

River Run

1. River Run is a townhome complex built in 1995 on a picturesque acre of property between Calgary's downtown core and Prince's Island Park. The phrase "*location, location, location*" is apt for the central, riverfront, park-adjacent location of River Run.
2. City administration has referred to River Run and the surrounding lands as "*ideally situated connecting the heart of the river with the heart of downtown*".¹
3. The City has publicly referred to River Run and its adjacent lands as the crown jewel of downtown Calgary on the banks of the river in news articles and in City publications.²
4. River Run's downtown location beside Calgary's central park makes it arguably the most livable acre in the City.



5. Initially, a high rise building was contemplated on the River Run lands. As noted in the October 28, 1993 decision of the City of Calgary Development Appeal Board, at page 3, referring to the River Run acre:³

Options available for development in this area could have been a high rise type of building, or a hotel, as was previously planned for this site.
6. Although the City could have approved a high rise on River Run, as was previously planned, the City decided that only 23 residential units would be constructed in between the Eau Claire Market and the waterfront, which resulted in a unique, low density townhome complex in an idyllic location.
7. This decision by the City created a large amount of value locked into the River Run lands that could be extracted in the future, if and when the City decided to permit a higher density redevelopment on River Run.

¹ City of Calgary, *Eau Claire Public Realm Plan* pp 5, 10 & 14.

² <https://pub-calgary.escrimemeetings.com/filestream.ashx?DocumentId=133998>

³ <https://calgaryherald.com/business/local-business/eau-claire-redevelopment-delayed-again>

³ City development permit 930624, application DP93/0624, dated March 19, 1993.

8. The City currently refers to “*Eau Claire Plaza, West Eau Claire Park, Eau Claire Promenade and Prince’s Island Park are the central jewels in Calgary’s phenomenal open space network.*”⁴ The City’s reverence for the areas immediately adjacent to River Run highlights how unique and valuable the City knows the River Run property to be.

Prince’s Island Park

9. North of River Run is Prince’s Island Park which has been parkland since the 1950s.
10. The City refers to the park’s 20 hectares of waterfront land as “*an urban oasis and is an important contributor to the cultural and recreational quality of life for Calgarians.*”⁵
11. The park became an island more than a century ago when a lumber company dug a channel (*now the lagoon, beside River Run*) to get logs from the river closer to the Calgary sawmill.⁶

Eau Claire Market

12. In the 1980s, under the leadership of Ralph Klein, the City decided to use 7 acres of its own real estate, immediately south of River Run, to try to mimic Vancouver’s Granville Island.⁷ The market and River Run are depicted below.



13. The City’s decision to build the Market was not a success:⁸

⁴ <https://engage.calgary.ca/3StreetscapeSW> (May 2, 2023).

⁵ <https://www.calgary.ca/csps/parks/locations/downtown-parks/princes-island-park.html>

⁶ <https://www.calgary.ca/csps/parks/locations/downtown-parks/princes-island-park.html>

⁷ <https://www.cbc.ca/news/canada/calgary/eau-claire-festival-market-demise-planning-failure-1.6729207>

⁸ <https://www.cbc.ca/news/canada/calgary/eau-claire-festival-market-demise-planning-failure-1.6729207>

- a. the \$20 million budget for construction ballooned to \$43 million (*in 1993 dollars*);
 - b. the Eau Claire Market building's appearance was that of a largely windowless concrete slab, not visually or practically connected to downtown through the "plus 15" network; and
 - c. the Market, built in 1993, was financially underwater by 1998 with debts exceeding the value of the Market.
14. The City sold the Market and lands to Harvard.

Harvard Properties

- 15. Harvard bought the Market buildings and the 7 acres of land, on which the Market and parking now exist, in order to build commercial and residential towers.⁹
- 16. Since 2013, Harvard has had approval to build around 2.5M sqft in five towers.
- 17. Currently, 5 residential towers are approved on the site.¹⁰ The City and Harvard have a current application to the City in order to redesignate the Harvard lands to incorporate the Green Line train.¹¹
- 18. Harvard's approved towers use a terraced design to comply with the City's 'right to light' bylaw which limits shadows on the riverfront pathway and Eau Claire plaza.
- 19. When the project was approved in 2017, the Mayor referred to the project as "*a real jewel for the city right on the banks of the Bow River.*"¹² However, the only way Harvard's project would be waterfront is if our River Run homes are destroyed.



- 20. For years, independent of the Green Line, the Harvard and City websites have depicted the future development where River Run appears to no longer exist, as above (*the Harvard*

⁹<https://calgaryherald.com/news/local-news/with-redevelopment-in-limbo-city-in-negotiations-with-eau-claire-market-owner>

¹⁰<https://harvard.ca/news/harvard-announces-plans-for-eau-claire>

¹¹ City File LOC2022-0197, scheduled to be at the Calgary Planning Commission on April 6, 2023.

¹²<https://www.cbc.ca/news/canada/calgary/eau-claire-redevelopment-calgary-council-approval-1.4285080>

website illustrates its completed towers on the lagoon) and below (the City website depicts River Run “whited out”).



Anthem Properties

21. East and southeast of River Run, 9 residential towers were constructed on 5 acres, from 2005 to 2020. This development was Calgary’s largest single condominium development project to date with over 1,000 residential units on 5 acres.¹³



22. The Anthem waterfront properties use a terraced design to comply with the City’s ‘right to light’ bylaw which limits shadows on the riverfront pathway and Eau Claire plaza.
23. Anthem markets its property as: “*Calgary’s finest location. At the edge of downtown. On the shores of the river. Amongst the peace of the Park. ...an unbeatable location.*”¹⁴
24. The northwest corner of the Anthem lands, immediately across the street from River Run, was bare land when the City started acquiring land for the Green Line in 2014. The City approved a tower on that bare land, which is now constructed.

¹³ <https://waterfrontcalgary.com/>; <https://everydaytourist.ca/city-planning-101/2014/8/30/urban-living-in-its-infancy-in-calgary>

¹⁴ <https://waterfrontcalgary.com/parkside/own/>

25. As can be seen from the picture beside, from 1985, City planners had a blank canvas in this area between the core and the water. All of the structures near the water were removed (greyhound station and bus barns), providing the City with flexibility regarding what precisely would be built.



26. From the perspective of River Run families, the City made very poor planning decisions when it dictated that only 23 townhomes would be built on our waterfront acre and then, not many years later, dictated that our homes will be destroyed.

Adjacent Improvements

27. About \$70 million is currently being spent on improvements immediately beside and around River Run to:

- a. update the Riverwalk, Eau Claire Promenade and add a flood barrier (\$33 million);¹⁵
- b. update Eau Claire Plaza (\$25 million);¹⁶ and
- c. construct a new bridge to Prince's Island Park (\$11.45 million).¹⁷

28. As set out in the picture beside, from the City's website, the Eau Claire central plaza is being extensively renovated to be a focal point for events and festivals.



29. This picture depicts a tower, on the right hand side, which appears to be either on or immediately beside the River Run property.

¹⁵<https://www.calgary.ca/pda/pd/current-studies-and-ongoing-activities/eau-claire-public-realm-plan/Downtown-Flood-Barrier-Eau-Claire-Promenade.html>

¹⁶<https://www.calgary.ca/pda/pd/current-studies-and-ongoing-activities/eau-claire-public-realm-plan/eau-claire-plaza-redesign.html>

¹⁷<https://www.calgary.ca/transportation/ti/pedestrian-bridges/jaipur-bridge-project.html>

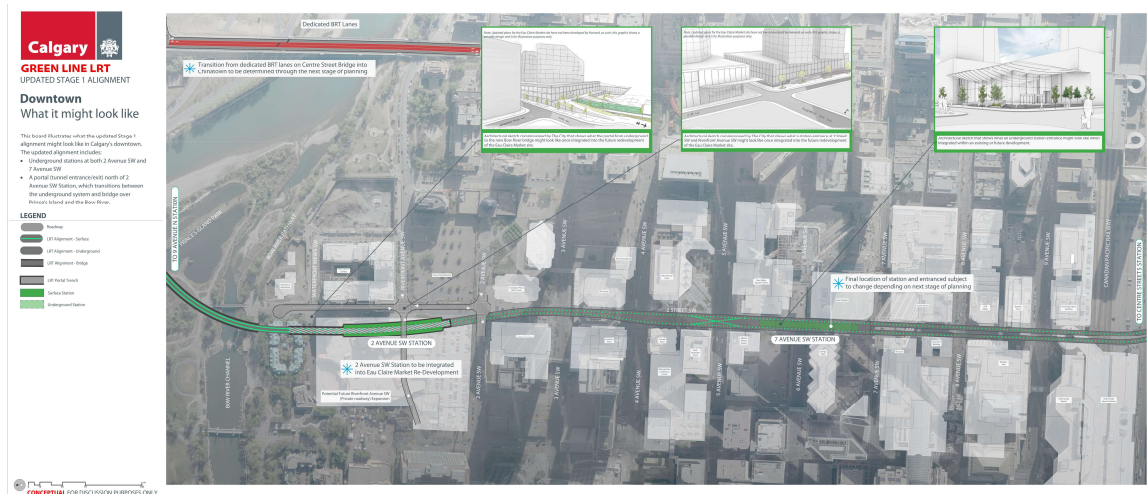
30. Such extensive improvements adjacent to River Run should increase the value of River Run. The City has promoted the Eau Claire improvements and area as a “world class” and “iconic” location for events and festivals, immediately beside River Run.¹⁸

31. How central River Run is evident from the beside picture. Air Canada displays pictures on its passenger flight screens that highlight great features of the City passengers are landing in. The River Run area is one of a small number of photographs of Calgary when travelers are flying into Calgary.



Green Line

32. The City has represented that the Green Line is the sole reason for expropriating River Run and represented that it is “impossible” to construct such train line without taking our homes.
33. The City started planning for the proposed Green Line train in 2011.¹⁹
34. The City started purchasing land for the Green Line in 2014.²⁰



35. Until 2016, as set out in the City’s picture above, there was bare land immediately across the street east of River Run. Anthem had a temporary sales centre on this land in 2016.

¹⁸ <https://www.calgary.ca/pda/pd/current-studies-and-ongoing-activities/eau-claire-public-realm-plan/eau-claire-plaza-redesign.html>

¹⁹ <https://www.calgary.ca/green-line/green-line-planning/green-line-evolution.html>

²⁰ <https://www.calgary.ca/green-line/green-line-construction/green-line-land-acquisition.html>

36. Immediately west of River Run was the former Hard Rock Cafe building, depicted below, which the City has demolished. As such, there is currently bare land west of River Run on which the City could run the Green Line train, if that is what the City wanted to do.



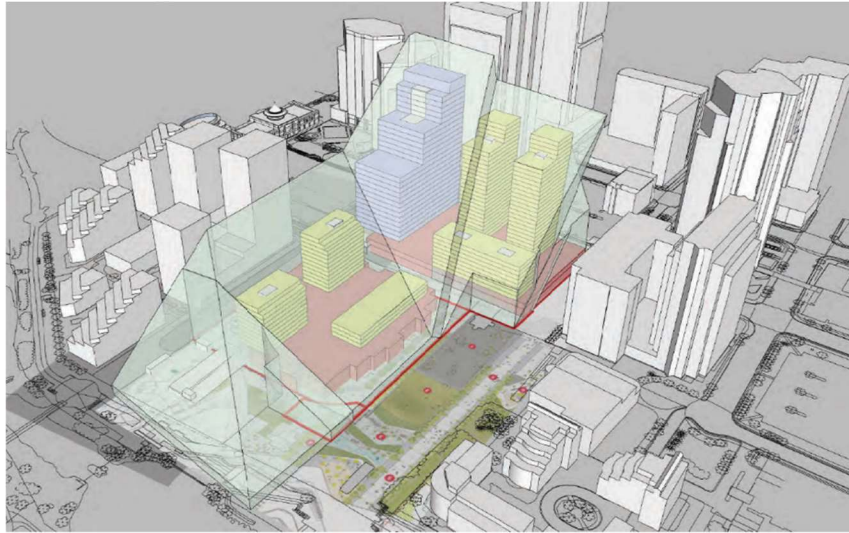
37. Where the City wants to run the c-train on an existing roadway it does so, such as depicted in the pictures below of 7th avenue south.



38. Similarly, when the City wants the train to run close to existing buildings, instead of destroying such buildings, the City does so. Below is a home in Sunnyside with the train running just a few feet away and a picture of the former Science Centre building on the west side of downtown with the train a few feet from the building.



39. The City could have run the Green Line beside our homes on 2nd Street.
40. The most recent image from the City that has River Run no longer in existence was published at an open house held at Eau Claire Market on November 1, 2022. This latest depiction appears to contemplate the potential for a large residential tower on or immediately beside River Run (*see below*).



41. The above picture is a strong indication that the City contemplates a large residential tower as an option for our property. This image, created as part of the City's and Harvard's application to the City, powerfully demonstrates potential development on and immediately beside River Run.
42. Whether the Green Line train will ever cross the Bow River remains unknown. Eau Claire is currently planned as the terminus station for the currently funded phase of the Green Line and that station will end more than a block south of River Run.²¹
43. In a nutshell, the City did not need to destroy our homes to construct the Green Line.

City as Land Developer

44. The City is an active and sophisticated land developer through a wholly owned subsidiary, Calgary Municipal Land Corporation.²²
45. On the City website regarding land development, the City features the beside picture of the heart of downtown, where River Run is located.²³



²¹ <https://www.calgary.ca/content/www/en/home/green-line/green-line-construction.html>

²² <https://www.calgarymlc.ca/#home-intro>

²³ <https://www.calgary.ca/development/permits/permit-application-search.html?redirect=/development>

46. As an example of the City's involvement in land development near River Run, the City recently sold some of its river front land to a developer to construct a tower a few blocks east of River Run in East Village.²⁴
47. On the above mentioned 0.27 acre property (*River Run is 0.97 acres, as a comparison*), located at 606 Confluence Way SE (referred to as “**EV606**”), the City website identifies:
- a. the development will involve 44 residential rental units on the upper five floors, for a total of 53,000 sq ft, plus 9,300 sq ft of street-level retail space,²⁵ and
 - b. all of such development is in the downtown floodplain along the River Walk.
48. Below is a depiction of this planned high density, waterfront development which is marketed as: “*This lot is one of downtown's last remaining riverfront parcels*”.²⁶



49. As a land developer, as well as the land development approver, the City has determined that the highest and best use of the above riverfront property, as well as the Anthem lands and the Harvard lands, involves residential towers with about 200 units per acre.
50. Another example of City approved highest and best use for Eau Claire land on the river, across from the park, is the Concord two towers (*the West Tower, constructed in 2017 is 14 floors and 105 units and the not yet constructed East Tower which is planned to be 17 floors and 113 units*):

²⁴<https://www.calgarymlc.ca/news-full/2021/11/25/new-land-parcel-sale-signals-continued-development-momentum-in-calgarys-east-village>

²⁵<https://www.calgarymlc.ca/news-full/2021/11/25/new-land-parcel-sale-signals-continued-development-momentum-in-calgarys-east-village>

²⁶ <https://www.evexperience.com/blog/2021/12/8/welcoming-ev606>



51. In between the new Concord building and River Run are three other developments: Princeton, Eau Claire Estates and Prince's Island Estates. All of these developments used their waterfront location adjacent to Prince's Island Park to construct high density residential developments. Each development has residential towers.
52. The City has represented to River Run families that the highest and best use of the River Run waterfront acre is only as 23 residential units. Such representation is inconsistent with the rest of the downtown, residential properties along the banks of the river, including immediately across the street from River Run to the east, as evident from the below picture.



Floor Area Ratio

53. The current land use designation of the River Run property has a maximum floor area ratio ("FAR")²⁷ of 1.5 and a maximum height of 4 stories. The City's appraiser assumed that "*a change in the land use [for the River Run property] is not a feasible scenario*".²⁸ This

²⁷ Floor area ratio (FAR) is the ratio of a building's total floor area (gross floor area) to the size of the piece of land upon which it is built. The higher the FAR, the more development is permitted on the property.

²⁸ City Appraisal pg 23.

assumption, which the City appears to have instructed its appraiser to make,²⁹ is inconsistent with facts including the following:

- a. immediately across the street to the east of River Run, the City approved the Anthem development with a FAR of 4.34;
 - b. immediately across the street to the south of River Run, the City approved Harvard's redevelopment with different FAR amounts for different towers, ranging from 4.0 to 10.0, with an average of FAR of 7.6 (the City approved an increase in the FAR from 4.5 to 7.6);³⁰
 - c. the City Appraisal identifies the 11 developments in Eau Claire that are adjacent to the Promenade at page 24, one of which is River Run, and the average FAR for the other 10 properties excluding River Run is 4.98;³¹ and
 - d. the City Appraisal identifies that the current use of River Run is "low density", at page 23, and then on the next page identifies that one of the purposes of the Eau Claire Redevelopment Plan is "To encourage medium to high density forms of residential development" which suggests the FAR of 1.5 is too low to be consistent with the Eau Claire Redevelopment Plan;
 - e. the City Appraisal assumes that "no new developments are allowed within the floodway" despite the fact that the City has recently approved new developments within the floodway immediately across the street to the east, south east and south, as well as Concord at the west end of Eau Claire across from Prince's Island Park; and
 - f. the City and Harvard's own planning documents identify the potential for a residential tower on River Run, as set depicted above on page 7.
54. In the absence of the City providing a principled reason for instructing its appraiser to assume that the FAR of River Run could never exceed 1.5, it appears that this assumption is not correct.

River Run families plans for redevelopment

55. On March 4, 2020, the City held an open house and had on display several pictures of the Green Line train running over about one third of the River Run land on the east side. No one from the City provided any prior notice to owners of the City's plan to run a train through our homes. Because of the City's lack of transparency, we endured the 'gut punch' feeling of seeing our homes depicted as destroyed, for the first time, at a public open house.

²⁹ City Appraisal pg 23: "Based on discussions with the Planning Department, a change in the land use is not a feasible scenario".

³⁰ City Appraisal pg 24. See also 33DC93.

³¹ City Appraisal, pg 24: $((2+4+3.5+3.75+7.5+14.5+3.5+3.9+3.6+3.5)/10=4.975)$.



56. On March 19, 2020, River Run families sent several questions to the City including expressly asking to participate in the redevelopment of our property. The City was adamant that it would not permit us, as the property owners, to have any involvement in the redevelopment of our property.
57. Not giving up hope, we incorporated River Run Redevelopment Corporation and discussed redevelopment internally. Our group of owners has the expertise and experience to redevelop our property. Expertise within the River Run families includes: engineering, legal, design, real estate, construction, accounting, project management, sales and more.
58. After the City again refused to let us participate in the redevelopment of our property, 100% of River Run owners engaged one law firm, and drafted and signed an owners agreement, in order to work efficiently and collaboratively together. We have operated under this owners agreement with one law firm since 2020.
59. Instead of acting cooperatively with River Run families, the City has decided to act combatively against River River Run families. Since 2020, owners have incurred costs of just over \$400k in order to understand and defend our rights. Most of this cost (about \$320k) was to object to the expropriation and go through a public Inquiry process which resulted a 61 page report from an independent expert that expressly confirmed the City conduct has been unfair and not in good faith.
60. Such costs incurred by River Run families are not that significant when divided by the number of homes involved and when considering the importance of this issue to such families. Such costs would have been much higher if all owners obtained their own separate legal and compensation advice, as suggested by the City.



61. As evident from the above and below pictures, any analysis of the highest and best use of the River Run property needs to consider the value as a residential tower.



62. Had the City acted cooperatively with us, all of our time, energy and costs over the last several years would have gone into plans for the redevelopment of our property. We could have constructed a tower on our property, for reasons including:
- a. the location is second to none and would be easy to pre-sell;
 - b. we have the expertise and proven ability to work together as a group;
 - c. as a group we have spent considerable fees (*unfortunately, these fees have gone to protect ourselves from the City as opposed to being invested in redevelopment plans and approvals*); and
 - d. the City currently wants our property redeveloped.
63. For many years, families that bought River Run homes knew there was locked in value at River Run that could be unlocked if the City was willing to change its mind and permit a higher density development.
64. We would like to stay in our homes until there is certainty regarding whether our property will actually be used for the Green Line, which may be known in June 2024, when the City finally discloses more information regarding potential changes to the Green Line scope and budget.
65. However, the City is kicking all River Run families out of their homes by May 31, 2024, despite significant uncertainty regarding whether our property will ever be used for the Green Line.