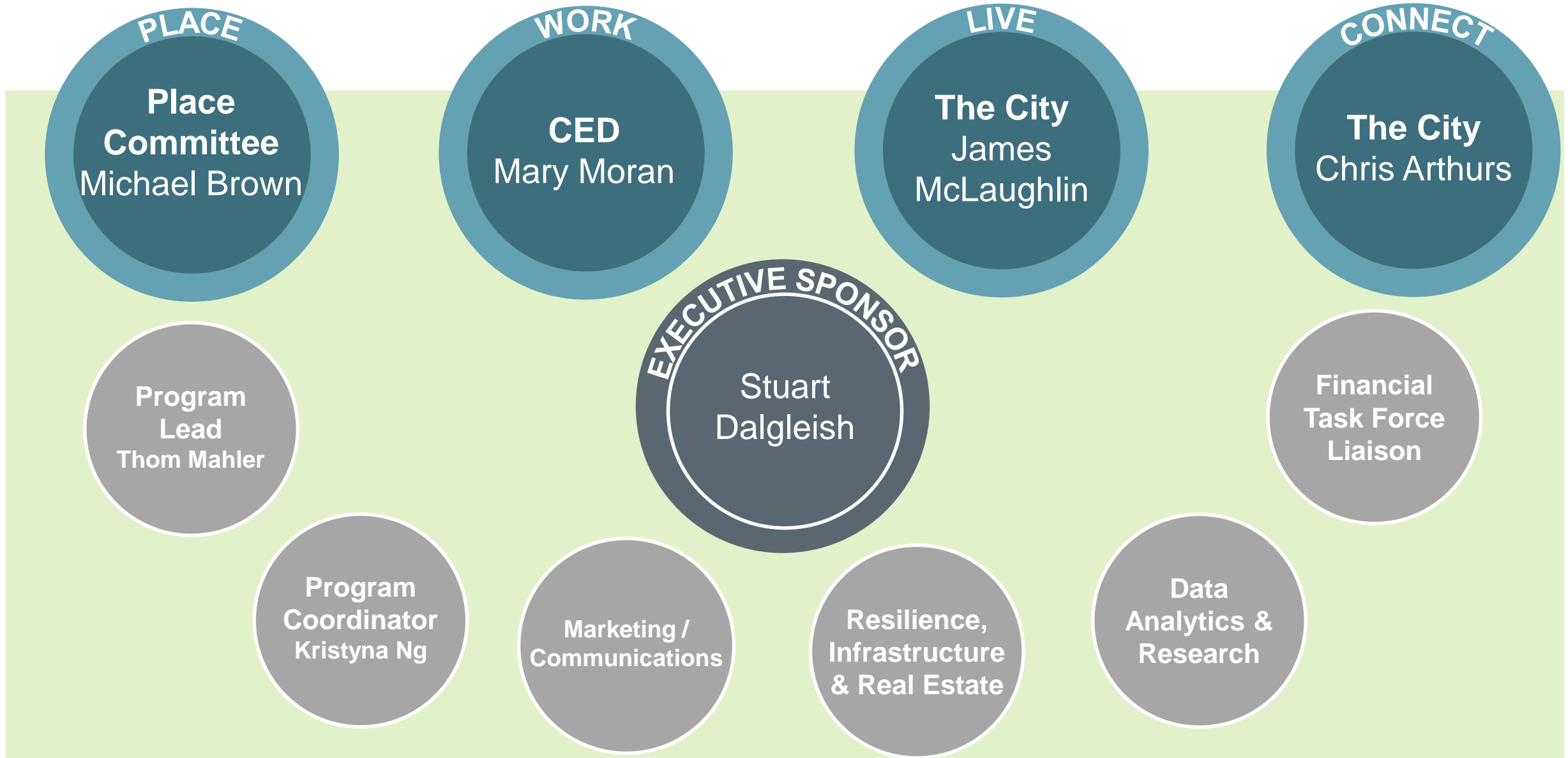




### III. TEAM & ALIGNMENT

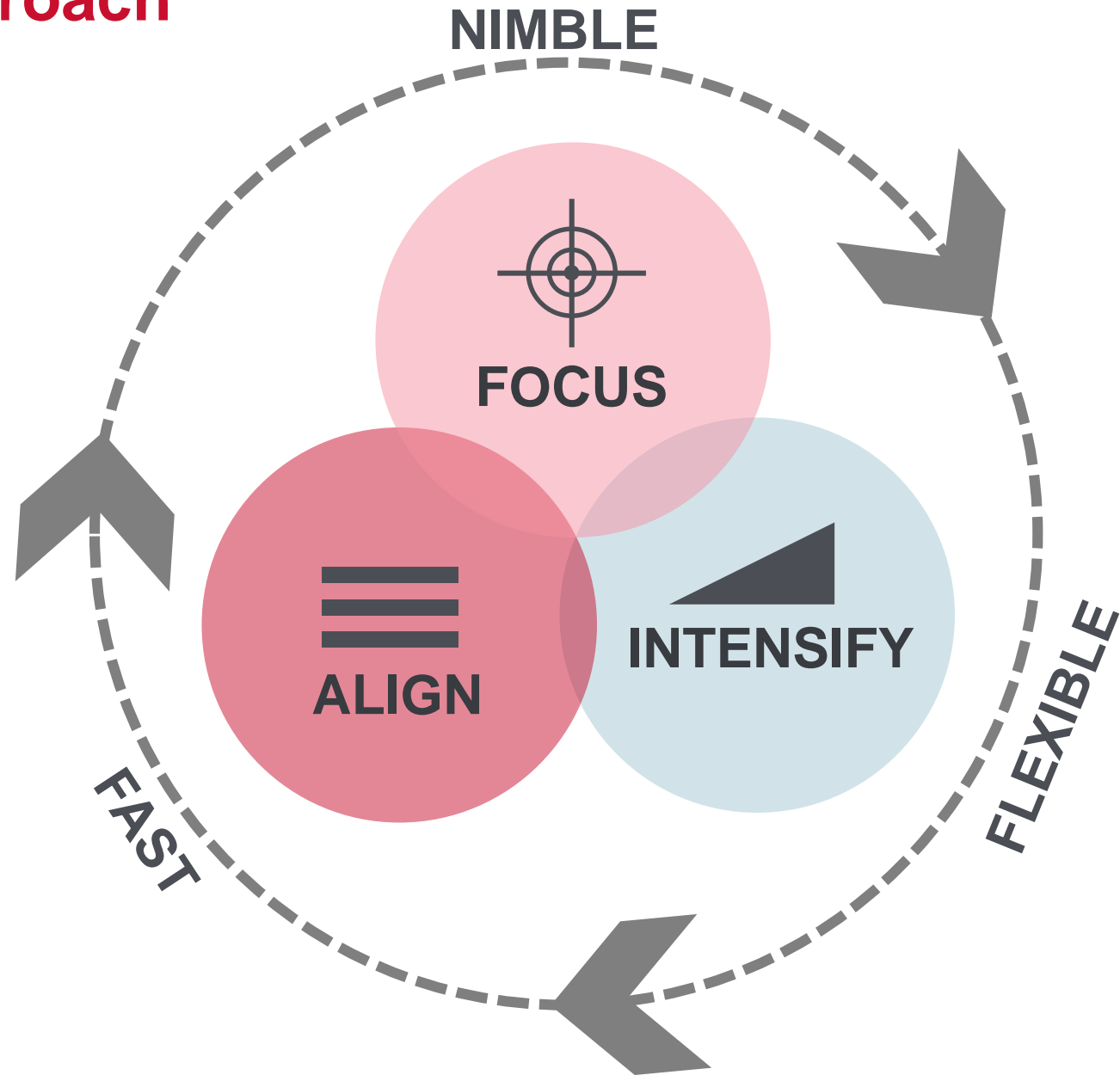


# Team Model





# Approach



# Strategy Alignment | Leverage our Collective Action

## CITY OF CALGARY ALIGNMENT



Focus



Align

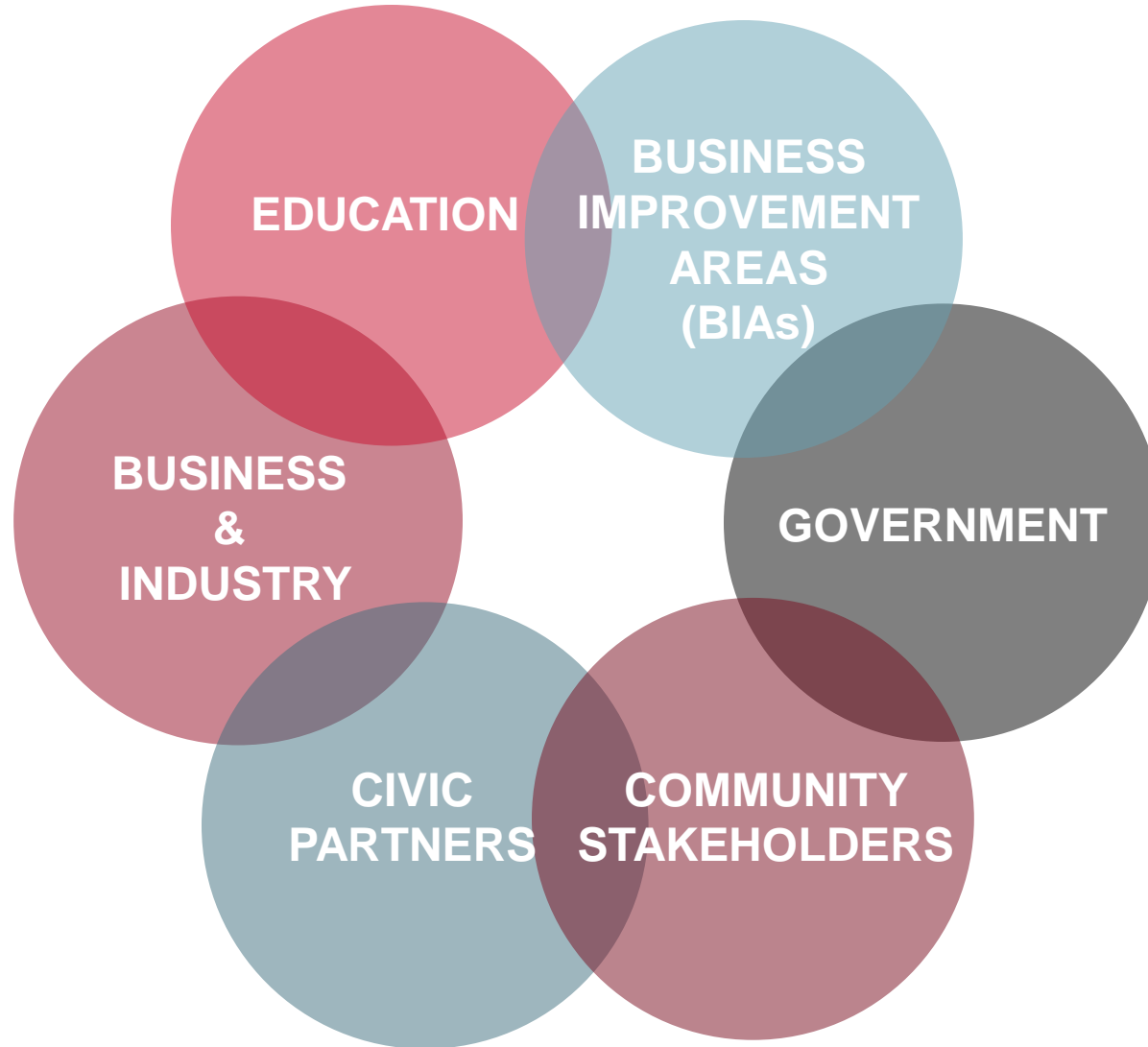


Intensify

	WORK	LIVE	PLACE	CONNECT
ONE CALGARY: CITIZEN PRIORITIES	✓	✓	✓	✓
COUNCIL DIRECTIVES	✓	✓	✓	✓
CALGARY TRANSPORTATION PLAN (ROUTE AHEAD) * Including GREEN LINE		✓	✓	✓
CITY OF CALGARY DIGITAL STRATEGY	✓	✓		✓
CENTRE CITY PLAN REFRESH	✓	✓	✓	✓
CULTURAL PLAN	✓	✓	✓	✓
WINTER CITY APPROACH	✓	✓	✓	✓
COMMUNITY ACTION ON MENTAL HEALTH + ADDICTION STRATEGY (DRAFT)		✓	✓	✓
QUALITY OF LIFE ALIGNMENT	✓	✓	✓	✓
RESILIENT CALGARY STRATEGY	✓	✓	✓	✓
PUBLIC SAFETY IMPLEMENTATION PLAN	✓	✓	✓	
THE FUTURE OF TRANSPORTATION (PLAN FOR DISRUPTORS)				✓
<b>PARTNERSHIP STRATEGY ALIGNMENT</b>				
CALGARY DESTINATION STRATEGY		✓	✓	
CMLC GUIDING PRINCIPLES		✓	✓	
CALGARY IN THE NEW ECONOMY (ECONOMIC STRATEGY)	✓	✓	✓	✓
ENOUGH FOR ALL STRATEGY		✓		
DOWNTOWN ECONOMIC SUMMIT RESULTS	✓	✓	✓	✓



# Partners & Stakeholders





## IV. RESULT & HIGHLIGHTS





**Acting Fast – Jurassic Park in East Village for Calgarians to watch Raptors Games**

Credit: [curiosity.com](https://www.curiosity.com)

- We need to act fast to unlock private investment.
- We need to ACT in terms of weeks.
- We need to THINK in terms of years.
- The new economy wants to invest.
- Where The City invests in capital infrastructure is a key catalyst to leverage and optimize other private investment.



# Highlight of Recent Private + Public Investment



**School of  
Architecture,  
Planning and  
Landscape**



**Murals**



**Scotia Centre  
Renovations**



**Bounce**



**Underpass  
Improvements**



**D.O.A.P**



**Graffiti  
Abatement  
Program**



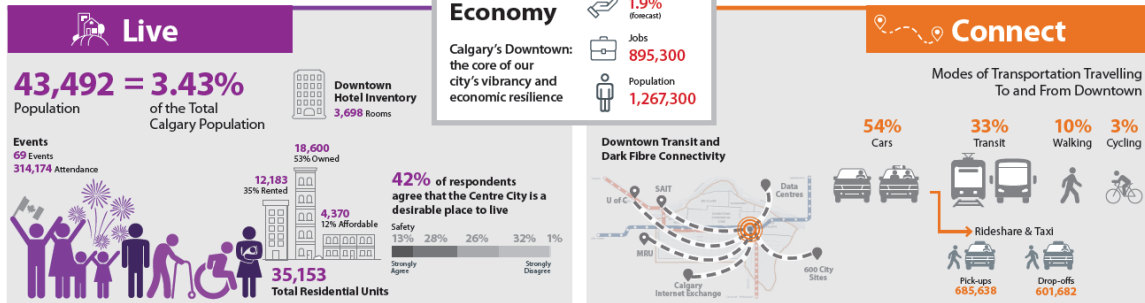
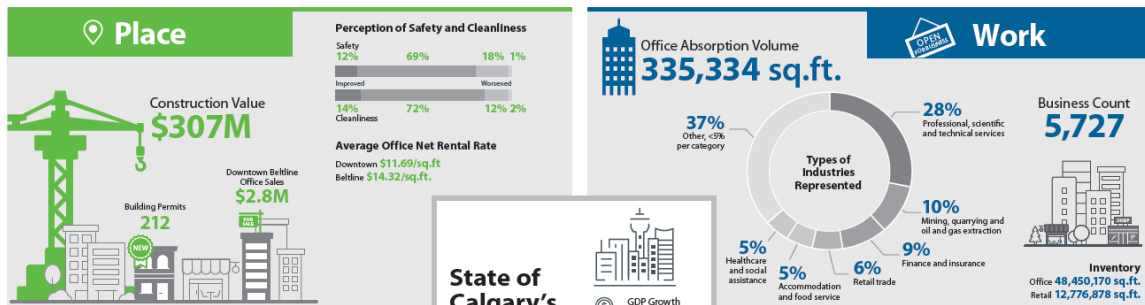
**Pop-up  
Parks**



**The Edison**



**West Eau  
Claire  
Plaza**



Place	Work	Live	Connect
<p>Office absorption volume is the net change in occupied space, measured in square footage, over a specified timeframe, and takes into consideration newly constructed space. Commonly, it is reported from one quarter to the next.</p> <p>In the first quarter of 2019, there was positive office space absorption of 335,000 square feet in Calgary's downtown. The average office net rental rate was \$11.69 per square foot in downtown, and \$14.32 per square foot in the Bellline. There were 212 building permits issued during the first quarter of 2019, with a construction value of \$307-million.</p> <p><b>INNOVATION ACTIVATES VACANT DOWNTOWN SPACES</b> Due to an innovative agreement between the City of Calgary and Calgary Municipal Land Corporation (CMLC) and the drive to find a new way to utilize vacant spaces in the downtown core, the Castiel Building (better known as "the old central library") has been activated once more. The School of Architecture, Planning and Landscape at the University of Calgary has opened their community-based outpost for teaching, research and community collaboration called the City Building Design Lab. The lab will provide students with opportunities to connect with the planning and development industry to explore how innovations in design and construction can make cities more sustainable.</p> <p>Calgary's Strategic Group is also finding creative ways to activate empty spaces by converting offices into apartments. One such example is Cube, a former Alberta Health Services office, which has been converted into a seven-storey apartment complex. The City of Calgary worked with Strategic Group to find ways to make this conversion, and others like it, possible through the development process.</p> <p><b>RENTALIZING CALGARY'S ICONIC STEPHEN AVENUE WALK</b> Most office workers leave the core at the end of their work day, which results in Stephen Avenue not being as vibrant or animated on weekends and evenings as it is during the day. This is Stephen Avenue's greatest challenge — drawing people in for more than just a place to go for lunch or after work. The City is focused on creating an experience that will draw people in. This is why revitalization efforts through the Stephen Avenue Master Plan are a priority for Calgary, with the aim of making downtown a vibrant place for all people, at all times.</p> <p>Among the efforts to revitalize Stephen Avenue is the \$33-million redevelopment of Stephen Avenue Place (previously Scotia Centre) by State Management. This includes the addition of three levels of restaurant and retail space to help make Stephen Avenue a vibrant hub for activities. In a second instance of Strategic Group's efforts, the historic Barron Building on Stephen Avenue is being converted from a full office building into a mixed-use building. This will feature a combination of office, retail, and residential spaces in the heart of Calgary's downtown.</p>	<p>Calgary's business landscape is evolving. According to the North American Industry Classification System, 28 per cent of the industry in Calgary is professional, scientific and technical services. As new companies are attracted to Calgary through the work of partners like Calgary Economic Development, a change is occurring in the type of industries opening up offices — more tech companies, less oil and gas. According to Calgary Economic Development, Calgary has seen a 55 per cent increase in technology companies since 2015.</p> <p>In addition, Calgary is starting to see a shift in the movement of businesses from out of the downtown — both new businesses are coming into the core, and existing businesses are starting to move back.</p> <p><b>HAVE THE TIDES SHIFTED? CALGARY BUSINESSES MOVING BACK TO DOWNTOWN</b> Companies who vacated the core 10 years ago are starting to transition back into newly renovated buildings with a focus on being part of the energy of downtown. For example, Goldcorp moved out of the downtown core in October 2008, and come September 2019, the company, with about 300 employees, will occupy four floors in Stephen Avenue Place. In a news release, Greg Herasymuk, Goldcorp's president for Canadian operations, suggested the location, design and amenities in the new Calgary headquarters are some of the reasons for the shift back downtown.</p> <p><b>CALGARY'S FOOD TRUCKS GET READY FOR SUMMER SERVICE AND FESTIVAL SEASON</b> In May, the City of Calgary hosted a food truck inspection blitz to make sure Calgary's 90 food trucks are safe to operate. Bringing the food truck owners, who are considered small business owners, together allowed the inspection and permit process to be streamlined. In partnership with Alberta Health Services, the blitz was held to prepare the food truck owners for the summer and festival season by ensuring their permits and inspections were current. Since their start in 2010, food trucks can be found daily on our downtown streets or at one of the many events hosted in downtown Calgary. The food trucks contribute to creating the community network within downtown, so ensuring the food trucks are safe and ready for summer and festival season is important to make sure these businesses can operate without delay.</p>	<p>One of the key indicators of the vibrancy of a place is the people within it. This includes those who live within Calgary's downtown, and those who choose to visit it. The population of the downtown core — the number of people permanently residing there — in the 2018 Census is close to 43,000. Additional information collected in the 2016 census tells us that this number includes approximately 2,000 children aged 0 to 14. It is important to note that about 68 per cent of downtown residents are 14 or under, while this demographic makes up 19 per cent of the population in the rest of the city.</p> <p>Arts and culture are a major attraction for visitors, both locally and from outside of the city. During 2018, a total of 120 events were hosted in Calgary's downtown, drawing more than three million attendees downtown.</p> <p><b>LIVING DOWNTOWN OFFERS UNIQUE FAMILY ACTIVITIES</b> With downtown's high density, ensuring adequate amenities for Calgary's of all ages presents unique challenges due to a lack of space. This means that The City of Calgary must ensure that the available green spaces are used in the most valuable manner possible. One example of this is the redevelopment of a former lawn bowling site into Thomson Family Park in the Bellline. The natural topography of the space inspired a creative design for a playground — a winding slide is built into a hill in the park. A bowling green has been kept as a nod to the site's history, which is turned into a skating rink during the winter months. This offers fun activities for children and their families year-round.</p> <p><b>BRING THE DOWNTOWN CORE TO LIFE THROUGH ARTS, CULTURE, AND EVENTS</b> Attendance at major events hosted downtown is expected to increase in 2019. During the first part of the year, Calgaryans enjoyed a variety of unique events, including the kick-off to Calgary hosting the 2019 Grey Cup, the Glow Downtown Winter Light Festival, public screenings of the Flames playoff games, and more. There were a total of 69 events and festivals hosted downtown, which attracted more than 314,000 attendees to the core.</p> <p>Safety and cleanliness are important factors for vibrancy in drawing people downtown. The majority of Calgaryans feel that downtown is safe and clean 69 per cent and 72 per cent, respectively, with many feeling that safety and cleanliness have improved (12 per cent and 14 per cent, respectively).</p>	<p>Innovation is the key to Calgary's recovery. As part of the City of Calgary's commitment to invest in the innovation ecosystem, we work with companies, researchers and individuals to test and try ideas and products in a real-life environment, which we call Living Labs. A Living Lab supports increased economic diversification and jobs for Calgaryans. It can help entrepreneurs bring big ideas to fruition and support investment in our local economy.</p> <p><b>SMART CITY: LONG RANGE, LOW POWER TECHNOLOGY</b> The connectivity in today's world is astounding. Technology has become integrated into our daily lives in ways that are seamless, complex and full of promise. The City of Calgary aims to be an early adopter of new technologies that help us better serve citizens. We are the first Canadian city that built and owns a new type of wireless network.</p> <p>The City collaborated with the University of Calgary and IoT developers from the local industry to create the network that provides wireless signal coverage for a large footprint in the Calgary region, including the busy downtown core. Thanks to The City's investment in the underlying communication infrastructure since 2000, we built the LoRaWAN network with minimal additional cost.</p> <p>In the downtown core, Calgary's Devonian Gardens uses LoRa-based devices to measure soil conditions for urban canopy maintenance and water valve status remotely, which saves time, conserves resources and provides more accurate and timely data. By utilizing LoRa-based devices to gain an understanding of fundamental characteristics such as air, water, light and humidity, Calgary can provide more efficient predictive care to these plants.</p> <p><b>CREATING SUSTAINABLE TRANSPORTATION SOLUTIONS TO MAKE LIFE BETTER EVERY DAY FOR GENERATIONS TO COME</b> The City of Calgary is committed to fostering an environmentally sustainable community by providing the leadership to conserve, protect and improve the environment for the benefit of Calgaryans and the regional community.</p> <p>With more investment into bike lanes, bike accessibility, and overall infrastructure, it doesn't come as a surprise that the use of bikes in Downtown Calgary has significantly increased. The first recorded Cordon Count, which collects and analyzes data of different travel modes entering and exiting Calgary's downtown on a regular weekday, was conducted in 1991. The 2018 Cordon Count showed that 18,117 cyclists per day entered and exited the same area. Within 27 years of tracking, there was a 679 per cent increase in bike users.</p> <p>In April 2019, the City also invested in electric vehicle charging stations in Downtown parkades. Transitioning 48 charging stations in Calgary Parking Authority parkades and kiosks to EVs is seen as the best way to reduce emissions among drivers, who are expected to be increasingly shifting towards electric vehicles in coming years.</p>

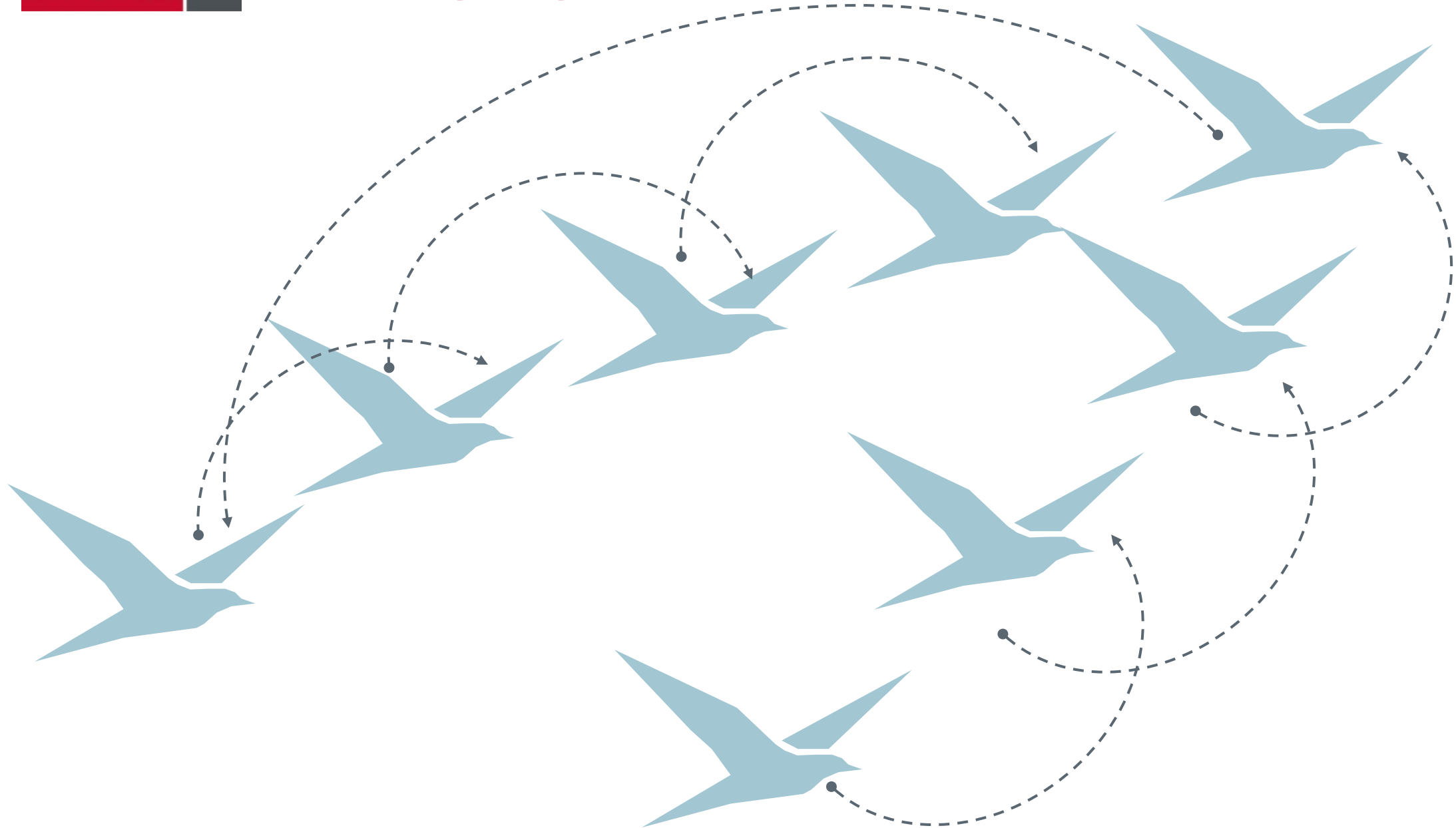
DRAFT Q1 2019 Published on June 28, 2019  
Data Sources: Please refer to Calgary for details.  
PLACE: Assessments: The City of Calgary; Calgary Growth Strategies, The City of Calgary; Q1 MarketView CMLC.  
WORK: 2018 CMLC; Statistics Canada; Calgary Economic Development.  
LIVE: 2018 Civic Census, The City of Calgary; Community Services, The City of Calgary; Assessments, The City of Calgary; Calgary Hotel Association; The City of Calgary Civic Planning.  
CONNECT: Information Technology; The City of Calgary; Transportation, The City of Calgary; Livest, The City of Calgary; P3AC.



## V. SUMMARY & RECOMMENDATION



# Working Together for Downtown Vibrancy



That PFC recommends that Council direct Administration to continue implementing the Downtown Strategy, as identified in this report and presentation.



**QUESTIONS?**