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RESPONSE TO THE PROPOSED  
DOWNTOWN AREA REDEVELOPMENT PLAN

SUBMITTED TO:  
THE DOWNTOWN PLAN TEAM

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DOWNTOWN AREA REDEVELOPMENT PLAN

As the city of Edmonton continues to grow and develop as a major urban centre, the significance of the Downtown as a focus of activity will be intensified.

Accordingly, the Edmonton Social Planning Council recognizes the need for a comprehensive Downtown Plan to ensure the orderly redevelopment and general improvement of the Downtown area. We support the plan's recommendations to conserve buildings and areas of architectural and historical significance. Such a programme will ensure a mix of old and new buildings which is necessary for the life of a vibrant and diverse downtown. It will also preserve the rich heritage and traditions of the city and its citizens.

Further, this Council endorses the Downtown Area Redevelopment Plan's provision to strengthen the role of Downtown streets for pedestrian use. The widening of sidewalks, the addition of appropriate street furniture, a sensitivity to landscaping, views, retail activity, will no doubt enhance the downtown for employers, shoppers and visitors.

We endorse the DARP's recommendation to encourage transit use and to discourage use of the private automobile in the City Centre.

Residential Land Use

DARP indicates mixed land use as a vital component of a healthy, diverse downtown which is in keeping with the recommendation of the General Municipal Plan.

It is anticipated that a wide variety of housing stock be included in the areas designated for residential use and that suitable transition densities be maintained to buffer the Boyle Street/McCauley and Oliver neighbourhoods. The inclusion of open space, essential services, and recreational facilities in areas of residential use is a necessary component ensuring the viability of housing in the Downtown Area.

With rising fuel costs, and changing lifestyles, many major North American cities are experiencing a significant trend towards housing in their Downtown Areas. This city's ability to accommodate both families and single

people of a variety of income levels and housing requirements will enhance the mixed use concept of the DARP and the General Municipal Plan, thus creating a vibrant, lively downtown area.

A strong emphasis on quality and creative architectural design incorporating both existing facilities and new construction will promote architectural and historic preservation, as well as provide attractive residential and mixed use alternatives.

Despite our general approval of the need for a Downtown Plan, and of the Plan objectives mentioned above, the Council has identified some areas of concern, and we bring them to the attention of the Planning Department with the hope that amendments will be made to the Downtown Area Redevelopment Plan.

### Citizen Participation

In light of the significant role the Downtown plays in the life of the city, increased citizen awareness and participation in the Downtown Area Redevelopment Planning process would assist in the Plan's ability to accurately express the needs and concerns of the citizens of Edmonton.

The citizen participation programme as outlined in the General Municipal Plan and as presently under review, may provide a suitable mechanism whereby future recommendations and amendments to the DARP can be communicated.

In conjunction, it is recommended that the Downtown Area Redevelopment Plan be heard in Council, along with the community plans of the adjacent areas. (This includes Boyle Street/McCauley, Central McDougall, Garneau and Strathcona). This will assist in developing a comprehensive and compatible plan of the inner city.

### Transportation

The proposed auto restraint strategy proposing a roadway distribution system around the downtown has grave implications for the surrounding neighbourhoods, in particular the Boyle Street/McCauley area. Such a proposal would increase traffic congestion in this neighbourhood. A procedure by which the DARP can be heard in Council in conjunction with the community plans of adjacent areas will ensure that areas of conflict of land-use will be identified and dealt with in a manner acceptable to both the affected neighbourhood and the Downtown area.

## Downtown Office Space

The General Municipal Plan emphasizes the decentralization of offices to selected locations along major transportation routes, L.R.T. Stations, and existing and proposed Shopping Centres. As indicated in the General Municipal Plan such a policy would reduce traffic congestion and maintain the viability of the downtown for diverse land uses.

In view of these recommendations, the DARP's growth projections for the next ten years, appears to be in conflict with the General Municipal Plan.

Rather than clearly incorporating decentralization in the growth projections, DARP seems to be relying upon natural decline in the growth rate once office sites available in the Downtown are completely absorbed.

"If office space absorption continues to increase at 10% per year as funds indicate, the Downtown employee population will comprise 17% of the city's total population by 1991. It is unlikely that the intensity of growth will continue beyond 1991 and office growth is expected to remain at 17%. It is therefore assumed that the Downtown Edmonton would continue to grow in the same pattern as most other centralized (author's emphasis) North American cities and the percentage of Downtown employed population vs. city total population will gradually decline after 1991."

DARP DRAFT BACKGROUND INFORMATION REPORT  
October 1980, p. 14.

Clearly, such a policy does not allow for orderly development of the area and should be critically reviewed in order that the DARP's office development conform to the GMP's policy of decentralization.

An article in the "Alberta Report" (October 3, 1980) "Empty Offices in Edmonton" (see attached), a Knowlton Realty Ltd. survey conducted last fall reports an existing surplus of completed first class office space. This surplus is estimated to be 11.75% higher than it has been since 1977 and is expected to reach its worst in 1984, with an anticipated 2.5 million sq. ft. in excess office space.

In conjunction, the Government (municipal, provincial, and federal) accounts for almost one-half of the city's presently leased office space (Alberta Report, October 3, 1980) and with the move on the part of the provincial and federal governments to decentralize their activities, it seems unlikely that office development in Edmonton will reach the 10% annual growth rate projected in the DARP.

In view of the decentralization recommendations of the General Municipal Plan and the Knowlton Realty Ltd. survey which indicates a continuing surplus of office space in the Downtown, the DARP's projected office growth estimates should be carefully reconsidered and amended to meet realistic growth expectations. Similarly, Hotel development assumptions must be modified to reflect these new growth projections.

#### Commercial Use:

##### Pedway System

It is encouraging to see a shift away from the 1977 Pedway Concept Plan, and a re-emphasis on public streets as the primary pedestrian activity area. The private nature of the pedway system means that public access is limited to retail store hours, resulting in a city that is "locked up" evenings and Sunday's. Clearly, such a condition is not compatible with a diverse "people-oriented" environment.

However, current decision-making requires that future developments provide access to L.R.T. stations, implying some sort of weather-protected walkway system. The proliferation of these walkways is seen in direct opposition to the Pedestrian Circulation System Proposal in the DARP.

Accordingly, appropriate Council amendments are necessary to ensure the adoption of public sidewalks as the focus of pedestrian activity. Improving the aesthetic environment of already existing pedways is viewed as a necessary adjunct.

##### A Human Scale Criterion

Many of the recent and proposed developments in the Downtown are high density, highrise complexes. The Energy Square (13 stories), Alberta Gas Trunk Line Building (16 stories), A.G.T. Toll Building (23 stories), Standard Life Centre (20 stories), Principal Plaza (31 stories), Bowlen Holdings (19 stories), are examples of a few recently completed or soon to be completed structures.

In light of the DARP's objective "to improve the Downtown by ensuring high-quality architectural and urban design", the present abundance of highrise, high density, developments in the Downtown area, lead to questions regarding the aesthetic impact of this type of development. It is suggested that a more human scale criteria be developed to regulate proposed development in the Downtown Area.

Buildings that age gracefully, accommodate a variety of purposes, blend into the existing street facade and provide attractive, comfortable conditions for employees and the public at large, can only enhance the quality of the Downtown environment.

We therefore, strongly recommend that a criterion for human scale, be included in the DARP Proposed Land-Use Bylaw, thus ensuring high quality, innovative architectural urban design.

### Conclusion

The Downtown area of a major city like Edmonton, is a key component of the general life of the city. The health of the Downtown is directly related to the diversity of land-use. A Downtown Area Redevelopment Plan that ensures this diversity and is committed to maintaining and improving upon the quality of the urban environment is essential.

We hope that the preceeding comments and concerns are useful in the city's efforts towards adopting a Downtown Plan.

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## Empty offices in Edmonton

*While burgeoning Calgary towers can't keep up with demand*

Three years ago, despite frantic building activity, supply in Edmonton's booming office space market could barely keep pace with demand. In Calgary, on the other hand, the space market was stable but unspectacular. But that situation, it seems, has been changing and may well change further. Last week Knowlton Realty Ltd. released its fall office space survey,

the survey foresees a requirement of 824,000 square feet, and expects demand to rise by no more than 100,000 square feet per year. The worst is expected in 1984 when surplus office space in Edmonton's downtown area could hit 2.5 million square feet.

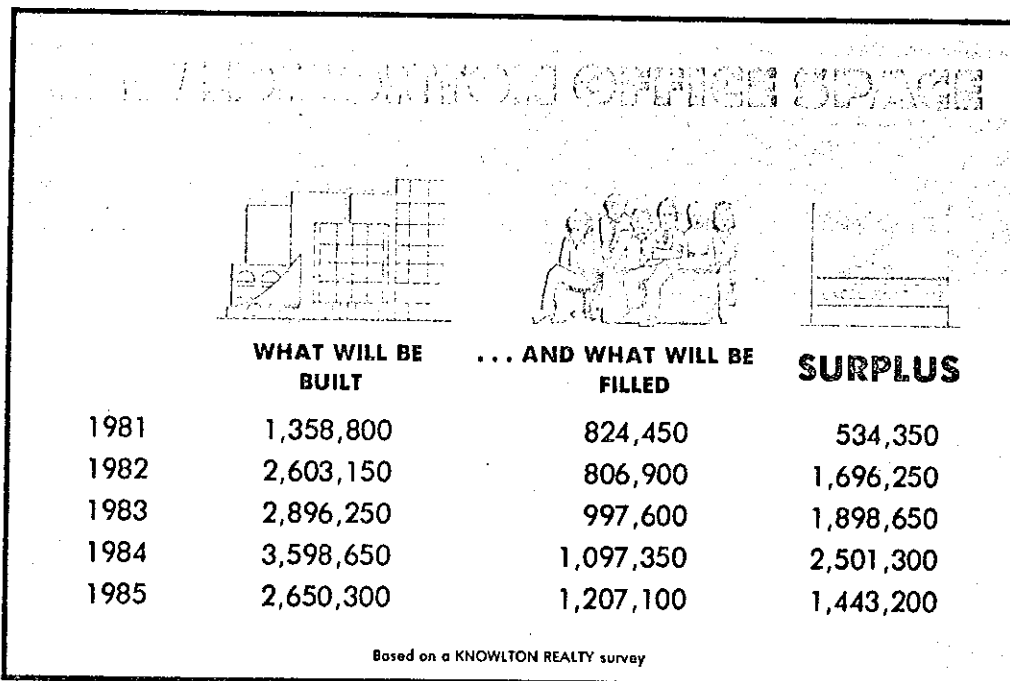
Calgary presents a very different picture. Last year businesses in that city absorbed 2.7 million square feet of

wait until at least 1983 to get it. As he sees it, for the next 12 months the Calgary supply will be very tight, followed by a slight surplus for 10 months, followed by a balance for two years. Tenants who need thousands of square feet all together, however, might still be out of luck. Much of what might form the slight surplus, he believes, will be made up of smaller offices.

Mr. Basedow observes that most of the Calgary boom is energy related, pointing out that fully 80% of the downtown office space is leased by energy or energy-related business. It requires a continued boom in the energy industry. Edmonton's initial boom, on the other hand, was not so obviously related to oil and gas. It was given major impetus by government which began to gobble up space in the early '70s. Right up to last year the three levels of government accounted for at least half the city's leased space annually. Every year the city needed another 36,000 square feet on the average, the province another 202,000 and the federal government 11,000.

But this year the Alberta government has leased only 17,000 square feet of new office space. "It was bound to happen as the government decentralized and slowed down its hiring," says Mr. Basedow. Then too, if Edmonton finally decides to build a new city hall it will probably vacate 110,000 square feet which it rents downtown, which would add to the overall surplus. Meanwhile, developers who saw the province consuming hundreds of thousands of square feet a year now have projects either under construction or in the planning stages.

Edmonton's surplus is not expected to affect rental rates, however. Mr. Basedow explains that since developers are dealing with five-year leases, a drop in the rates is a substantial loss of income over the term of the lease. What they do instead is offer concessions,



reporting that the Edmonton vacancy rate for completed first class office space is 11.75%, higher than it has been since 1977. This represents almost a million square feet of unleased offices. In contrast, 54% of the Calgary space now being built has been pre-leased through to 1983. Furthermore, Calgary's building rate for the next few years is estimated at double Edmonton's.

Knowlton's predictions put the Edmonton office space surplus at present levels or considerably higher right through to 1986. Planning and construction of downtown complexes now in hand will open fully 19 new office towers. Next year, 1.3 million square feet will come on stream, with an additional 2.6 million the following year, and 3.6 in 1984. The Knowlton demand estimates are not so cheerful. Next year

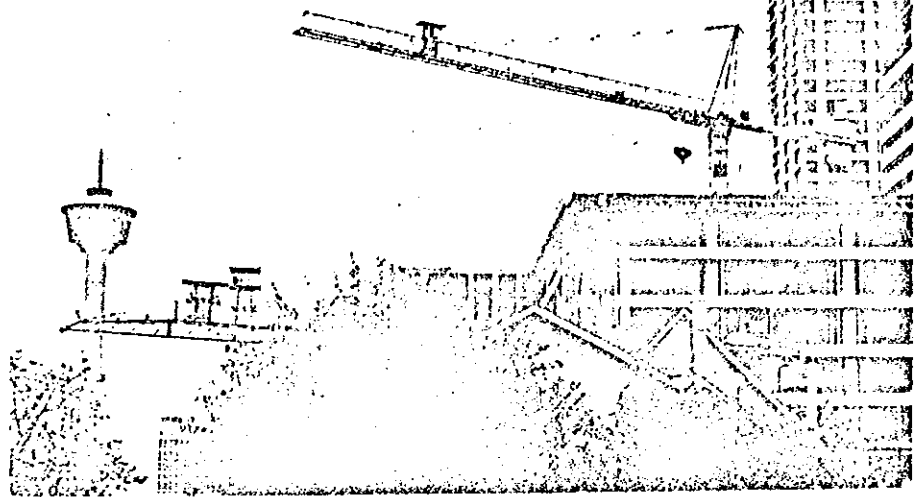
office space, and this year's demand is expected to be in the same range. Only 2.14 million square feet will come on stream this year, however, and that includes the space made available when a major tenant vacates an existing building. Although available space may increase by four million square feet in each of the two following years, the demand (combined with spill-over from previous years) is forecast to outstrip it. Consequently, companies planning to move a year or two in the future are pre-leasing in buildings which have barely started construction. This in turn will affect the amount available the year the tower actually opens.

Any company which wants more than 15,000 square feet of space, says Knowlton Realty's Calgary manager Helmar Basedow, is going to have to

the present and predicted surplus likely to produce empty buildings or boarded up windows. It does mean that where buildings used to be leased to capacity before they opened, now a percentage of their space may remain vacant for a matter of months.

But heavy demand does force rental rates up, and in Calgary it has and will continue to do so. Rents are expected to climb by 20% this year. In fact, reported Knowlton Realty last week, for the last 10 years Edmonton downtown office rents have been rising an average 11.08% annually but Calgary's have increased about 20% every year. The result: a square foot of office rents now for \$14.13 in Edmonton, while a similar square foot in Calgary costs \$19.13.

What happens after that? Neither Knowlton nor anyone else tries very hard to look much farther than five years into the crystal ball of city market prediction. There are several obvious "ifs" in the five-year picture; farther on, the variables make prophecy a more dubious exercise still. This situation has its happier side, however; it allows for hope and optimism. Knowlton Realty, presenting its fall survey, predicted



Cranes punctuate the Calgary skyline  
The prediction: double Edmonton's building in the next few years.

"continued strength in the market," despite the present high Edmonton vacancy rate.

More office space (714,900 square feet) had been leased in the capital in the first eight months of this year than in the whole of 1979. And in the mistier future — the next 10 years — Knowlton expected Edmonton demand to total 11

million square feet. Supplying much of that will be the Strand Tower, the Manulife Building, Scotia Place, the Royal Bank-Edmonton Journal development, Eaton's Centre (Stage 1), Edmonton Centre West (Stages 1, 2 and 3), the LePage Building and Commonwealth Square — all now under way. ■

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