

# Capstone Land Sale - Parcels M1, M2, M3 Information Package

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Artist Rendering

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## Foreword: Welcome to Capstone in Greater Downtown Red Deer

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This marketing package has been created to provide valuable insights for qualified developers interested in exploring development opportunities in Capstone. The information included herein is designed to guide you through the key aspects of the project and the process for submitting a proposal. Developers are encouraged to refer to the local [Area Redevelopment Plan](#) and the [Capstone Master Plan Vision](#) for additional details and context.

The City of Red Deer is actively marketing Parcels M1, M2, and M3 in Capstone and is seeking a qualified developer (or development group) who can successfully deliver on the community objectives and development targets. The city aims to select a developer who will contribute to realizing the master plan vision within a timeframe that aligns with the overall buildout plan for Capstone. If selected, the chosen developer will be invited to enter into a formal purchase and sale agreement. The specific terms and conditions of this agreement will be negotiated at the appropriate stage.

Please note that proposal submissions are voluntary and must be made by the developer at their own cost. Formal architectural designs or engineered drawings are not required at this stage. Instead, development concepts can be explained through visuals from portfolio work or other illustrative materials.

A recommended proposal format is outlined below. We encourage you to use this format to submit your proposal by April 4, 2025.

*It is important to note that the City of Red Deer is under no obligation to sell its parcels. This process is intended to identify a suitable development partner whose vision and approach align with the City's goals for Capstone.*

# 1. Invitation to Developers

The City of Red Deer (Capstone Project Team) is seeking experienced development partners or groups with proven expertise in residential and mixed-use development. The goal is to complement and help bring to life the vision for Capstone respecting that the community has several different developments already in progress. Developers interested in the acquisition and development of Parcels M1, M2, and M3 are invited to submit a formal, non-binding proposal by April 4, 2025. This document provides essential information and proposal guidelines.



**CAPSTONE**

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| <p><b>Office, Retail, Residential</b></p> <ul style="list-style-type: none"> <li>A1: 8-12 Storey Parcel: 47,050 sq.ft (1.1 ac)</li> <li>A2: 6-8 Storey Parcel: 30,500 sq.ft (1.0 ac)</li> <li>B1: 6-8 Storey Parcel: 65,000 sq.ft (1.5 ac)</li> <li>B2: 6-8 Storey Parcel: 43,300 sq.ft (0.7 ac)</li> </ul>   | <p><b>Hotel, Commercial</b></p> <ul style="list-style-type: none"> <li>H1: 6-8 Storey Parcel: 35,000 sq.ft (0.8 ac)</li> <li>H2: 6-8 Storey Parcel: 39,000 sq.ft (0.9 ac)</li> </ul>   |
| <p><b>Residential, Commercial</b></p> <ul style="list-style-type: none"> <li>M3: 3-6 Storey Parcel: 48,000 sq.ft (1.1 ac)</li> <li>N1: 6-8 Storey Parcel: 39,000 sq.ft (0.9 ac)</li> <li>M2: 6-8 Storey Parcel: 43,500 sq.ft (1.0 ac)</li> <li>N3: 6-8 Storey Parcel: 43,500 sq.ft (1.0 ac)</li> <li>T1: 6 Storey Parcel: 113,250 sq.ft (2.6 ac)</li> </ul> | <p><b>Residential</b></p> <ul style="list-style-type: none"> <li>L1: 3-6 Storey Parcel: 49,900 sq.ft (1.1 ac)</li> <li>L2: 3-6 Storey Parcel: 26,100 sq.ft (0.6 ac)</li> <li>L3: 3-6 Storey Parcel: 39,200 sq.ft (0.9 ac)</li> <li>M1: 3-6 Storey Parcel: 30,500 sq.ft (0.7 ac)</li> <li>M2: 3-6 Storey Parcel: 39,200 sq.ft (0.9 ac)</li> <li>T2: 2-6 Storey Parcel: 61,000 sq.ft (1.4 ac)</li> </ul> |

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| <p><b>Existing Uses</b></p> <ul style="list-style-type: none"> <li>A: Entertainment</li> <li>B: Commercial</li> <li>C: Fitness</li> <li>D: Mixed Use</li> <li>E: Residential</li> <li>F: Medical</li> <li>G: Hospital</li> <li>H: Undeveloped</li> </ul> | <p><b>Development Parcel Status</b></p> <ul style="list-style-type: none"> <li>Available (Blue)</li> <li>Sold (Orange)</li> <li>Future (Dashed Blue)</li> <li>Conditionally Sold (Dashed Orange)</li> <li>Community Boundary (Dotted White)</li> </ul> |
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**Parks and Open Space**

- 1: Welcome Square
- 2: Cronquist Square
- 3: Green Spine Plaza
- 4: Green Spine Pond
- 5: Green Spine Play Area
- 6: Canada 150 Square
- 7: North Riverwalk
- 8: South Riverwalk
- 9: Bower Ponds
- 10: Great Chief Park
- 11: South Bank Trail

February 2025

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## 2. Master Plan Vision

The Capstone project is a transformative development initiative that seeks to create a vibrant, sustainable, and integrated community in downtown Red Deer. This vision represents a once-in-a-lifetime opportunity to redefine urban living, blending residential, commercial, and recreational spaces in one of the most scenic and strategic locations in the city. The City of Red Deer owns/controls approximately 18 out of 91 acres of the district, making this a truly rare opportunity for developers to shape the future of the community and contribute to the revitalization of the city's downtown core and riverfront.

### Prime Location along the Red Deer River

Capstone is positioned along the southern edge of the Red Deer River, offering unmatched natural beauty and a distinctive setting for urban living. The proximity to the river enhances the area's appeal, providing breathtaking views, opportunities for outdoor recreation, and immediate access to the Riverwalk pathway and the city's interconnected trail systems thus offering seamless access to the outdoors for the community's residents, visitors, and businesses.

The area is easily connected to Westpark, a mature neighborhood to the south-west, and is within walking distance (2.0 kilometers) of Red Deer Polytechnic which serves as a key educational and cultural anchor for the community. The historic downtown, located just to the east, is easily accessible, giving Capstone residents easy access to a rich mix of services, retail outlets, restaurants, entertainment, and cultural attractions. To the south-east, Capstone is bounded by the Red Deer Regional Hospital, which is undergoing a \$1.8 billion modernization to further strengthen the healthcare infrastructure and services in the region.

This unique location, blending natural beauty and urban amenities, provides the foundation for an extraordinary mixed-use community where people can live, work, and play in an integrated and sustainable environment.

## **Diverse and Sustainable Community Design**

The Capstone vision focuses on creating a mixed-use, master-planned community with a mix of residential, commercial, recreational, and gathering spaces. The overall aim is to create an attractive, walkable neighbourhood that is connected to nature while fostering a sense of community and urban vibrancy. This will be Red Deer's first master-planned, multi-family community, making it a trailblazer in terms of design and planning.

## **Residential Product**

The residential component of Capstone will include a variety of housing types, ranging from low- to medium-density options. The community will ultimately accommodate up to 5,000 residents across 2,000 residences. These residences will include condominiums, townhomes, micro-units, rental units, and potentially senior living units, catering to a broad demographic. Whether for young professionals, growing families, or seniors, the diverse housing options will ensure that Capstone offers something for everyone.

## **Commercial and Office Spaces**

In addition to the residential units, Capstone will provide up to 100,000 square feet of commercial and office space. These spaces will complement the existing base of over 100 destination-styled retailers and service providers, including a wide range of health service agencies, already operating in the community. The addition of new commercial and office spaces will help further anchor Capstone, creating even more opportunities for businesses to thrive in a vibrant, established environment.

## **Public and Green Spaces**

At the heart of Capstone is the Green Spine (a key amenity of parcels M 1-2-3), a public realm initiative that features natural pathways, native plantings, water features, and outdoor food courts. Complementing the Green Spine is Riverwalk – a pedestrian and cyclist pathway along the river's edge - and Canada 150 Square a community gathering space. Together these designed spaces provide recreation, relaxation, and

social interaction and all contribute to the creation of a pedestrian-friendly, walkable community that encourages outdoor living and enhances quality of life.

### **Integration with the Surrounding Environment**

The Capstone development is intentionally designed to connect seamlessly with its surrounding environment, both natural and urban. The community is anchored by the Red Deer River, green spaces such as Bower Ponds and the Red Deer Golf and Country Club, and the established Westpark neighbourhood, which ensures that Capstone remains integrated with the city's established areas. The natural environment has played a key role in shaping the aesthetic and identity of the community, with buildings designed to incorporate and frame views of the river and surrounding landscapes.

Bordered to the **east** by historic downtown Red Deer and Taylor Drive, a major vehicular corridor, Capstone offers residents convenient access to a wide range of services and amenities, making it an ideal place to live for those seeking a balance of nature and urban conveniences. Taylor Drive serves as a critical connection between the northern and southern communities of Red Deer, facilitating easy access to Capstone from both sides of the river and linking key destinations, such as downtown and the Red Deer Regional Hospital. The integration of Capstone with downtown ensures the development is seamlessly connected to the broader urban fabric, enhancing connectivity and fostering a sense of community that extends beyond the immediate area. Furthermore, Riverwalk and the Green Spine serve as important connectors, offering walking and cycling paths that link the community to the greater trail system and surrounding neighborhoods. This thoughtful design emphasizes accessibility and sustainability, reducing reliance on cars while promoting active transportation throughout the area.

On the **southern boundary**, the community is anchored by the Red Deer Regional Hospital, which is undergoing a \$1.8B modernization. Expansion and refurbishment of the Red Deer Regional Hospital, slated for completion in 2029, will add 200 new

beds for a total of 570 patient beds, 6 additional operating rooms and 2 new cardiac catheterization labs.

### **A Community Built for the Future**

Capstone is not just about creating a place to live—it's about building a community that is sustainable, adaptable, and forward-thinking. The City of Red Deer is committed to creating an environment that embraces innovation and encourages growth, while respecting the natural and cultural heritage of the area. The development will incorporate sustainable building practices and green technologies, such as energy-efficient designs, sustainable materials, and stormwater management systems that protect the local ecosystem.

The community will also be designed to accommodate a range of mobility options, with pedestrian-friendly streets, cycling infrastructure, and connections to public transportation, making it easy for residents to get around without relying solely on cars. By embracing sustainable design principles and incorporating nature into the fabric of the community, Capstone will set the standard for future developments in Red Deer and beyond.

### **A Thriving, Integrated Neighbourhood**

Capstone's master plan vision extends beyond just the buildings and infrastructure; it's about creating a thriving neighbourhood where people live, work, and interact. The development will support social interaction through the design of public spaces, parks, and recreational areas, while fostering a sense of community ownership and engagement. The goal is to create an environment that attracts people from all walks of life, offering a sense of belonging and a high quality of life for all residents.

The integration of businesses, cultural facilities, and public spaces within the development ensures that Capstone becomes a true community hub, where residents can enjoy convenient access to everything they need—whether it's retail shops, restaurants, fitness centers, cultural events, or outdoor activities. The



development will also attract local and regional visitors who will enjoy the public spaces and amenities, further solidifying Capstone as a key destination in Red Deer.

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### **3. Prime Development Opportunity Parcels M1, M2, M3**

Parcels M1, M2, and M3, totaling approximately 3 acres, are centrally located within the heart of the Capstone community and along the Green Spine. These parcels offer an excellent opportunity for mixed-use residential development, with potential for low- to mid-rise buildings (3-6 stories) and parking solutions that could include subterranean, surface, or a combination of both. The sites are well-suited for a variety of residential types, including condominiums, townhomes, micro-units (student housing), rental properties, and/or senior living options (assisted, independent, or progressive care). The development can be executed in either a single phase or multiple phases, depending on market conditions and demand. The vision for these parcels is to create a sustainable, vibrant project that aligns with the City's land use requirements and design standards. A minimum of 250 residential units should be incorporated into the development, with consideration for incorporating main floor retail/commercial spaces to support the mixed-use designation and enhance the overall livability of the community.

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### **4. Public Investment**

The City of Red Deer has invested over \$45M in infrastructure to prepare Capstone for private investment. Key infrastructure programs and initiatives include:

- Roadwork, road alignment and servicing (including a new intersection at Taylor Drive and Alexander Way)
- Utility upgrades, connections and realignment
- Development of the Riverwalk pathway
- Development of the Green Spine
- Landscaping, parking
- Site Remediation
- Creation of public gathering spaces, including Canada 150 Square

- Various other placemaking initiatives (community gardens and more)
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## 5. Land Use & Development Priorities

The [Capstone Area Redevelopment Plan \(ARP\)](#) and the [City's Zoning Bylaw](#) outline the vision and guidelines for the development of Capstone. Developers are encouraged to review these documents. The development of Parcels M1, M2, and M3 should align with the vision of creating a sustainable, vibrant, amenity-rich community while adhering to the City's land use requirements and design standards.

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## 6. Why Red Deer

Red Deer is a dynamic and growing city, strategically located between Calgary and Edmonton, with a population of 112,491 residents. The city boasts a competitive business environment, featuring a provincial corporate income tax rate of 8%, a small business rate of 2%, and no taxes on capital, machinery, equipment, or payroll, in addition to no business taxes beyond property taxes.

Red Deer is experiencing a high demand for residential units, with a rental vacancy rate of only 1.6% in October 2024. This indicates a growing need for both sales and rental properties. With its expanding population and a favorable business environment, Red Deer offers a promising opportunity for development.

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## 7. Proposal Format & Submission Requirements

To ensure a comprehensive evaluation, all proposals must follow the format outlined below. Please submit your non-binding proposal by March 31, 2025.

### A. Company Profile

Provide a brief corporate background, including your team's qualifications and relevant residential development experience. Be sure to highlight your experiences with mixed-use residential development. Limit up to 1 page.

## B. Project Description/ Vision

Detail your overall project vision for parcels M1-2-3, including unit count, product styling and mix, target audience, project amenities, suitable commercial or retail components, parking, other. Clearly articulate how your project fits within the broader Capstone vision. Limit up to 2 pages.

## C. Architectural Details

Highlight any key or distinctive design features of the development, including material selection, building orientation, residential amenities, and other notable elements that contribute to the overall vision of the project. Limit up to 1 page.

## D. Financial Profile

Demonstrate your financial capacity to successfully deliver the proposed development. Please provide a clear outline of how the project will be funded, including whether any grants or alternative funding sources will be utilized or are required. Limit up to 1 page.

## E. Desired Project Phasing and Timeline to Deliver

Given the strong demand for residential units within the Capstone community, the project team is eager to understand the general phasing and development timeline associated with the concept. Outline the expected timeline for the project, from start to completion. Limit up to 1 page.

## F. Business Terms

Detail the core business terms important for your development including ideal purchase price, diligence requirements, deposit structure, closing schedule, program/market threats, or any other pertinent considerations. Limit up to 2 pages.

## G. Capacity to Engage

Define your preferred timing for commencement, considering operational, approval, and market factors. Limit up to 1 page.

## H. Additional Information

Provide any other information that is relevant to your proposal (i.e. working in other master planned communities, working within municipal land programs, product successes or key learnings, retail and commercial experience, more). Limit up to 1 page.

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## 8. Deadline & Submission Instructions

Deadline: All proposals must be submitted by April 4, 2025.

Submission Instructions: Please submit your proposal in PDF format to [capstone@reddeer.ca](mailto:capstone@reddeer.ca) by the deadline. For additional questions or clarification, please contact Susan Veres c/o the Capstone Project Team at 403.807.1007 or [susan@honeycombsolutions.ca](mailto:susan@honeycombsolutions.ca).

As next steps, the City of Red Deer will carefully review each proposal and will meet individually with developers to discuss their proposal details. Following these discussions, the City will conduct an internal review to assess and prioritize each proposal based on its alignment with the City's goals and the broader Capstone vision. Developers whose proposals best align with the City's objectives will be contacted to initiate formal divestment discussions and negotiations. It is important to note that the City is under no obligation to sell the parcels if the proposals do not meet the required criteria and community objectives.

We look forward to reviewing your proposals and working with a developer who shares the City's vision for Capstone!