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BROWNFIELD REDEVELOPMENT FOR HOUSING

CASE STUDIES

Built Project Initiatives

OLIVER VILLAGE

Edmonton, Alberta

11350 – 104 Avenue

PROJECT SUMMARY

Oliver Village is a thriving residential community close to downtown Edmonton located on a previously deserted and contaminated CN Rail yard.

The Oliver Village development consists of two rental apartment buildings (the Ashby and the Brighton) and 45,000 sq. ft. of ground-level commercial space.

The site represented an eyesore on the landscape and a potential environmental hazard. It also represented a lost opportunity for city planners attempting to spark rejuvenation. The Canada Lands Company (CLC) took ownership of this surplus real estate asset as part of the privatization of CN Rail. CLC remediated the site and sold some of the remediated property to Westcorp Inc. who developed the residential properties.

Developer

Canada Lands Company (CLC) and Westcorp Inc. (WC).

Date project started

1997

Date project completed

2003

Site area

3.9 hectares (9.6 acres)

Previous site use(s)

CN Rail yard

Number and types of residential units

308 residential apartment units in two buildings

Floor area of residential units

Ashby and Brighton Complexes:

Bachelor suites: 61 - 71 m² (657 - 763 sq. ft.)

One bedroom (BR) suites: 75 - 90 m² (805 - 965 sq. ft.)

One BR + den suites: 92 - 131 m² (995 - 1,409 sq. ft.)

Two BR suites: 112 - 125 m² (1,210 - 1,345 sq. ft.)

Gross residential density

225 units per hectare (91 units per acre)

Maximum height

5 storeys

Parking

400 residential and 216 residential

Landscaped open space

0.36 hectares (0.9 acres)

Selling prices

NA

Rental prices

\$700 (bachelor suites) to \$1500 (two BR suites) per month

Non-residential uses

4,180 m² (45,000 sq. ft.) of commercial space including retail and restaurants



Figure 1: Oliver Village Development – Aerial showing Ashby and Brighton apartment units and adjacent commercial development
 Source: Canada Lands Company

PROJECT OVERVIEW

In 1985 CN Rail decided to remove their tracks from the downtown rail yard in Edmonton and redevelop the site through the Canada Lands Company (CLC). The City of Edmonton developed an Area Plan for the area in collaboration with CLC, which envisioned residential, institutional, light industrial and commercial uses. The first re-use of the area came with the location of Grant MacEwan Community College (GMCC) there in 1991-1992.

The land that Oliver Village is located on had some minor contamination issues (largely hydrocarbons from refueling trains). When CLC approached the City of

Edmonton about subdividing the land, the City informed them that they could not subdivide the land until it was remediated to a level suitable for its intended use. At the time, CLC was not ready to proceed with the development given the condition of the local economy in the early to mid 1990s.

From the City's perspective, this site represented a major blight on the landscape. Not only did the site represent a large piece of downtown Edmonton, a site which was not contributing to the aesthetic or economic development of the city, it also acted as a barrier between the downtown and communities to the north. Few links existed that would allow pedestrian or automobile access from these northern

communities to the downtown. To encourage CLC to proceed with redevelopment, the City entered into a “remediation agreement” with CLC. The agreement spelled out when the remediation would be completed and the triggers that would be used to get it done. CLC also put up a letter of credit equal to the cost of the remediation as part of the agreement. This gave the City the certainty it needed: if CLC did not proceed, the monies would be available for the City to remediate the site.

In 1997 CLC began remediation using a technique known as “land farming” which involved turning over those soils contaminated with hydrocarbons and allowing them to aerate. Some heavy metals were remediated by removing the affected soil.

Oliver Village represents a catalyst in the rejuvenation of Edmonton’s downtown core, and has been transformed from a polluted and abandoned rail site into a small but vibrant community. The development includes 308 residential apartment units in two buildings, and 4,180 m² (45,000 ft²) of commercial space including retail and restaurants. The site is also home to GMCC and its new residence.

The Oliver Village Ashby apartment complex was such a tremendous success that it was awarded the Downtown Development Award from the Edmonton Downtown Development Corporation.

Through partnerships with the City and private developers, CLC is contributing to continued growth in downtown Edmonton. The overall development of the property has resulted in new residential units and commercial activity, while ensuring commemoration of Edmonton’s rich history¹. The Oliver Village development is being constructed as part of an ongoing effort to rejuvenate Edmonton’s downtown core.

As part of the Oliver Village development, CLC in cooperation with the City of Edmonton’s Planning and Development Department opened the 0.4 hectare (1 acre) Mackenzie and Mann Park to commemorate Edmonton’s rail history and the first rail link over the North Saskatchewan River to Edmonton, established by Mackenzie and Mann.

PREVIOUS SITE USE(S) AND CONDITION

The site was a former CN Rail yard with hydrocarbon and metal contamination. Hydrocarbons were remediated using aeration (i.e., land farming) and heavy metals were remediated using a standard “dig and dump” remediation approach. \$252,000 was spent in remediation, environmental consulting and decommissioning costs.

Prior to development, most of the surrounding land consisted of light industrial and commercial land use with little in the way of residential use. This made the residential component of the project challenging.

The southern boundary of the site (104th Avenue) was a commercial strip prior to the development. This commercial use was located on former CP Rail lands which had been redeveloped prior to the Oliver Village project (the CP Rail redevelopment is named “Rail Town”). The northern boundary (105th Avenue) was characterized by warehouse and light industrial use. Municipal planners note that these uses are still present in the area, but that this area is also undergoing a slow transition to residential/commercial use.

To the east of the site, the land was vacant out to 109th Street. GMCC was built east of 109th Street.

Over the past couple of years, the surrounding area has been redeveloped into condominiums and commercial uses. GMCC is completing their new residence in the area proximal to Oliver Village.

DEVELOPMENT COSTS AND FINANCING

- \$2.3 million in site servicing costs (commercial and residential)
- \$4 million in construction costs (commercial)
- \$24 million in total to construct the two apartment towers
- \$399,000 in development charges paid to the municipality

AFFORDABILITY

This development includes market rate rental accommodation only. Rental prices range between \$700 and \$1,500 per month.

¹ <http://www.clc.ca/clcma.nsf>



Figure 2: The Ashby Apartment Complex
Source: Canada Lands Company

PLANNING

From the time that CN Rail decommissioned their yard, the City of Edmonton knew that this site represented a major obstacle in their efforts to promote revitalization in downtown Edmonton. The City developed an area development plan in collaboration with CLC, in an effort to prepare a zoning framework which would support the City's vision for the area.

The City's vision was similar to what Oliver Village is today, a mixed use community. By 1997 when CLC began work on Oliver Village (and even earlier when GMCC was built) the zoning was in place, and it was simply a matter of vetting applications to ensure compliance with intended uses.

The entire rail-related site (the site was cleared of rail lines and debris) represented nearly 17 city blocks of land in the downtown area which was not contributing in any way to the aesthetic or socioeconomic development of the City. This large parcel of land acted as a barrier between downtown Edmonton and the communities to the north. A major planning objective for the site was the development of a truly integrative set of land uses, that is, situating a mix of residential, commercial and institutional uses which would allow the communities to the north unfettered access to downtown Edmonton. This meant that pathways, roadways and parks had to knit together with residential, commercial and institutional uses in a manner that would not impede but enhance interaction between the downtown area and the communities located to the north of the downtown.

The City of Edmonton used a novel approach in securing the redevelopment of the site – that of a remediation agreement with CLC which essentially provided the certainty the City needed to put other essential building blocks in place while CLC awaited a more robust economy to proceed with Oliver Village. Edmonton Planner George Matteotti noted that until 1985 rail was still in the downtown, and that in 2004 (19 years later) the area has been completely transformed into a thriving mixed use extension of downtown Edmonton.

The Mayor of Edmonton (Hon. Bill Smith) lauded the efforts of CLC in terms of returning this site to productive use in Edmonton. While no grants were provided for the development, the City of Edmonton, through the development agreement, agreed to cover some of the infrastructure costs associated with the development including roadways through the site, the removal of a tunnel, and the removal of two bridges. The City also contributed financially towards the costs associated with parks in Oliver Village.

Unique design features include an urban village concept.

ECONOMIC AND OTHER BENEFITS

After rail activities ceased in the mid to late 1980s, the economic benefits related to the rail activities were lost. For more than five years, this area laid dormant and made no contribution to the socioeconomic condition of the city. The site represented a significant obstacle to the revitalization of downtown Edmonton.

In 1995, taxes generated by the entire site (3.9 hectares) amounted to \$69,072.00. In 2004, commercial establishments on the site alone paid \$183,000 in taxes to the municipality.

The development transformed a deserted parcel of land into a thriving residential/commercial area. Prior to the development, no residential or commercial activity was present and the site was surrounded by light industrial and commercial uses. The development of the site has increased residential densities, and added commercial activity to the area.

From the City's perspective, a major benefit of the project is the fact that Oliver Village (in tandem with GMCC and their new residence as well as the various parks and walkways) has connected downtown

Edmonton with those communities to the north of downtown. This increased cohesion has benefits for the growth and development of downtown Edmonton, and Edmonton more generally.

LESSONS LEARNED

While the developer was attempting to market and sell residential use at the Oliver Village location, the City of Edmonton was offering grants to promote residential construction nearer the City's core. The Oliver Village site was outside of the area covered by these grants and as such was unable to compete with the cost of housing closer to the core. From CLC's perspective this represented conflicting policies which hindered the project.

The municipality learned that they can take an active role in the process of revitalizing portions of the city through the remediation and redevelopment of urban brownfield sites. Through innovative legal means, the City was able to strike a remediation agreement with CLC which made the process much more certain and easier once the economic climate improved sufficiently for CLC to begin work on the project.

The City learned that they can turn liabilities into assets with vision, hard work and preparation.

SUCCESS FACTORS – DEVELOPER'S PERSPECTIVE

- a relatively minor degree of contamination.
- the proximity to downtown Edmonton.
- pre-existing vision and associated zoning framework for the area.
- general economic recovery.
- proximity of a pre-existing food anchor which is considered essential for an urban village concept to be successful.
- previous redevelopment of former rail yards into residential and commercial uses (i.e., Rail Town).
- the development of GMCC and especially the new GMCC student residence.

SUCCESS FACTORS – MUNICIPALITY'S PERSPECTIVE

- the ability to reach a remediation agreement with CLC for the site.
- general economic recovery and associated population growth.
- foresight to put in place a vision and necessary zoning for the site.
- the fact that communities north of the downtown were growing and needed to access the downtown through the area.

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