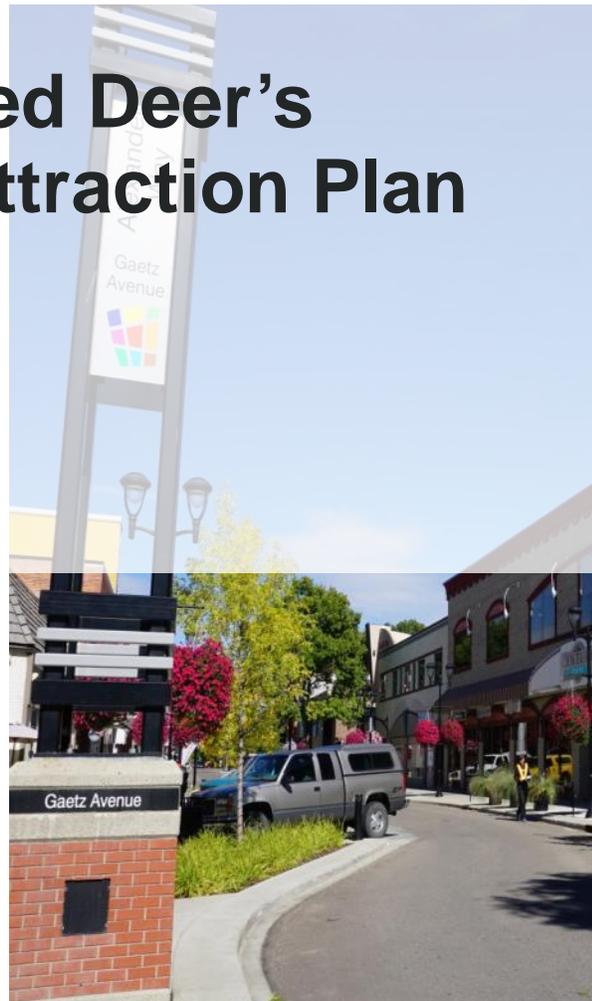


Downtown Red Deer's Investment Attraction Plan Foreword

February 9, 2016





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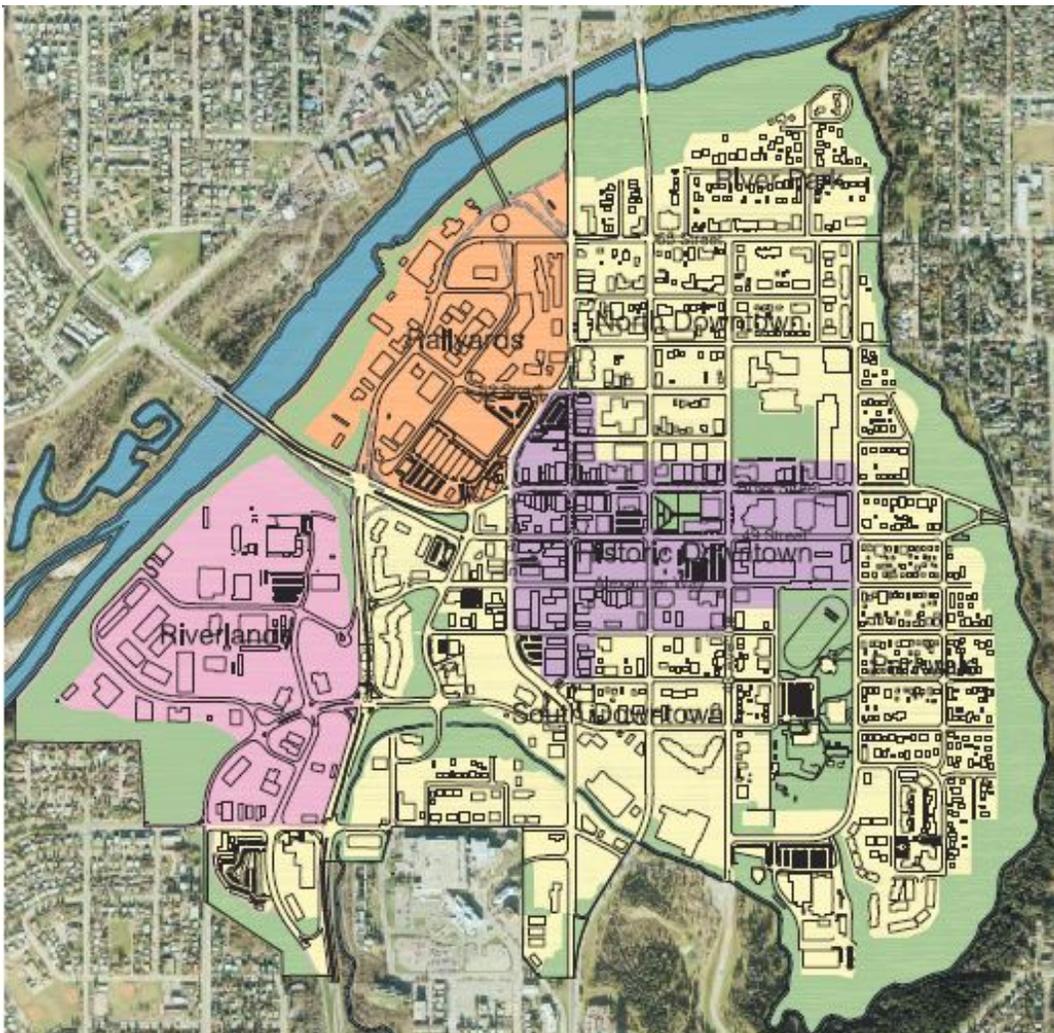


1 Introduction

1.1 Project Overview

The City of Red Deer, Red Deer Downtown Business Association (DBA) and its economic and community development partners have achieved notable success in downtown revitalization over the last 10 years, since the development of the first Greater Downtown Action Plan. In order to achieve the continued development and prosperity of the Greater Downtown Area, the City and its project partners realized the need to take a more comprehensive look at the strengths and weaknesses related to encouraging further investment in the Greater Downtown Area, and determining the most feasible course of action for removing barriers to development and improving vibrancy.

GREATER DOWNTOWN RED DEER AREA



Source: City of Red Deer, Greater Downtown Action Plan, 2008



The City of Red Deer and the DBA retained MDB Insight in association with Bunt & Associates and RCI Consulting to develop an action plan for recruitment and retention of commercial, office, retail, and residential (including mixed-use) uses in Red Deer's Greater Downtown Area. The Investment Attraction Action Plan looks at three key areas of focus:

- Investment recruitment and retention prospects
- Parking infrastructure
- Underutilized sites

This document serves as a foreword to the three studies focused on those key areas. It provides an overview of the overall study methodology, a summary of the key findings from each area of focus, and a summary of the areas of common interest.

1.2 Methodology

The three focus area studies largely proceeded in parallel, but under separate methodologies. Nevertheless, there were key elements of overlap in the study processes. Downtown Red Deer's Investment Attraction Plan included the following tasks that were important to each of the three studies:

- Comprehensive reviews of background work and long-range plans influencing development and parking in the Greater Downtown Area, including all major policy and regulatory documents (e.g. Municipal Development Plan, Land Use Bylaws, Area Structure Plans), engineering specifications, and background studies at the local level, as well as the provincial legislative framework for brownfield and underutilized site redevelopment
- Environmental scans and field surveys outlining the existing demographic, business, and market characteristics in Downtown Red Deer; current parking demand and supply characteristics; and current inventory of vacant and underutilized sites in the Greater Downtown Area
- Engagement of key business and community leaders in facilitated discussions around downtown development prospects, parking perceptions, and appropriate strategies to attract and retain businesses, and stimulate development and redevelopment on underutilized sites
- Review of best and promising municipal practices in downtown revitalization through business recruitment and retention strategies, as well as redevelopment of underutilized sites

The resulting studies provide an outline of the current and emerging characteristics of Red Deer's Greater Downtown Area with respect to business and investment prospects, parking conditions and constraints, and prospects for redevelopment of Red Deer's underutilized sites. Each study concludes with a set of prioritized recommendations on the strategies and tactics required to support the growth and

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transition of Red Deer's Greater Downtown Area towards a more prosperous and sustainable city centre.

The Action Plan provides a definitive assessment of the current activities, challenges, and opportunities in the Greater Downtown Area at a specific moment in time. The development environment in Red Deer is very dynamic and acting on the recommendations that have been outlined will serve to exacerbate (in a positive way) change. Given this context, it is important to continually review the relevance of the document. For the first three years, these recommendations should be turned into annual action plans that have an allocated budget of human and financial resources. By the beginning of the third year (i.e. 2018) it will be essential to re-examine the premises on which the recommendations have been made. An updated study should be completed so that activities in the fourth year are acting on the updated analysis.

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2 Areas of Common Interest

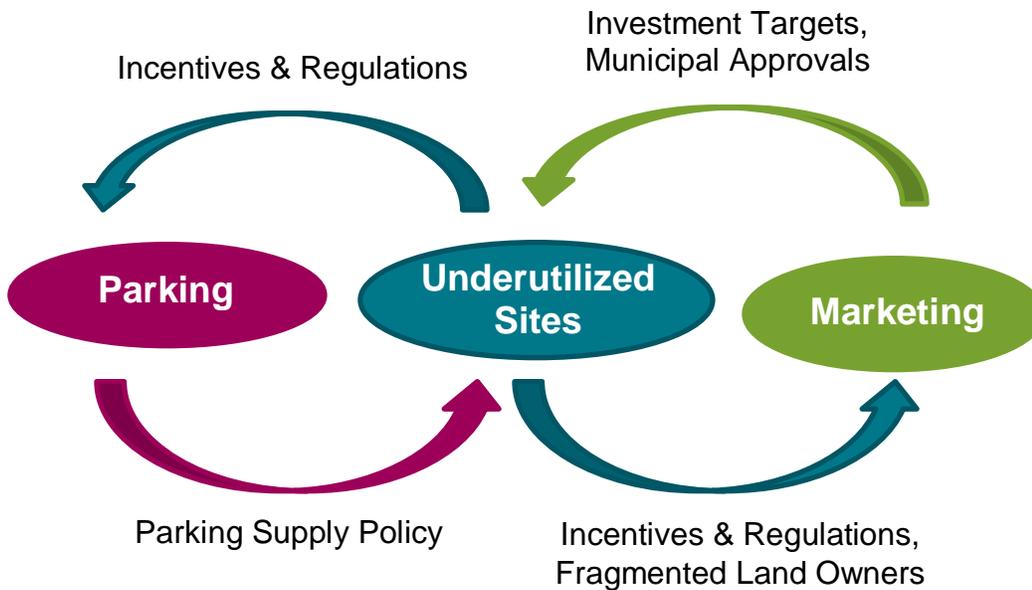
There are several areas of common interest amongst the three focus areas that are the subject of this combined Action Plan. While recommendations for each can be undertaken separately (and most certainly will in many instances), there is merit in maintaining a dialogue between those who have interest in the focus areas. This was effectively displayed during the presentation of the draft reports where the staff team was fully engaged in the project, regardless of the focus area that was being discussed. Maintaining a coordinated "Downtown Investment Attraction Team" of the City's senior managers and the Downtown Business Association is an important step in this process.

In many ways, the underutilized sites focus area can be considered the link in the entire project. Implementation of the policies in the underutilized site focus area has implications on both the future use and supply of parking and the ways in which the Downtown Business Association and City will move forward on marketing and selling investment opportunities. The implications also go the other way. The City's parking policies have implications on the redevelopment of underutilized sites and the investment targets in the marketing plan will influence the types of development that is targeted to underutilized sites.

While recommendations for each can be undertaken separately (and most certainly will in many instances), there is merit in maintaining a dialogue between those who have interest in the focus areas ... Maintaining a coordinated "Downtown Investment Attraction Staff Team" of senior managers is an important step in this process.



INTERRELATIONSHIPS BETWEEN THE FOCUS AREAS



In many ways, the underutilized sites focus area can be considered the link in the entire project.

These interrelationships are explained in more detail within the text of the focus area reports. Some highlights:

- Fragmented ownership is an impediment to promoting development and that is in evidence in Red Deer. Combining adjacent properties can form larger attractive development sites. However, assembly of these properties may prove difficult so the City's long-term land banking program provides an opportunity to acquire and assemble strategic properties and is a benefit to the city.
- Infill development projects in a built up downtown setting are more complex and often require more planning review. Flexibility in municipal development plans and land use bylaw standards is important (minimum parking standards, facilitating timely municipal plan approvals, etc.). It is important to clarify and, wherever possible, streamline the planning application and approvals process for downtown (especially underutilized sites).
- As noted in the City's Economic Development Strategy, Downtown Red Deer is competing with other downtowns in Alberta to attract business investment and development. Increasing awareness of the development opportunities on Downtown Red Deer's underutilized sites will promote a legitimate benefit to investment in the downtown. In this respect, the Underutilized Site Inventory becomes a major tool for promotion. Review the sites contained in the inventory and determine the types of land uses and maximum densities the City would accept on each site.
- Once the City has adopted the overall plan, develop a comprehensive program to market the City's downtown revitalization efforts, success stories, development opportunities and incentive programs (if applicable) to existing property and



business owners and developers in Downtown Red Deer, and developers, investors and business owners outside of Downtown Red Deer. Prepare and disseminate marketing profiles for key strategic City and privately owned development sites in the Greater Downtown.

- The Greater Downtown Action Plan stresses the need for public education around the principles of higher density urban living and the importance of urban design. Densification is now a well-accepted concept and many cities are actively encouraging higher densities through changes to zoning (with stronger design controls and amenity requirements) and adopting bylaws to support this concept.
- Current parking supply, parking and density requirements, and setbacks are having an impact on the feasibility of development projects. Reviewing all of these standards in a holistic manner (i.e. with interests from all sides at the table) is an important step to providing more flexible and higher density mixed-use development.

3 Recommendations

The following recommendations appear in the individual Focus Area documents. Shown here are the overall goals and objectives. For detailed action plans consult the separate documents.

3.1 Focus Area One: Business Targeting and Marketing

Objective #1: Improving Fundamentals and Investment Readiness

- Adequate resources dedicated to commercial recruitment
- Develop Lead Handling Protocol
- Clarify Cluster Target investment opportunities
- Contact information goes on EVERYTHING!
- Enhance the existing available properties guide
- Improve online exposure and profile through a dedicated investment website
- Achieve the Gold Standard of service delivery
- Create lure attraction materials
- Development feasibility studies
- Customer surveys



Objective #2: Retention (or Recruiting Investment from within the Community)

- Have an ongoing business retention and expansion (BR+E) program
- Implement a communications plan to reach out to important influencers

Objective #3: Recruiting Investment from Outside the Community

- Reaching out to independent businesses in neighbouring communities
- Reaching out to regional and national chains
- Engaging visitors to the community who indicate an interest in setting up

Objective #4: Recruiting Residential Investment

- Improved feasibility of downtown residential development and redevelopment
- Identity of downtown as a place to live by residents and potential investors is improved
- Residential development provides mutual benefit to public and private stakeholders

3.2 Focus Area Two: Parking

Short Term

- To account for the shared parking impacts of mixed-use sites, update the land use bylaw to include parking occupancy rates by time of day (morning, afternoon, and evening).
- Within the Greater Downtown, reduce the residential bylaw minimum parking requirements to 1 stall per residential unit, as opposed to tying the requirement to the number of bedrooms. The visitor parking requirement can be lowered to 0.08 stalls per unit, especially for high density residential developments.
- Within the Railyards zone, remove ground floor commercial parking requirements for mixed-use developments when office or residential uses are located above ground.
- Update the bylaw minimum parking lot design standards to match the City of Calgary's reduced standards if it can be confirmed that the 85th percentile personal vehicle size is similar to Calgary.
- Increase on-street parking rates in high demand areas (48 Avenue – 51 Street to 47 Street; Gaetz Avenue – 50 Street to 49 Street; 50 Street – Gaetz Avenue to 49 Avenue; 48 Street – Gaetz Avenue to 49 Avenue) as well as in surface lot P4.
- Make on-street parking rates divisible by \$0.25 per hour to increase ease of payment.
- Allow developments to unbundle parking, where in parking spaces can be rented or sold separately from building space such that occupants only pay for spaces they actually want to use.



- Implement new time limit restrictions in currently unrestricted areas near the Historic Downtown.
- Improve wayfinding to the Sorenson Station parkade entrance. Provide real-time information at the parkade entrance indicating available parking supply.
- To preserve on-street parking, encourage new developments to provide access from lanes or combined driveways.

Mid-Term to Long-Term

- Add off-peak parking (9:00-15:30) on curb lanes along both 49 Avenue and 49 Street. This could increase on-street parking supply by over 200 stalls while keeping curb lanes available for vehicle traffic during the busiest traffic periods.
- Consider a cash-in-lieu or benefit assessment bylaw fee to ensure parking spaces are available to meet parking demand within the Greater Downtown area, while at the same time improving development potential and reducing development costs by removing the need to provide costly on-site parking. These fees may be especially useful in redeveloping areas such as Riverlands and Railyards.
- Replace existing on-street meters with modern payment methods. A review of other jurisdictions suggest this method would involve a pay station with either a pay and display, license plate entry, or stall number entry requirement. This method would increase user convenience by allowing for credit card payment while reducing operating costs.
- Monitor on-street and off-street spaces to identify locations where parking rates increases are required to achieve the occupancy thresholds. In all situations, on-street parking rates should exceed rates for adjacent off-street facilities.
- Improve walking and cycling conditions to reduce parking demand. Ensure sidewalks are provided on all roads within the Greater Downtown area. Promote walkable developments and review opportunities to provide cycling connections.
- If spillover demand grows, increase time restrictions and consider implementing a residential parking permit program.
- Identify sites where central pooled parking facilities could be developed.

3.3 Focus Area Three: Underutilized Lands

Development Site Inventory

- Prepare an Investment Opportunities Inventory for the Greater Downtown.
- Develop and apply an evaluation framework to the sites in the Investment Opportunities Inventory to rate the development potential of these sites.
- Utilize this information to assist in prioritizing the sites in the Investment Opportunities Inventory in terms of preparation for development and marketing.



- Review the sites contained in the Investment Opportunities Inventory and determine the types of land uses and maximum densities the City would accept on each site.

Planning Policy, Review and Approvals

- Review the City's planning policies and review processes, including but not necessarily limited to the Municipal Development Plan and Land Use Bylaw, to ensure that these policies and processes support the use of risk assessment and risk management for all land uses permitted in the Greater Downtown.
- Review parking requirements in the Land Use Bylaw and reduce the minimum parking requirement for residential development in the C1 District and the visitor parking requirement as recommended in the Greater Downtown Red Deer Parking Study.
- Review other requirements in its Land Use Bylaw, such as but not limited to, densities and setbacks applicable in the Greater Downtown (largely C1 District) to determine if these requirements can be made less stringent or and/or more flexible to promote higher density mixed-use development.
- Clarify and wherever possible streamline the planning application and approvals process for downtown (especially brownfields), including the provision of prompt and coordinated comments on development applications in the Downtown.
- Review the Community Standards Bylaw to ensure it provides adequate authority to encourage and require property owners to maintain their properties, including all buildings and structures.
- Consider enhancing enforcement of its Community Standards Bylaw, whether or not it is reviewed.

Education and Capacity Building

- Continue to encourage City of Red Deer staff to attend conferences, seminars and workshops on downtown revitalization and brownfield redevelopment and adopt and adapt the planning, incentive, and economic development best practices and techniques they learn to the Greater Downtown Red Deer.
- Consider preparing and disseminating a guidebook on the brownfield redevelopment process to the development industry and other interested parties.
- Ensure that basic information on the “downtown story” in Red Deer is provided in a variety of formats, including a significant and easily accessible online presence. This information should include planning and urban design requirements in the downtown, available incentive programs, public realm projects underway and planned, downtown development success stories, environmental policies, and key municipal contacts.
- Clearly communicate proposed and approved policy and program changes to key downtown stakeholders, including the DBA, developers, and support professionals.



This can be done through making presentations and holding information sessions and workshops for these key stakeholders.

Financial Incentive Programs

- Develop and implement a strategic toolkit of incentive programs designed to promote development on underutilized sites in the Greater Downtown. The incentive programs in this toolkit should primarily consist of grants that promote:
 - a) Higher density residential development;
 - b) Mixed use development;
 - c) Brownfield redevelopment including environmental site assessment, remediation, risk assessment and risk management;
 - d) Façade, signage and building improvement;
 - e) Crime prevention through environmental design;
 - f) Well designed, pedestrian oriented development;
 - g) Sustainable and energy efficient development.

This toolkit of incentive programs would replace the two incentive programs currently available in the BRZ, but the current programs should be left in place until the new programs are implemented.

Municipal Leadership

- Review the City's policies regarding acceptance of risk assessed/risk managed lands dedicated to the City through the planning and development process, subject to appropriate environmental investigations being done and adequate financial assurances being put in place for said lands.
- Contact municipal counterparts in Calgary and Edmonton to determine progress on the recommendations contained in the AUMA Report on Brownfields.
- Participate and partner in any efforts directed at the Province by Alberta municipalities and the AUMA to advance the recommendations contained in the AUMA Brownfields Report.
- Conduct Phase I and II ESAs on properties in the City's land bank and strategically use this information to prioritize sites for marketing, sale and development.
- Review the City's process for releasing lands from its land bank to ensure that properties released from the City's land bank for development:
 - a) will help achieve the objectives in the GDAP, especially higher density housing, mixed uses and well-designed projects; and,
 - b) are timed for release to dovetail with servicing, transportation, streetscaping and other plans for the downtown, including the timing and location of servicing and public realm improvements.



- Review policies on the use of land banked properties and underutilized parking lots to determine if some of these properties can be used for interim uses such as farmers markets, street food programs, and outdoor events and activities (including winter events and activities).
- Proactively consider the acquisition of land through failed tax sale taking care to ensure that, wherever possible, the City has information on the cost of environmental remediation, site preparation, and market potential.
- Consider playing a more active role in acquiring and assembling properties into larger development parcels in key strategic locations Downtown.
- Regularly review infrastructure upgrading and public realm improvement plans to ensure that these plans will make improvements that will positively impact the marketability of strategic land parcels held by the City and private developers, and make adjustments to these plans and associated budgets as necessary.
- Explore and pursue potential partnerships with the DBA, educational institutions, and other key organizations and institutions in the Downtown to help improve the investment climate.
- Explore public-private partnerships with developers and other interested organizations and institutions to develop and advance mutually beneficial redevelopment projects on underutilized City owned and privately held properties in the Downtown.
- Issue strategic requests for proposals (RFPs) for development on municipally owned sites in the Greater Downtown.

Marketing and Promotion

- Prepare and disseminate information and marketing packages to help attract investment and development interest to the Investment Opportunities Inventory sites and other sites in the Greater Downtown.
- Clearly communicate to developers, investors, property owners and business owners what the City can do to help repurpose and redevelop underutilized sites in the Downtown.
- Once the City has adopted this Phase 1, Focus Area 3 report, develop a comprehensive program to market the City's downtown revitalization efforts, success stories, development opportunities and incentive programs (if applicable) to existing property and business owners and developers in the Downtown, and developers, investors and business owners outside of Downtown Red Deer.
- Review the City's website to ensure that the information listed in Recommendation F3 above is easily accessible on the website.
- Prepare and disseminate marketing profiles for key strategic City and privately owned development sites in the Greater Downtown.