



CITY POLICY

POLICY NUMBER: C215

REFERENCE:

City Council 2002 01 29
Municipal Government Act, RSA 2000, c.M-26

ADOPTED BY:

City Council

SUPERSEDES:

New

PREPARED BY: Planning and Development Department

DATE: 2002 04 8

TITLE: Downtown Retail and Commercial Complex Reinvestment Policy

Policy Statement:

Pursuant to Section 6 of the Municipal Government Act and the Policies of the Capital City Downtown Plan:

This Policy provides a program framework such that owners of existing major retail and or commercial complexes located within the downtown commercial core

- Who are planning interior renovations; and
- Can make a plausible case that these renovations will increase City tax revenues, may be eligible for program funding in an amount related to the projected increase in revenue. The program funds must be spent on approved exterior renovations to the subject property that improve downtown streetscape by enhancement of both building aesthetics and functionality with regard to the interface between public pedestrian space and street oriented retail and commercial activities.

The purpose of this policy is to:

Revitalize Downtown Edmonton by encouraging building owners to invest capital in tenant and building improvements that promotes improvements in the appearance of street level businesses and increases business-pedestrian activity. The program should indirectly increase the municipal taxes collected on Downtown properties.



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1. DEFINITIONS

- 1.01 Application Requirements – means the information required to render an application complete and eligible for review as a candidate for possible Program Funding according to the terms and processes of this and other City Policies.
- 1.02 Capital City Downtown Plan – means the statutory plan (as amended), approved by City Council in 1997, which sets out policies and actions for the revitalization of Downtown Edmonton. This plan addresses a range of policies related to urban design and commercial revitalization and establishes the geographic boundaries for Downtown Edmonton.
- 1.03 Retail and Commercial Complexes – means to any of those retail and commercial complexes located within the Downtown Commercial Core of the City of Edmonton Downtown that
 - include three or more block faces of street frontage, and
 - are either under common ownership or involve a limited number of owners of attached complexes sharing a common block face, internal accesses and common property lines.
- 1.04 Performance Agreement – means the document which specifies the relationship between the proposed improvements and the amount of money to be granted. The Performance Agreement is in the form of a contract between the City and the applicant.
- 1.05 Development Permit - means the document authorizing a development issued by the Development Officer pursuant to the Edmonton Zoning Bylaw.
- 1.06 Downtown Commercial/Cultural Core– means the area bound in the west by 103 Street, in the north by 105 Avenue, in the east by the western side of 97 Street and in the south alternately by the western bank of the North Saskatchewan River, portions of Rosedale Road and McDougall Hill and 100 Avenue.
- 1.07 Exterior Renovations – means structural or non-structural renovations carried out on the exterior of an existing retail commercial building to enhance exterior building aesthetics and functionality with regard for the interface between public pedestrian space and street oriented retail and commercial activities.
- 1.08 Final Building Inspection – means the final inspection of construction activity for which a building permit has been issued by the City of Edmonton Planning and Development Department.



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- 1.09 Guidelines for the Exterior Renovation of Commercial Buildings – means the guidelines approved by the General Manager of the Planning and Development Department which are employed by the City to promote the intended effect of this Policy. Specifically, the guidelines are physically separate from this document, reference the type of permitted exterior renovations for which Program Funding may be provided, are used to assess the quality of applications received under this Policy, and determine eligibility for the potential allocation of program funding. These guidelines may be amended from time to time upon the direction of the General Manager of the Planning and Development Department.
- 1.10 Interior Renovations – means structural or non-structural renovations carried out inside an existing retail commercial building to revitalize merchantable space and to enhance interior/exterior building aesthetics and functionality with regard for the interface between public pedestrian space and street oriented retail and commercial activities.
- 1.11 Occupancy Certificate – means the permit issued by the City of Edmonton Planning and Development Department under the Safety Codes Act allowing the building to be used.
- 1.12 Post Construction Inspection – means the inspection following substantial completion of construction activities intended to:
- determine an applicant's qualification to participate in the program
 - evaluate the completed exterior renovations against the proposed renovations that formed the basis of the determination of preliminary eligibility
- 1.13 Pre-Construction Inspection – means the inspection conducted prior to the onset of construction activities to renovate the exterior of commercial buildings pursuant to an application filed under this Policy.
- 1.14 Preliminary Eligibility – means the status of applicants filing applications under this Policy whose applications are considered complete and eligible to pursue the opportunity to qualify for program funding.
- 1.15 Program Funding – means the available funding for which eligible applicants under this program may seek to qualify for reinvestment into exterior renovations.
- 1.16 Project Review Committee – means a committee appointed by the City Manager and comprised of representatives of various disciplines drawn from within the City of Edmonton administration with the responsibility for evaluating applications



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filed under this Policy. The Committee issues recommendations regarding preliminary eligibility and meets to confirm the amount of Program Funding and the terms of dispersal for qualified applicants.

- 1.17 Project Review Officer– means a person or persons appointed by the General Manager of the Planning and Development Department to implement this Policy, to make decisions and to facilitate the receipt and review of applications for completeness, and as they qualify for possible Program Funding under this policy, and write reports including recommendations to accept or reject applications.

2. AREA OF APPLICATION AND EFFECTIVE DATE

- 2.01 This Policy applies to significant revitalization projects involving Interior Renovations and Exterior Renovations retail and commercial complexes located in the Downtown Commercial Core.
- 2.02 This Policy becomes effective upon approval by City Council and is in effect for three (3) years only. City Council, on the recommendation of the City Manager, may close the program to new applications at any time.
- 2.03 The term of the Program Funding period is specific to each individual approved project and may not exceed five years pursuant to the additional terms of each Performance Agreement and the requirements of this Policy.
- 2.03 This Policy is applicable upon receipt of an application from an owner(s) of a retail and/or commercial complex located in the Downtown Commercial Core, undertaking significant Interior Renovations and proposed Exterior Renovations, who is seeking to qualify for possible funding pursuant to this Policy.



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3.0 RESPONSIBILITIES

3.01 City Council:

- a) approves changes to this Policy;
- b) evaluates the program upon completion of the three year term during which applications are received; and
- c) approves the distribution of Program Funding on a case-by-case basis.

3.02 Executive Committee:

- a) recommends changes to this policy to City Council;
- b) evaluates the program upon completion of the three year term during which applications are received and makes recommendations to City Council regarding its renewal or cessation; and
- c) makes recommendations to City Council regarding approval of Program Funding on a case-by-case basis.

3.03 City Manager:

- a) recommends changes to this Policy to Executive Committee;
- b) evaluates the program upon completion of the three year term during which applications are received and makes recommendations to Executive Committee regarding its renewal or cessation;
- c) identifies a funding source for the program and makes recommendations to Executive Committee accordingly;
- d) makes recommendations to Executive Committee regarding approval of Program Funding on a case-by-case basis; and
- e) appoints members to the Project Review Committee.

3.04 General Manager - Planning and Development Department:

- a) recommends changes to this Policy to the City Manager;
- b) serves as the City of Edmonton contact for receipt of proposals for Program Funding issued pursuant to this Policy;
- c) identifies and administers a funding source;
- d) sits on the Project Review Committee participating in the review and analysis of proposals submitted pursuant to this Policy;
- d) evaluates the program upon completion of the three year application period and makes recommendations to the City Manager regarding its renewal or cessation;
- e) makes recommendations to the City Manager regarding approval of Program Funding on a case by case basis; and



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- f) establishes detailed application requirements and the Guidelines for Exterior Renovations and amends the Guidelines from time to time, as required.

3.05 General Manager – Corporate Services:

- a) recommends a funding source to the General Manager of the Planning and Development Department; and
- b) provides recommendations to the Executive Committee on the terms of the program including the approval and Program Funding appropriate for program delivery.

3.06 Project Review Committee:

- a) is appointed by the City Manager and includes, but is not limited to, the following representatives of the City of Edmonton administration:
 - General Manager of the Planning and Development Department
 - General Manager of Corporate Services
 - Senior Planner specializing in Urban Design; and
 - Representatives of Corporate Services - Finance Branch;
- b) carries out the evaluation of applications and provides recommendations to the General Manager of the Planning and Development Department regarding the Preliminary Eligibility and final qualification for Program Funding of applicants under this program on a case-by-case basis; and
- c) is chaired by the General Manager of the Planning and Development Department or a designate appointed in place.

3.07 Project Review Officer

- a) evaluates applications for their completeness
- b) coordinates the administrative review of applications throughout the period between submission of the application and project completion;
- c) prepares a written report on each application with a recommendation to the Project Review Committee to conditionally approve or refuse an application;
- d) prepares appropriate schedules and documentation pursuant to this Policy; and
- e) conducts Pre-Construction Inspections, Post Construction Inspections and periodic other inspections of the subject project.



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4. APPLICATION PROCESS

- 4.01 Eligibility to apply for this program will expire three years from its approval date. The receipt and processing of applications filed under this program may be stopped at any time pursuant to the direction of City Council.
- 4.02 Prior to filing the application the applicant should review the program Application Requirements and consult with the Project Review Officer regarding the application process, requirements, criteria and rules of eligibility and qualification.
- 4.03 In order to ensure adequate, consistent review and evaluation, the project proposal shall be prepared in accordance with the format established by the administration.
- 4.04 Completed applications shall be submitted to the General Manager of the Planning and Development Department.
- 4.05 Upon receipt of the application by the Planning and Development Department, the applicant will be required to contact the Project Review Officer in the Planning and Development Department to schedule a Pre-Construction Inspection of the property to determine the pre-construction status of the building and specifically the areas to be renovated or altered. Improvements made prior to the inspection date are not eligible for consideration for Program Funding.
- 4.06 Applications will be reviewed for completeness by the Project Review Officer.
- 4.07 Completed applications will be circulated to representatives of the Project Review Committee which is comprised of members of various City departments.
- 4.08 The Project Review Committee will meet to review the application in order to make a determination of Preliminary Eligibility. Preliminary Eligibility enables the applicant to proceed through the review process to seek to qualify for Program Funding.
- 4.09 All complete applications shall be reviewed against program eligibility criteria including the Guidelines for Exterior Renovations to Commercial Buildings and are subject to financial analyses to determine whether and to what extent the project may be eligible to qualify for Program Funding.
- 4.10 An application will expire December 31 of the third calendar year following the year in



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which the application was submitted. If Interior Renovations do not meet the requirements for Program Funding by the expiration date, the application will expire and a new application, subject to the full procedural requirements of this Policy will be required.

- 4.11 An owner must submit a written request to the Planning and Development Department for inspection of the structure following issuance of the Occupancy Certificate or the Final Building Inspection to determine if it qualifies for Program Funding.
- 4.12 Final determination of qualification for Program Funding is not made until the construction is substantially complete and a review has been undertaken assessing the project improvements, including both Interior Renovations and Exterior Renovations, against the applicant's previously approved proposal.
- 4.13 Applicants whose projects qualify for program funding are required to enter into a Performance Agreement with the City of Edmonton which specifies the maximum term of the agreement and additional conditions. Detailed requirements of the Performance Agreement are stipulated therein and include such variables as the general upkeep and maintenance of Exterior Renovations including the functionality of any structural improvements particularly those relating to accessibility, permeability and visual interest such as doors and display windows.
- 4.14 The City will require an annual submission to the Project Review Officer including all required information pursuant to the Application Requirements and a statement specifying that the approved project is fulfilling the conditions set forth in the Performance Agreement.
- 4.15 Program Funding will be issued annually beginning one year after project completion pursuant to the requirements of this policy where Program Funding is available for a period not to exceed five years or as otherwise specified.

SPECIAL CONSIDERATIONS

Program funding, dispersal period and conditions of dispersal.

- 4.16 Maximum Program Funding is limited to the amount defined in a project pro forma submitted by the applicant and approved by the Project Review Committee. The project pro forma must meet all Application Requirements as specified in the Performance Agreement.



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- 4.17 Program funds are to be directed only towards approved Exterior Renovations according to the terms of the Performance Agreement.
- 4.18 There is no set time frame for completing the project review process. The process depends upon the length of construction, submission and review of all required information. Determination of eligibility is no guarantee of Program Funding.
- 4.19 Generally, Program Funding will begin either in the year immediately following the year the Final Building Inspection has been completed or in the year that all required final information has been submitted for review.
- 4.20 The amount of Program Funding offered will depend upon:
- the extent of Interior Renovations and Exterior Renovations and their compatibility with policy requirements and the Guidelines for Exterior Renovation for Commercial Buildings; and
 - the owner's pro forma financial projections meeting the financial threshold requirements as established under an approved project.
- 4.21 If, at any point during the program, performance thresholds established by the applicant in an approved pro forma are not met, Program Funding will immediately cease. The program may be reinstated if the performance thresholds are met or exceeded but no extension to the agreed upon Program Funding period is permitted. Program eligibility is limited to the remaining years in the original agreement.
- 4.22 If, at any point during the program period, the project exceeds performance thresholds, as initially proposed, Program Funding is limited to the amount approved by City Council for each project.
- 4.22 Failure to pay all property taxes when due will result in forfeiture of Program Funding for that year.
- 4.23 Failure to perform according to the approval or as stipulated in the Performance Agreement will result in the cessation of Program Funding and all Program Funding made up to that point will be recoverable by the City unless prior City approval is obtained.



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MINIMUM ELIGIBILITY REQUIREMENTS

4.25 In addition to the Application Requirements for this program, the applicant must meet the

following minimum eligibility requirements to be considered eligible to apply for Program Funding under this Policy:

- The project proposal must involve a Retail and/or Commercial Complex located within the boundaries of the Downtown Commercial Core as described in the Capital City Downtown Plan, as amended;
- All buildings must already exist;
- The projects must involve the Interior Renovations and Exterior Renovations of existing Retail and/or Commercial Complexes, enhance building aesthetics and functionality with regard for the interface between public pedestrian space and street oriented retail and commercial activities;
- The applicant must be the owner or a representative duly authorized to bind the owner; and
- The application must meet additional Application Requirements as specified.



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5. EVALUATION PROCESS

There are a series of stages in the evaluation process leading to an applicant's qualification to participate in this program.

- 5.01 Based on the applicant's proposal and analysis, a Project Review Committee will conduct an evaluation to determine the candidate's Preliminary Eligibility to participate in the program based on:
 - a) the extent to which the project enhances building aesthetics and functionality with regard for the interface between public pedestrian space and street oriented retail and commercial activities;
 - b) how the proposal conforms to Guidelines for Exterior Renovation of Commercial Buildings;
 - c) to what extent proposed Interior Renovations and the proposed financial pro forma meets or exceeds the program threshold of enhancing the municipal tax revenues of the City of Edmonton; and
 - d) what the costs and benefits are for the City.
- 5.02 The Project Review Committee will meet to verify applicant qualification for Program Funding at such time as the applicant has met all program requirements. If the applicant has met all program requirements, the Project Review Committee will specify any terms and conditions associated with the identification and distribution of Program Funding in a Performance Agreement.



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6. MUNICIPAL CONTROL

- 6.1 The City of Edmonton shall be protected in the delivery of Program Funding contributing to the Exterior Renovation of existing Retail and Commercial Complexes in the Downtown Commercial Core because:
- the Program Funding is directly associated with the performance of the subject project relative to the applicant's projections as established in an approved financial pro forma,
 - the City Council can close the program to new applications at anytime;
 - any delivery of Program Funding is bound by the terms of a Performance Agreement to investment in approved Exterior Renovations to the subject Retail and/or Commercial Complexes;
 - the program period during which applicants may qualify for Program Funding is limited to three years;
 - individual agreements with project developers will not exceed five years; and
 - if the project ever fails to meet performance thresholds as specified in the applicant's approved pro forma, and within the Performance Agreement, the program will cease with respect to the failed project for that year of the Performance Agreement and no Program Funding will be distributed.