

River Run Expropriation – Continued

After families were forced from their homes by June 1, 2024

1. The City demanded that River Run families leave their homes on or before June 1, 2024.
2. On June 1, 2024, it was uncertain whether the River Run land was needed, or would ever be needed, for the Green Line or for any other public purpose:
 - a. the \$4.5 billion project budget, available for the Green Line alignment approved by Calgary City Council (“**Council**”) in 2020, from Shepard to Eau Claire, was criticized by many as not being a serious budget, in part because the City had not credibly estimated the cost of the proposed underground tunnels downtown Calgary;¹
 - b. the Province had, for years, publicly disapproved of the proposed high-risk, uncertain, downtown tunnels and the Province had urged the City to reconsider alternatives;
 - c. new budget information was expected to be released by the City to the public, in June 2024, which was expected to identify significant cost overruns; and
 - d. based on expected cost overruns, experts identified that either more funds would be needed or the project scope would need to be reduced.
3. Prior to June 1, 2024, there was significant public commentary identifying that the City’s \$4.5 billion budget, for the Shepard to Eau Claire alignment that the City approved in 2020, was not sufficient and significant changes to the project would be needed.
 - a. A February 4, 2019 Rethink the Green Line letter to the City identified that the \$4.5 billion budget for ‘Stage 1’ is not realistic and urged the City to rethink the proposed downtown tunnels:²

“Both external and internal engineering, design and financial analysis points to a probable \$2 billion shortfall before the start of the project.”

- b. An April 3, 2021 opinion by the Rethink the Green Line team noted:³

“The mayor and council continue to insist the Green Line should be built using tunnels beneath downtown – through its shifting, water-logged gravel and sands – and assert that this is a financially responsible option. It is not.”

¹ See, for example: <https://greenlineinfo.ca/>

² https://greenlineinfo.ca/wp-content/uploads/2023/05/Mayor-Nenshi_Fielding-Feb-4-19-FINAL-w-Map.pdf

³

<https://calgaryherald.com/opinion/columnists/opinion-green-line-project-taking-a-big-risk-tunnelling-under-water-logged-downtown>

...It is not responsible to proceed with any plan that contemplates tunnels because the risk of substantial cost overruns is virtually certain – likely to be \$2.5 billion or greater – and would be borne by Calgary taxpayers.”

- c. In a Q4 2021 progress report, the Green Line Board identified that it had significant concerns regarding the anticipated costs of the currently proposed alignment.⁴
- d. In a January 25, 2022 article, the Chair of the Green Line Board publicly expresses the Board’s concern that:⁵

“We have a low level of confidence in our ability to deliver all of Stage 1 within our available funding.”

- e. In a November 3, 2022 article, the Premiere repeated the Province’s concern regarding the City’s proposed underground tunnels to Eau Claire:⁶

On Calgary’s controversial Green Line, Smith says: “I think the initial phase — the south line — is absolutely needed, and we’ll have to talk about future phases.

...I remain concerned about the major infrastructure costs of doing underground tunnelling. My concerns about that remain very high.”

- f. In a May 10, 2023 letter to Council, the Rethink the Green Line team identified:⁷

“It is simply not possible that the proposed Stage #1 of the Green Line can be built for the approved \$4.9 billion. The Chair of the Green line board has even stated publicly that there is “a low level of confidence in our ability to deliver all of stage one within the available funding.” The recent announcement of the approved project consortium indicates that the actual costs for the project will not be known for 12 -16 months.

...Expenditures on the project could therefore well exceed \$1.5 billion before we even know the actual costs of Stage #1. On the assumption that no additional funding will be available from other levels of government, the project will have to be redesigned at that time to fit within a \$4.9 billion budget.”

⁴ <https://pub-calgary.escribemeetings.com/filestream.ashx?DocumentId=197969>

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<https://globalnews.ca/news/8536540/city-committee-hears-costs-escalating-for-calgarys-green-line-lrt-project/>

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<https://calgaryherald.com/opinion/columnists/braid-premier-smith-promises-quick-relief-for-health-care-ills-and-inflation>

⁷ <https://greenlineinfo.ca/wp-content/uploads/2023/05/Letter-to-Mayor-and-Council-May-2023.pdf>

- g. In a July 28, 2023 update from the Rethink the Green Line team, it was again identified that proposed budget for the project was unrealistic and the team again recommended that the City:⁸

- *Cancel costly, unsafe underground tunnels in flood-prone downtown; and*
- *Start at 7th Ave and 3rd St SE, not Eau Claire.*

- h. *[Note: On September 12, 2023, when there was a high level of uncertainty as to whether the Green Line would ever get to Eau Claire, Council voted, behind closed doors, to expropriate River Run based on a tenuous claim that the land was needed for the Green Line.]*
- i. The January 2024 Green Line progress report confirmed that the City did not have the funds needed for the currently planned alignment.⁹ In particular, the budget risk for the current Green Line alignment had moved from “yellow” to “red”.
- j. The April 2024 Green Line progress report again confirmed that the City did not have the funds needed for the currently planned alignment.¹⁰ When this April report was discussed later, at the June 6, 2024 Green Line Board meeting, the Green Line Board identified that:¹¹

“The Board anticipates bringing forward recommendations by the end of Q2 2024 for decisions outside of their mandate”

The “*outside their mandate*” statement appears to indicate that the Board knew the proposed alignment could not be built with the available funds and Council would need to find more funding or change the alignment. As such, at the time the City forced River Run families out of their homes on June 1, 2024, it appears that the City had no idea whether River Run was needed for a public purpose.

- k. In a May 9, 2024 article, the Premiere again identified concerns with any alignment that involved downtown tunnels to Eau Claire:¹²

The Green Line board said earlier this year that they continue to examine ways to mitigate escalating costs. ...A revised business case and update on costs is expected to come before council in June.

...[Premier Danielle Smith] said she’s been clear she thought the City of Calgary made a mistake with tunneling through the downtown. It’s a part that she said is the most expensive. She mentioned a letter from an ad-hoc

⁸ <https://greenlineinfo.ca/wp-content/uploads/2023/08/Update-Rethink-Green-Line-072823-.pdf>

⁹ <https://pub-calgary.escribemeetings.com/filestream.ashx?DocumentId=278123>

¹⁰ <https://pub-calgary.escribemeetings.com/filestream.ashx?DocumentId=290368>

¹¹ <https://pub-calgary.escribemeetings.com/filestream.ashx?DocumentId=290369>

¹²

<https://livewirecalgary.com/2024/05/09/green-line-cost-escalations-draw-further-scrutiny-by-alberta-government/>

citizens group that has been “raising the alarm” on this aspect since 2021.

“It says that, it’s that area that’s going down to Eau Claire, and the alternative, an elevated line from the Event Center to City Hall hub would avoid the costly tunnels, would only cost \$200 million, which would save about 1.8 billion,” the Premier told reporters.

- l. In a May 10, 2024 article, Councillor McLean identifies the biggest unknown, and highest risk on the project, remains the proposed downtown tunnels:¹³

“I’ve never been a fan of going underground. That’s where all the money is at. That’s where things are going very terribly off the rails.”

McLean wants the line to go from city hall all the way to Seton and the south hospital in the deep southeast.

“That’s where all the people are,” he says.

- m. In a June 25, 2024 email, from the ReThink the Green Line team to the public following their research, analysis and commentary, identified that: [Attachment #1]

“Billions could be saved by rejecting the high-risk, high-cost tunnels and underground stations that add no value to taxpayers and only appease Eau Claire developers.”

4. In July 2024, the City finally disclosed the long-anticipated cost overruns, and it was confirmed that the current alignment could not be built with the available funds, as expected.
5. On July 30, 2024, the majority of Council voted in favour of directing City taxpayer funds towards a new proposed Green Line alignment, from Eau Claire to Lynnwood, which was estimated to cost \$6.248 billion for about 10km of track.
6. Prior to this July 30, 2024 Council vote, both the provincial and federal governments had expressly identified that new applications would be required to determine whether funding would be available for the City’s new proposed Green Line alignment:
 - a. Federal funding: A July 25, 2024 federal government letter to the City identified that because the Green Line project scope has changed, the City would need to re-apply for federal funding but such application could only be made if the Province first approved of the City’s business case: [#2]

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“the business case should be submitted to HICC by the Province following their review and approval.

...Upon receipt of the provincially approved business case, HICC will assess the submission and will consult with the Federal Treasury Board Secretariat on the project scope change to determine if the Treasury Board must review and approve the changes. The initial assessment, based on the information provided to date, is that the scope change will require the approval of our Treasury Board.”

- b. Provincial funding: A July 29, 2024 letter to the City identified the terms the Province required in order for provincial funding to be available for any new alignment of the Green Line and noted that the Province was required by law, under the *Public Transit and Green Infrastructure Project Act*, to review the details of the change in scope and then decide whether provincial funding will be approved. [#3]
7. Although Council voted 10:5 in favour of directing taxpayer funds towards the new, shorter and more expensive alignment, some Councillors emphasized how the high-risk, uncertain tunnels remain a major concern:
 - a. Councillor McLean voted against proceeding with this proposed new version of the Green Line because the cost to tunnel downtown was still unknown.¹⁴

“My main concern is the tunnelling downtown,” McLean said. “It’s an unknown and costs could escalate.”
 - b. Councillor Sharp, who also voted against the City’s new proposed alignment:¹⁵

“the project includes downtown tunnelling to create underground stations, posing significant risks that could cause irreparable damage.”
8. Immediately after Council approved of trying to proceed with a new alignment, the Province was critical of such alignment and cost overruns due, in part, to what the Province viewed as poor early planning for the project. On August 1, 2024, the Provincial Minister of Transportation, Devin Dreeshen, was reported as stating:¹⁶

“Nenshi must have drawn up the Green Line budget with a green crayon.

“There was no engineering. There was no proper planning to have a massive 46 km Green Line with that budget. It was ridiculous.”

¹⁴ <https://calgaryherald.com/news/local-news/green-line-first-phase-smaller-cost-overruns>

¹⁵

<https://www.calgary.ca/council/ward-1/ward-1-topics/green-line--building-the-core-councillor-sharp-s-thoughts.html>

¹⁶

<https://calgaryherald.com/opinion/columnists/bell-premier-smith-train-boss-nenshi-green-line-train-wreck>

...Dreeshen says Nenshi “dreaming up the Green Line and saying this is what it costs to build” was “wildly out of reality.”

9. In the same article, Councillor McLean identified that administration withheld details regarding the lack of funding, for the previously chosen alignment, until the last minute and he adds that he does not view the new \$6.248 billion cost estimate as credible:

“They waited to the last minute of the last day before council breaks for six weeks in the middle of the dog days of summer to give out the numbers and the scope of the project.”

...So what about the \$6 billion-plus for the stub of a Green Line?

“In what world would I believe in that number?” asks the councillor.

10. In the same article, federal Member of Parliament for Calgary Nose Hill, Michelle Rempel, who is described as a strong supporter of the Green Line, has harsh comments regarding the City’s new proposed alignment:

The MP has been a huge backer of the Green Line but she says it’s time to “stop the bleeding.”

“I do not support giving an endless flow of tax dollars to an incompetent set of bumbler who cannot manage their way out of a paper bag.

“If they want the federal government to spend more taxpayer dollars on their incompetence they need to have a moment of sobriety.”

...So what was Rempel Garner’s gut reaction when she heard about the shrinking Green Line and the expanding budget?

“This is B.S.”

11. On August 15, 2024, the City provided its business case, for its proposed 10km, \$6.248 billion alignment, to the Province for the Province to then consider whether provincial funding would be made available for the City’s new alignment.
12. On September 3, 2024, the Province informed the City that it had reviewed the City’s business case for the new alignment and the Province does not approve: [#4]

“Department staff have reviewed the new business case and scope in detail, and I have serious concerns with the major reduction in proposed benefits of the Green Line for Calgarians. For example, I note an approximate 40% reduction in the ridership while the total project cost has risen...

...we have an obligation to ensure taxpayer dollars for infrastructure are allocated efficiently and in a manner that will benefit the largest amount of Albertans as possible. The Green Line is fast becoming a multi-billion dollar

boondoggle that will serve very few Calgarians. This is unacceptable and our Government is unable to support or provide funding for this revised Green Line Stage 1 scope as presented in the City's most recent business case.

We recognize your and the current council's efforts to try and salvage the untenable position you've been placed in by the former mayor and his utter failure to competently oversee the planning, design and implementation of a cost-effective transit plan that could have served hundreds of thousands of Calgarians in the city's southern and northern communities.

...we have also been informed by the City that there may be legal exposure with respect to the proposed Eau Claire portion of the Green Line, which may have previously impacted alignment decisions”.

13. Many River Run families expected the City's plan to run a train through their waterfront homes was based in part on a secret deal with a developer. The letter from the Province appeared to confirm such expectations by stating that the City's chosen alignment to Eau Claire may have been “*impacted*” by secret commitments to a developer that could now lead to litigation if the train did not go to Eau Claire.
14. In the September 3, 2024 letter, the Province committed to retain its own expert report to consider alternatives for the Green Line alignment in downtown Calgary. The Province committed to provide such expert report to the City in December 2024.
15. On September 11, 2024, Premiere Smith's disapproval of the potential downtown tunnels was again reported:¹⁷

Smith called the Green Line “the incredible shrinking project,” and that it needs a complete “rethink” to be more cost-effective.

“It would cost \$20 billion to build that entire line at the per kilometre rate we're seeing now. That is the kind of project that could bankrupt a city,” said Smith in Lloydminster, Sask.

“I think we just have to do it a different way.”

...Smith, like Dreeshen, said the province is opposed to tunnelling underground for downtown stops as per the latest city plans. Her government also wants to see the rail line go farther into south Calgary.

16. On September 17, 2024, Council voted 10-5 to wind down the Green Line Phase 1 project. [Note: the majority of Council voted in favour of putting an end to the entire Green Line project only 15 weeks after the City forced River Run families out of their homes, based on a claimed Green Line need, on June 1, 2024.]

¹⁷

<https://www.ctvnews.ca/calgary/article/alberta-premier-smith-says-she-wants-calgary-green-line-to-proceed-as-first-pitched/>

17. On December 13, 2024, the Province made the expert report, prepared by AECOM, available to the City. Most of such report was made available to the public on December 18, 2024.¹⁸
18. As set out in attachment #5, the AECOM report has several pictures depicting a potential station at Eau Claire, without demolishing River Run, which seems to indicate that the destruction of River Run was never needed for the Green Line.
19. On December 16, 2024, Calgary's former Mayor highlighted the risk of major litigation by a developer if the Green Line is not built to Eau Claire:¹⁹

"...the most obvious question people should ask is, what happens to that very valuable piece of land at Eau Claire market?"

...There's hundreds of millions of dollars at stake on that development that cannot go forward unless the Green Line is built to Eau Claire. You think the city and the province aren't going to get sued for at least nine figures? Of course, they are."

20. The former Mayor left office in 2021. As such, whatever commitments the City made to a developer, that could lead to an "at least nine figures" lawsuit, appear to have been entered into in 2021 or earlier.
21. Also on December 16, 2024, Councillor Chabot alluded to the media that contractual commitments were made to a developer in Eau Claire, but provided no further details:²⁰

There may be contractual obligations related to the line stretching to new developments in Eau Claire, but Chabot couldn't say much.

"In previous agreements we went to Eau Claire and there were financial and contractual obligations associated with that," Chabot said. "Not going to Eau Claire ...I mean you can read between the lines."

22. On January 9, 2025, the River Run families committee wrote to their Councillor to highlight how the City intentionally caused damage to River Run, starting immediately after families were forced from their homes on June 1, 2024, even though it continued to be uncertain whether the River Run property would ever be needed for a legitimate public need: [#6]

The purpose of this email is to identify that the City has managed the River Run property in a manner that ensures our former homes will be demolished:

¹⁸ <https://open.alberta.ca/publications/calgary-green-line-alternative-alignments-assessment>

¹⁹

<https://calgaryherald.com/opinion/columnists/braid-nenshi-says-new-green-line-plan-is-a-disaster-costing-as-much-as-a-tunnel>

²⁰ <https://calgaryherald.com/news/mayor-councillors-to-respond-to-provincial-green-line-plan>

- *Before the City needlessly forced us from our homes, the City encouraged owners to repurpose appliances and cabinets, which caused significant impact to our homes, which would not have occurred but for the City's conduct.*
- *The City failed to adequately secure our homes, resulting in our homes being broken into.*
- *The City has allowed film crews to use our former homes. For example, on July 18, 2024, the City allowed a car commercial to be filmed at River Run.*
- *The City allowed the fire department to conduct drills at River Run throughout the summer of 2024 and such drills have caused harm. For example, on July 29, 2024, several fire trucks and firefighters were on site at River Run conducting drills.*
- *The City has allowed the police department to conduct drills at River Run which have caused harm. For example, on January 8, 2024, police tactical training again occurred at River Run. Such training has included setting off concussion grenades inside our homes.*

The City has caused our homes to be damaged to the point where plywood barriers now take the place of many windows and some doors. The City's gradual destruction of our homes is consistent with the City wanting to ensure that River Run will never again be used as homes and, instead, our homes will be demolished in order to transform a private developer's multi tower project into a waterfront development.

23. On January 15, 2025, the River Run families committee wrote to Council to again highlight that the City team that should be discussing fair compensation with us is, instead, continuing to use its position of power to unethically "play hardball" against families: [#7]

The City team assigned to take our homes continues to act in an impractical, hostile manner:

- *On July 31, 2023, the City was ordered to pay our reasonable costs for the Inquiry. The City has yet to reimburse a single dollar for either the 2023 Inquiry or for the costs incurred, since 2020, to understand our rights in this situation.*
- *To decide what it would pay families, the City selected, engaged, instructed and paid an appraiser to prepare reports that do not consider the fact that this is an expropriation. The City has dishonestly referred to such reports as "independent" and has given the false impression that such reports consider the fact that this is an expropriation.*
- *The City has twice provided us with intentionally misleading information regarding the "highest and best use" of our property and the City has not*

provided any analysis regarding the cost of comparable replacement properties in our chosen community.

- *In May 2024, using our own time, effort and cost, we provided a thoughtful analysis regarding fair compensation to try to get the City to finally discuss fair compensation. The City has refused to discuss or even comment on the detailed information provided.*
- *The City recently made a settlement proposal to just one River Run family. If the City wants to act fairly, the City will soon provide relatively similar proposals to all families.*
- *The City is actively destroying River Run through fire department and police drills, even though it remains uncertain whether there is any public transit need to destroy our homes.*
- *To try to intimidate us, the City is making the absurd, aggressive claim that River Run families owe the City money because we reasonably decided not to maintain a large reserve fund after the City confirmed, privately and publicly, that our homes will soon be destroyed.*

We are 6 years into the City's process for taking our homes and the City still refuses to discuss fair compensation based on the reality that this is an expropriation. (The City will have discussions if it can isolate individual families and avoid fully considering expropriation principles.) The City's refusal to discuss fair compensation should be a huge red flag for Council that the City's process is designed to make achieving a fair result as difficult, delayed and costly as possible.

24. On January 16, 2025, the City's website identified that the demolition of River Run will 'fulfill contractual obligations'.²¹ Although River Run families remain unaware of the timing and scope of such contractual obligations, it appears that some time ago the City committed to have the River Run lands demolished such that the River Run lands could be integrated into a developers planned five tower project.
25. Although the City entered into contractual obligations to demolish River Run, it is not clear that the City had legal authority to do so (*at least not based on the claim River Run was needed for the Green Line*). When Council approved the new Green Line alignment on June 16, 2020, it was subject to several conditions: [#8]
 - a. Under "Condition 2", Council directed that the Green Line project would be "stage gated" into three segments:

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<https://www.calgary.ca/green-line/construction/current-construction/construction-article-engine/eau-claire-market-and-river-run-condos-demolitions.html>

Segment 1: 126 Avenue S.E. (Shepard) to East of the Elbow River (Inglewood/Ramsay);

Segment 2A: East of the Elbow River (Inglewood/Ramsay) to 2 Avenue S.W. Station (Eau Claire); and

Segment 2B: North of 2 Avenue S.W. Station (Eau Claire) to 16 Avenue N.

- b. Under “Condition 10”, Council expressly directed City administration to:

“not enter into a commitment to construct Segment 2B until Administration has determined that the construction of Segment 2A has sufficiently advanced to materially demonstrate that the Stage 1 cost estimate, including contingency, is ...within the Council approved Green Line Program budget.”

26. Since the Eau Claire station was to start at 2nd Ave, a full two blocks south of River Run, it appears administration was directed above to not enter into any contracts to construct anything related to the Green Line on River Run, before budget certainty was achieved for the other Segments, which never occurred. The City claimed it may need River Run for “*construction staging*” for the proposed Eau Claire station; however, there are empty parking lots, closer to the proposed station, than River Run.

27. On January 23, 2025, the City started to demolish the River Run homes.

28. In a January 23, 2025 story focused on the demolition, CBC identified that the Calgary fire department and police department were on site at River run more than 100 times and confirmed that such explosive training had resulted in at least one noise complaint from a neighbouring property:²²

Calgary police confirmed that members of its tactical team used the complex for “high-risk scenario” and “explosive” training exercises since residents vacated the property last May. The Calgary Fire Department also confirmed that crews used the complex more than 100 times for various training exercises.

29. These “explosive” training exercises destroyed the interior of many homes throughout the period from when the City unnecessarily forced families out by June 1, 2024 up until January 2025, when River Run families could have, instead, continued to live in their homes.

30. On January 23, 2025, the City started to demolish the River Run homes and in several news articles the City confirmed that such demolition would serve to “*fulfill contractual obligations*”.

31. A January 27, 2025, letter from the River Run families committee to Council stated: [#9]

²² <https://www.cbc.ca/news/canada/calgary/calgary-Green-Line-lrt-eau-claire-river-run-demolition-1.7439502>

It has now come to light that the City is destroying our homes to “fulfill contractual obligations”. To set fair compensation, the Tribunal will need to understand the timing and other details of the City’s secret obligations to destroy our homes. As the former Mayor publicly acknowledged these obligations, it appears they were in place prior to his departure from office in 2021.

In 2023, the expropriation of our homes was subject to a public inquiry. The Province appointed an independent expert, an Inquiry Officer, to review all relevant information. It appears the City failed to disclose to the Inquiry Officer – and to River Run families – that the City had already contracted with a developer to destroy our homes.

32. On January 28, 2025, Council voted in favour of trying to proceed with the alignment suggested by the Province, from downtown Calgary (*but not to Eau Claire*) to Shepard. Under such alignment, the River Run lands are not needed for any public purpose.
33. After this Council vote, the City needed to prepare an updated federal *Investing in Canada Infrastructure Program* (“ICIP”) business case to reflect the new alignment, cost and scope. Such document would be critical to potentially have the previous funding commitments, from the provincial and federal governments, made available for the new alignment.
34. On January 28, 2025, a two-alarm fire broke out in the remaining River Run homes. The City did not pause the demolition for any material amount of time in order for the fire to be investigated in any detail. Instead, a day later, the City quickly recommenced with the demolition of River Run. Under the City’s management, River Run was unnecessarily vacant starting on June 1, 2024 and homeless individuals made use of these vacant, waterfront homes, which may have contributed to the fire.
35. On February 14, 2025, the City completed and submitted its ICIP business case to the Province. The Province is expected to approve of such business case and then apply to the federal government to determine whether the federal ICIP funds committed in 2015, for a different alignment, can be made available for the new alignment. The deadline for such submission to the federal government is March 31, 2025.
36. Regardless of whether provincial and federal funding will be available for the currently proposed Green Line alignment, there is no publicly available information regarding the City’s intentions for the River Run property, aside from fulfilling secret contractual obligations owed to a developer.
37. As of March 1, 2025:
 - a. the City continues to refuse to discuss fair compensation with River run families based on the reality that this is an expropriation;
 - b. in the absence of such discussion, former owners of 20 of 23 River Run homes have applied to the Tribunal to determine fair compensation;

- c. the City continues its “deny, delay, depose” strategy against River Run families *(the City: (i) has denied families are entitled to expropriation compensation, (ii) has delayed this situation as long as it can, and (iii) is now causing families to litigate in order to try to compel the City comply with the law); and*
- d. despite being ordered, on July 31, 2023, to reimburse our reasonable costs for the Inquiry, the City has not reimbursed any amount of such costs.