

REVISED AGENDA

PRIORITIES AND FINANCE COMMITTEE

June 28, 2018, 8:30 AM
IN THE COUNCIL CHAMBER
Members

Mayor N. Nenshi, Chair
Councillor S. Chu, Vice-Chair
Councillor D. Colley-Urquhart (CPS Chair)
Councillor S. Keating (T&T Chair)
Councillor J. Magliocca (PUD Chair)
Councillor W. Sutherland (UCS Chair)
Councillor E. Woolley (Audit Chair)

- 1. CALL TO ORDER
- 2. OPENING REMARKS
- 3. CONFIRMATION OF AGENDA
- 4. CONFIRMATION OF MINUTES
 - 4.1 Minutes of the Regular Meeting of the Priorities and Finance Committee, 2018 June 05
- 5. POSTPONED REPORTS

 (including related/supplemental reports)

 (None)
- 6. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES
 - 6.1 New Community Growth Strategy: Investment Recommendations, PFC2018-0678

NEW MATERIALS

- 6.1.1 New Community Growth Strategy: Investment Recommendations, PFC2018-0678
- 6.2 Independent Review of Non-Residential Assessment and Appeal System, PFC2018-0798
- 6.3 Bus Rapid Transit Network Marketing Strategy, PFC2018-0776

- 6.4 Electronic Notices for Property Assessment and the Assessment Review Board, PFC2018-0753
- 6.5 Delegation Bylaw to support the Compassionate Tax Penalty Relief Program, PFC2018-0761

7. ITEMS DIRECTLY TO COMMITTEE

- 7.1 REFERRED REPORTS (None)
- 7.2 NOTICE(S) OF MOTION (None)
- 8. URGENT BUSINESS
- 9. CONFIDENTIAL ITEMS
 - 9.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES
 - 9.1.1 Naming of a City Park, PFC2018-0789
 Held confidential subject to Sections 23 and 24 of *FOIP*.
 - 9.2 URGENT BUSINESS
- 10. ADJOURNMENT



MINUTES

PRIORITIES AND FINANCE COMMITTEE

June 5, 2018, 9:30 AM IN THE COUNCIL CHAMBER

PRESENT: Mayor N. Nenshi, Chair

Councillor S. Chu, Vice-Chair

Councillor D. Colley-Urquhart (CPS Chair)

Councillor W. Sutherland (UCS Chair)
Councillor E. Woolley (Audit Chair)
Councillor J. Gondek (T&T Alternate)
Councillor R. Jones (PUD Alternate)

*Councillor J. Davison *Councillor P. Demong *Councillor J. Farkas

*Councillor D. Farrell

ALSO PRESENT: City Manager J. Fielding

Chief Financial Officer E. Sawyer Acting City Clerk J. Lord Charest Legislative Assistant M. A. Cario

1. CALL TO ORDER

Councillor Chu salled the meeting to order at 9:31 a.m.

2. OPENING REMARKS

Councillor Chu provided opening remarks at today's Meeting.

3. CONFIRMATION OF AGENDA

Moved by Councillor Davison

That the Agenda for the 2018 June 05 Regular Meeting of the Priorities and Finance Committee be confirmed.

MOTION CARRIED

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4. <u>CONFIRMATION OF MINUTES</u>

4.1 Minutes from the Regular Meeting of the Priorities and Finance Committee, 2018 May 01

Moved by Councillor Sutherland

That the Minutes of the Priorities and Finance Committee held on 2018 May 01 be confirmed.

MOTION CARRIED

5. POSTPONED REPORTS

None

- 6. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES
 - 6.1 The Calgary Exhibition and Stampede Limited 2017 Credit Facility Update, PFC2018-0599

Moved by Councillor Sutherland

That with respect to Report PFC2018-0599, the following be approved:

That the Priorities and Finance Committee recommends that Council receive this report for information.

MOTION CARRIED

6.2 10 Year Economic Strategy Update and Refresh, PFC2018-0668

The following decuments/were distributed with respect to Report PFC2018-0668:

- A PowerPoint presentation entitled "Calgary in the New Economy", dated 2018 June 05; and
- A packet of letters.

Mayor Nenshi assumed the Chair at 9:36 a.m. and Councillor Chu returned to his seat in Committee.

Moved by Councillor Davison

It with respect to Report PFC2018-0668, the following be approved:

That the Priorities and Finance Committee recommends that Council approve Calgary in the New Economy: An Update to the Economic Strategy for Calgary (Attachment 3).

6.3 Amendment to Keystone Hills Area Structure Plan – Transportation Cap Increase , PFC2018-0598

A PowerPoint presentation entitled "Amendment to Keystone Hills Area Structure Plans - Transportation Cap Increase", dated 2018 June 05, with respect to Report PFC2018-0598, was distributed.

Moved by Councillor Gondek

That with respect to Report PFC2018-0598, the following be approved, after amendment:

That the Priorities and Finance Committee:

- 1. Direct Administration to prepare an amendment to the Keystone Area Structure Plan as outlined in Attachment 1; and Recommends that Council:
- 1. Hold a Public Hearing on this matter, and
- 2. Give three readings to the proposed Bylaw.

And further, that this Report and proposed Bylaw be forwarded to the 2018 July 23 Public Hearing Meeting of Council to accommodate the required advertising.

MOTION CARRIED

6.4 Corporate Affordable Housing Strategy Q2 2018 Update, PFC2018-0584

A PowerPoint presentation entitled "Corporate Affordable Housing Strategy Implementation Plan Update", dated 2018 June 05, was distributed with respect to Report PFC2018-0584.

Moved by Councillor Gondek

That the amended Recommendations contained in Report PFC2018-0584 be further amended by adding a new Recommendation #3, as follows:

That Comcil:

3. Invite the Community Housing Affordability Collective to provide an update on their work to the Priorities and Finance Committee no later than Q2 2019.

Moved by Councillor Gondek

That the Recommendation contained in Report PFC2018-0584 be amended by adding a new Recommendation #2, as follows:

The Priorities and Finance Committee recommends that Council:

2. Direct that Administration return to Council, through the Priorities and Finance Committee, with an update on this work, no later than Q2 2019.

MOTION CARRIED

Moved by Councillor Farrell

That with respect to Report PFC2018-0584, the following be approved, as amended:

That the Priorities and Finance Committee recommend that Council

- Receive the following update as per the annual Q2 reporting requirement established in PFC2016-0512 and accept the report and its attachments for information;
- ii. Direct that Administration return to Council, through the Priorities and Finance Committee, with an update on this work, no later than Q2 2019; and
- iii. Invite the Community Housing Affordability Collective to provide an update on their work to the Priorities and Finance Committee no later than Q2 2019.

MOTION CARRIED

6.5 ZBR Program Update June 2018, PFC2018-0647

A PowerPoint presentation entitled "Zero-Based Review Program Update", dated 2018 June 05, was distributed with respect to Report PFC2018-0647.

Moved by Councillor Woolley

That pursuant to Section 6(1) of Procedure Bylaw 35M2017, Section 78 (2)(a) be suspended to allow Committee to complete the remainder of today's Agenda.

Against: Councillor Chu and Councillor Colley-Urguhart.

Councillor Chu assumed the Chair at 12:06 p.m.

Moved by Councillor Woolley

That with respect to Report PFC2018-0647, the following be approved:

That the Priorities and Finance Committee recommend that Council:

- 1. Receive for information:
 - a. ZBR Program Dashboard (Attachment 1);
 - b. Service Improvement Case Studies (Attachment 2);
 - c. Water Resources ZBR Implementation Plan (Attachment 3);
 - d. Calgary Recreation ZBR Summary Report (Attachment 4);
 - e. Overview of the Shared Challenges of the Internal Services (Attachment 6): and
- 2. Approve the updated direction for Calgary Recreation in Attachment 5, Calgary Recreation Strategic Foundation, as outlined in the "Mandate", "Where we play" and "Where we lead" sections.

MOTION CARRIED

6.6 Compassionate Property Tax Penalty Relief, PFC2018-0325

Moved by Councillor Woolfey

That with respect to Report RFC2018-0325, the following be approved:

That the Priorities and Finance Committee recommends that Council:

- 1. Receive for information the Summary of Tax Penalty Relief Programs from Other Jurisdictions (Attachment 1);
- 2. Approve the proposed Compassionate Property Tax Penalty Relief Program as outlined in Attachments 2, 3, and 4;
- 3. Direct Administration to offer Compassionate Property Tax Penalty Relief, as outlined in this report, upon approval of the City Charter Bylaw delegating Council authority for this function to Administration; and
- 4. Direct Administration to report back through Priorities and Finance Committee on the results of the proposed program, including cost and number of participants, no later than 2019 Q4.

6.7 Council Innovation Fund Application - Improving Budget Transparency, PFC2018-0721

Moved by Councillor Demong

That with respect to Report PFC2018-0721, the following be approved:

That the Priorities and Finance Committee recommends that Council:

- 1. Accept the application for information; and
- 2. Approve the application for Council to utilize the Council Innovation Fund for the Improving Budget Transparency in the amount of \$150,000.

MOTION CARRIED

Moved by Councillor Gondek

That Committee now recess, at 12:28 p.m., to the call of the Chair.

MOTION CARRIED

Committee reconvened at 1:04 p.m. with Councillor Chu, in the Chair.

Moved by Councillor Demong

That Committee reconsider its desision with respect to Report PFC2018-0721.

MOTION CARRIED

Moved by Councillor Demong

That with respect to Report RFC2018-0721, the following be approved, after amendment:

That the Priorities and Finance Committee recommends that Council:

- 1. Accept the application for information; and
- 2 Approve the application for Council to utilize the Council Innovation Fund for the Improving Budget Transparency in the amount of \$150,000

And further, that Report PFC2018-0721 be forwarded to the 2018 June 18 Strategic Meeting of Council.

MOTION CARRIED

Mayor Nenshi assumed the Chair at 1:07 p.m. and Councillor Chu returned to his regular seat in Committee.

6.8 Council Innovation Fund Application - Springbank Hill Community Park, PFC2018-0717

The following documents were distributed with respect to Report PFC2018-0717:

- A PowerPoint presentation entitled "Springbank Hill Community Park", dated 2018 June 05; and
- A letter from Nico Bernard, Calgary Parks and Melanie Hulsker, Calgary Neighbourhoods, dated 2018 June 04.

Moved by Councillor Davison

That with respect to Report PFC2018-0717, the following be approved, after amendment:

That the Priorities and Finance Committee:

- 1. Recommends that Council accept the application for information; and
- 2. Consider this application for Council to utilize the Council Innovation Fund for the Springbank Hill Community Park in the amount of \$250,000 and make a recommendation to Council.

ROLL CALL VOTE

For: (5): Councillor Chu, Councillor Gondek, Councillor Jones, Councillor Davison, and Councillor Farkas

Against: (5): Mayor Nenshi, Councillor Colley-Urquhart, Councillor Woolley, Councillor Demong, and Councillor Farrell

MOTION DEFEATED

That pursuant to Section 134(a) of Procedure Bylaw 35M2017, Councillor Davison requested that the lost motion be forwarded to Council for information.

6.9 Status of Outstanding Motions and Directions, PFC2018-0606

Moved by Councillor Chu

That with respect to Report PFC2018-0606, the following be approved:

That the Priorities and Finance Committee receive this report for information.

MOTION CARRIED

7. <u>ITEMS DIRECTLY TO COMMITTEE</u>

7.1 REFERRED REPORTS

None

7.2 NOTICE(S) OF MOTION

None

8. URGENT BUSINESS

None

9. CONFIDENTIAL ITEMS

Moved by Councillor Colley-Urquhart

That the Priorities and Finance Committee now move into Closed Meeting, at 1:32 p.m., in the Council Lounge, to consider confidential matters with respect to Verbal Report PFC2018-0701, pursuant to Sections 17 and 24 of the Freedom of Information and Protection of Privacy Act.

MOTION CARRIED

Committee moved into public meeting at 1:53 p.m. in Council Chamber, with Mayor Nenshi in the Chair.

Moved by Councillor Woolley

That Committee rise and report.

MOTION CARRIED

9.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

9.1.1 Organizational Update (Verbal) - PFC2018-0701

A document with respect to Verbal Report PFC2018-0701 was distributed in the Closed Meeting which is to remain confidential pursuant to Sections 47/and 24 of the Freedom of Information and Protection of Privacy Act.

Administration in attendance during the Closed Meeting discussions with respect to Report PFC2018-0701:

Clerk: J. Lord Charest. Advice: J. Fielding and E. Sawyer.

Moved by Councillor Chu

That with respect to Report PFC2018-0701, the following be approved:

That the Priorities and Finance Committee:

- 1. Recommends that Council receive this Verbal Report for Information; and
- 2. Directs that the Closed Meeting discussions and distribution remain confidential pursuant to Sections 17 and 24 of the *Freedom of Information and Protection of Privacy Act.*

9.2 URGENT BUSINESS

None

10. ADJOURNMENT

Moved by Councillor Chu

That this meeting adjourn at 1:56 p.m.

MOTION CARRIED

The following Items have been forwarded to the 2018 June 25 Regular Meeting of Council:

CONSENT

The Calgary Exhibition and Stampede Limited - 2017 Credit Facility Update, PFC2018-0599

10 Year Economic Strategy Update and Refresh, PFC2018-0668

Corporate Affordable Housing Strategy Q2 2018 Update, PFC2018-0584

ZBR Program Update - June 2018, PFC2018-0647

Compassionate Property Tax Penalty Relief, PFC2018-0325

COMMITTEE REPORTS

Council Innovation Fund Application - Springbank Hill Community Park, PFC2018-0717

CONFIDENTIAL TEMS - CONSENT

Organizational Update (Verbal) - PFC2018-0701

The following (tem has been forwarded to the 2018 June 18 Strategic Meeting of Council:

COMMITTEE REPORTS

Council Innovation Fund Application - Improving Budget Transparency, PFC2018-0721

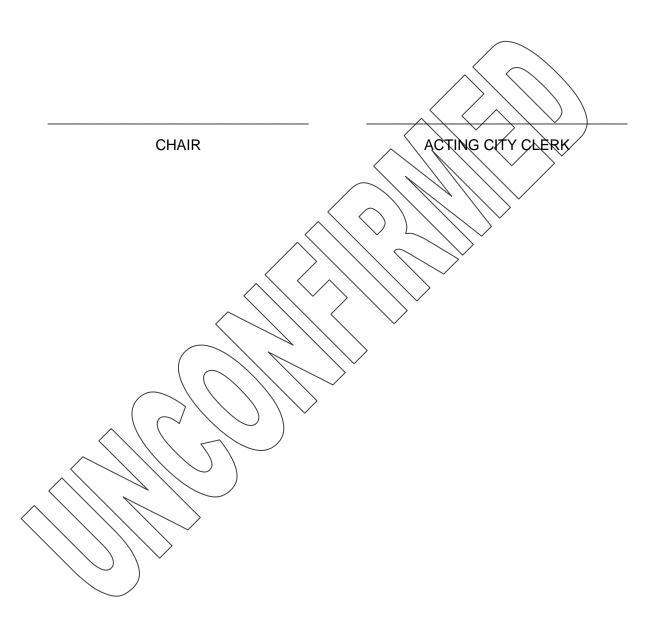
The following Item has been forwarded to the 2018 July 23 Public Hearing Meeting of Council:

OTHER REPORTS AND POSTPONEMENTS FOR PUBLIC HEARING (INCLUDING NON-STATUTORY):

Amendment to Keystone Hills Area Structure Plan – Transportation Cap Increase, PFC2018-0598

The next Regular Meeting of the Priorities and Finance Committee has been scheduled for 2018 June 28 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON



ISC: UNRESTRICTED
PFC2018-0678
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New Community Growth Strategy: Investment Recommendations

EXECUTIVE SUMMARY

New greenfield growth communities generate economic benefit for the city. Positioning Calgary as open for business can attract private investment to Calgary that may otherwise go to other markets. Development activity creates jobs, yields new taxpayers and utility customers which contributes to revenue for The City of Calgary to provide new services in new communities. Growth also requires significant investment from The City of Calgary to construct capital infrastructure and initiate new services in new communities. Planning for new community growth is a complex decision that tries to balance building a great city, meeting market demand and providing housing choice for Calgarians and prudently managing The City's financial capacity.

This report responds to Council direction approved through the New Community Growth Strategy (PFC2018-0200) to bring forward strategic growth recommendations that increase the level of City commitment and investment in new communities for the One Calgary (2019-2022) service plan and budget. This commitment was represented as initiating six to twelve new communities during this period. In formulating the strategic growth recommendations, Administration focused on three guiding factors, in this order: alignment to policies in the Municipal Development Plan (MDP) and Calgary Transportation Plan (CTP), facilitating market demand, and prudently managing impacts to The City's financial capacity now and into the future.

This report also outlines the criteria based process Administration undertook, to help assess how the business cases align with the three guiding factors of MDP/CTP alignment, market demand, and financial impacts. As part of determining The City's financial capacity, Administration presented the indicative tax rate and indicative utility rates in 2018 April 25 to Council, highlighting the portion of the indicative tax rate that represented an initial increase in the level of City commitment and investment in new communities for One Calgary (2019-2022) budget cycle. Administration returned to Council on 2018 June 18 to further discuss the indicative utility rates.

In this report, Administration has recommended a portfolio of new communities in which to invest at this time that, as a group, best demonstrate an ability to deliver on the guiding factors.

The recommendations in this report support new investment in the following seven communities; Glacier Ridge Area Structure Plan (Ronmor/Wenzel), Belvedere Area Structure Plan (West Belvedere, Tristar/Truman/Lansdowne/Minto/Others), Rangeview Area Structure Plan (Brookfield/Genstar/Section23/Others), Providence Area Structure Plan (Dream/Qualico), and Haskayne Area Structure Plan (Brookfield/Marquis), and one community activity center, Glacier Ridge Area Structure Plan (Capexco Inc., Symons Valley Ranch).

This report identifies the capital and direct incremental operating impacts of the recommendation within the approved indicative rates and One Calgary (2019-2022) budget. It also identifies the capital investments that will be required in 2023 and beyond to complete these communities through future budget cycles. The selected portfolio builds on the continued commitment for ongoing operating and capital investment in the 27 actively developing communities.

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New Community Growth Strategy: Investment Recommendations

The market, economic and financial impacts of these decisions will be monitored, as Council has directed a report to be brought back for this work in Q4 2019. Administration expects the next opportunity for determining City investment in new community areas should be with the mid-cycle review for One Calgary in November 2020; as such, the next time business cases would be accepted and considered would be in the Fall of 2019.

This report also outlines the next steps required to align with One Calgary service plans and budgets, to ensure the required investments are included in the One Calgary budget decisions, which will allow for the removal of associated Growth Management Overlays.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee:

- 1. Recommends that Council, for the eight new community and community activity center areas identified in Attachment 1 (PFC2018-0678):
 - (a) approve these areas for growth, contingent on Council's
 - approval, in 2018 November as part of One Calgary 2019-2022 four year service plan and budget, of the specific capital and direct incremental operating budgets necessary to support these areas, based on Council approved indicative property tax and utility rate ranges; and
 - ii. removal of Growth Management Overlays for each area; and
 - (b) confirm Council's intention to provide, through 2023 and future years' capital and operating budgets, the necessary public infrastructure and services to serve and support these areas.
- 2. Recommends that Council, for the eight new community and community activity centre areas identified in Attachment 1 (PFC2018-0678), direct Administration to:
 - (a) include the estimated capital and direct incremental operating investments identified in Attachment 1 (PFC2018-0678), including any changes to the estimates, in 2018 November as part of One Calgary 2019-2022 four year service plan and budget, subject to the required operating and capital funding being in place;
 - (b) prepare bylaws for proposed Area Structure Plan amendments to remove Growth Management Overlays, and bring these amendments to Council as soon as feasible following Council's approval of One Calgary 2019-2022 four year service plan and budget; and
 - (c) continue to refine the 2023 and future years' capital and operating budget estimates identified in Attachment 1 (PFC2018-0678), and when needed bring incremental additional budget requests to Council for the necessary public infrastructure and services to serve and support these areas.
- 3. Directs that this Report proceed to the 2018 July 30 meeting of Council.
- 4. Recommends that Council direct Administration to bring the next recommendations for new community growth and development approvals by no later than 2020 March, and in coordination with the One Calgary 2019-2022 four year service plan and budget mid-cycle adjustment process.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2018 June 18, as part of the Utilities Indicative Rates and Funding New Growth report (C2018-0787), Council adopted the following recommendations:

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New Community Growth Strategy: Investment Recommendations

- 2. Approve the 2019-2022 range of indicative rate increases for Water, Wastewater and Stormwater services as shown in Table 3 of *that* report;
- 3. Direct Administration, in consultation with stakeholders, to incorporate the proportionate share of the cost of off-site utility infrastructure attributable to new growth that provides servicing to communities approved by Council in the new Community Growth Strategy report (PFC2018-0678) into the off-site levy rates, through a proposed amendment to the water, sanitary sewer and storm sewer levy rates in Bylaw 2M2016, and report back to the Priorities and Finance Committee by no later than 2018 Q4.

On 2018 April 25, Council approved the 2019-2022 indicative tax rates as part of the One Calgary: Setting Indicatives Rates for 2019-2022 report (C2018-0489) and referred indicative utility rates for Water, Wastewater and Stormwater services including new growth to the 2018 June 18 Strategic Meeting of Council.

On 2018 March 19, Council approved several directions specifically related to the New Community Growth Strategy work:

1. Report back to Council through the Priorities and Finance Committee in 2018 Q2 with strategic growth recommendations that increase the level of City commitment and investment in new communities, beginning with the 2019-2022 budget cycle, as identified in option 1(b) in this report, and prioritize future growth areas outlined in Attachment 1, including financial implications for the 2019-2022 budget cycle, future budget cycles, and how any funding gaps for operating and capital would be funded using the property tax.

For context, Option 1(b) in the report states "Increase funding allocation for new community growth. Use current growth strategy decision making inputs (strategic alignment, meeting demand forecasts, and City financial capacity) to make recommendations. Identify for Council what investments best prepare The City for growth over the next ten years with an added perspective to stimulate economic growth and attract additional private investment. This could result in three to four ASPs or six to twelve new communities starting in the next budget cycle.

- Operating Costs: Funded through City budgets, allocated from standard funding sources (property taxes and user fees). Increased allocation and funding sources to be identified through future reporting, ahead of the 2018 November One Calgary budget.
- Capital Costs: Funded through City budgets, allocated from standard funding sources (off-site levies, grants and Pay as You Go). Increased allocation and funding sources to be identified through future reporting, ahead of the November presentation of One Calgary."
- 2. Direct Administration to work collaboratively with industry on potential new capital and operating options including those outside current policy constraints to:
 - Help share risk;
 - Leverage private investment;
 - Reduce City costs: and
 - Other mutually beneficial outcomes.

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New Community Growth Strategy: Investment Recommendations

And report back to Council through the Priorities and Finance Committee, as part of the next two-year cycle;

- 3. Develop and share criteria by which business cases will be evaluated to be shared with Council at Administration's discretion no later than April 2018.
- 4. Direct Administration to bring a monitoring report on the implementation of the New Community Growth Strategy to the Priorities and Finance Committee no later than Q4 2019.
- 5. Direct Administration to bring a report to Council, through the Priorities and Finance Committee, no later than Q3 2018, with findings and recommendations toward the development of an Established Areas Growth Strategy, including funding and timing considerations, that complements the New Community Growth Strategy.

On 2018 January 31, Council deferred the South Shepard reports, CPC2017-270 and PFC2017-0445, to be brought to the Priorities and Finance Committee in 2018 Q2, as part of the analysis of all business cases related to Growth Management Overlay recommendations.

On 2017 July 31, as part of PFC2017-0480 Strategic Growth and Outline Plan Applications in Developing Areas report, Council adopted the following recommendation:

3. Direct Administration to continue working with Industry on developing a process for strategic growth analysis and decisions, and bring an update report to the Priorities and Finance Committee no later than 2018 Q1.

Also on 2017 July 31, as part of PFC2017-0480 Strategic Growth and Outline Plan Applications in Developing Areas report, Council approved an amendment to the Municipal Development Plan (MDP) in Volume 2: Part 1, 4.3.1(d). This amendment changed the policy to allow for the submission of combined Land Use and Outline Plan applications prior to removal of an Overlay.

On 2016 January 11, as part of C2016-0023 Off-site Levy Bylaw report, Council directed Administration to "implement the key deliverables of the 2016 work plan to address issues that arose through this process". Issues that are addressed in this report include the funding and financing of capital and operating costs, and increasing clarity in the Overlay process.

From 2012 to the present, Council approved the use of Growth Management Overlays (Overlays) in individual Area Structure Plans (ASPs) to manage growth related issues, including unfunded capital and operating costs and strategic alignment with Council priorities.

On 2014 February 10, as part of report PUD2014-0053 and in conjunction with report CPC2013-119, Council amended the MDP and added the New Community Planning Guidebook. In the MDP Volume 2; Part 1, 4.3.1(b), it states that: "A portion (or all) of an Overlay should be removed (through an amendment to the ASP) when issues regarding the coordination of the funding and financing of municipal infrastructure and services with the rate of growth have been resolved."

BACKGROUND

In 2016 October, Administration extended an invitation to the land development industry (Industry) to submit business cases in support of development in areas of the city that have a Growth Management Overlay (Overlay) in place on the Area Structure Plan. Twelve business

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New Community Growth Strategy: Investment Recommendations

cases have subsequently been received and reviewed. Proponents were asked to include information outlining how their lands and development plans advance the objectives of the MDP and CTP, meet market demand, and contribute to economic development in Calgary through property tax generation, private capital investment and job creation.

As subsequently directed by Council on 2018 March 19, Administration undertook a review of the business cases received, to recommend a portfolio of six to twelve communities for investment in the One Calgary (2019-2022) budget. Initiating development in six to twelve communities represents an increase in new community investment. Previously, Administration has typically invested in three to four new communities per budget cycle.

A community, for the purposes of this report, is defined generally by the community boundaries approved within ASPs. A business case may include multiple communities, as is the case with some of the larger business cases. A business case may also involve more than one developer or land owner.

Currently there are 27 actively developing communities with land use approval in Calgary. Some communities are just beginning development and other communities will finish single residential development in the next three to five years. With the level of investment identified in the 2018 indicative rates (C2018-0489) for these actively developing communities and to be approved in the One Calgary budget, The City projects there to be sufficient single residential supply to meet expected demand for the duration of The City's next business plan and budget cycle, which spans the years 2019-2022. The map in Attachment 1 includes the 27 actively developing communities with land use. Capital investment in the One Calgary (2019-2022) budget is required to support continued growth in the actively developing communities. Approximately \$184.0 million in capital investment is required for capital infrastructure in these communities in One Calgary (2019-2022), of which approximately \$73.5 million, or about 40 per cent, would be funded by The City through property taxes via the Council-approved approved indicative rates for 2019-2022. Significant capital and operating investments will be required in future years beyond 2022 to provide all City of Calgary services in the actively developing communities.

Within the existing Area Structure Plans, proponents submitted 16 communities for investment (Attachment 1) through business case submissions. For all business case areas, land use and outline plan applications have been submitted and are currently at various stages of review with the Corporate Planning Applications Group (CPAG).

Indicative Rates

To ensure a funding source for the recommended portfolio of new communities, as well as to ensure that the current actively developing communities can secure necessary funding to continue to build out, Administration developed an indicative tax rate range that could accommodate the City's portion of capital and direct incremental operating funding for the new community portfolio, as well as an indicative tax rate for the City's portion of capital and direct incremental operating costs for the actively developing communities. This was included in the indicative tax rate presentation to the 2018 April 25 Strategic Meeting of Council. An indicative utility rate range including funding for the City's portion of capital for new growth areas was presented to the 2018 June 18 Strategic Meeting of Council.

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New Community Growth Strategy: Investment Recommendations

At the 2018 April 25 Strategic Meeting of Council, Council approved an indicative tax rate increase range of 0.45 per cent to 0.75 per cent base impact in 2019 for new communities and an indicative tax rate of 1.4 per cent base impact in 2019 and 0.4 per cent per year in 2020-2022 for actively developing communities. This range sets a parameter around one aspect of The City's financial capacity.

The indicative tax rate range presented to Council provided the flexibility to Administration to recommend a number of different communities for the investment portfolio, once the business case evaluation was completed. The indicative tax rate range for new communities represented a range that managed the financial cost to The City in the 2019-2022 One Calgary budget for the City's portion of capital and the direct incremental costs for the first few years of a new community and considered The City's debt capacity projection. Within the range of 6-12 communities, the indicative tax rate range anticipated a moderate Council approval scenario, and did not provide for the high end of the range, where some combinations of 12 communities or all the new communities submitted through the business case process would be approved by Council for investment in the One Calgary budget (2019 – 2022).

At the 2018 June 18 Strategic Meeting of Council, Council approved Water, Wastewater and Stormwater indicative utility rate ranges that incorporate The City's proportionate cost share of the new utility infrastructure required to support the new community growth recommendations. Further, Council directed Administration to propose an amendment to the Off-Site Levy bylaw to incorporate the developers' proportionate cost share of the new utility infrastructure required to support the new community growth recommendations.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Administration considers three factors to guide recommendations on when and where the city should grow in new community areas. The three factors are:

1. Alignment with the MDP/CTP

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

2. Market demand

Enabling a growth pattern that aligns with market demand, provides choice, inspires competition, and allows developers to interpret and pursue investment opportunities.

3. The City of Calgary's financial capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial impacts, including but not limited to capital costs, operating costs, and debt management. Enabling a growth pattern that helps generate a return on investment, both for The City and the larger economy.

These factors guided the approach to indicative rates and the evaluation criteria, and ultimately the evaluation of the business cases.

Evaluation Criteria

To guide Administration's evaluation of the business cases to make a recommendation, Administration developed criteria consistent with the three guiding factors for making strategic

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New Community Growth Strategy: Investment Recommendations

growth recommendations to Council. Criteria and considerations were developed under each of the three factors as shown in Attachment 2. Strategic alignment criteria were developed by consulting the MDP/CTP goals and citizen priorities and Council directives for the One Calgary 2019-2022 service plan and budget (C2018-0115 and C2018-0201). Criteria supporting market demand were developed based on existing City monitoring and feedback from stakeholders in the development process. Criteria supporting The City's financial capacity and evaluating broader economic impacts were developed based on financial information, capital and direct incremental operating assumptions from The City's service lines, and Industry. The criteria align with the goals of the MDP/CTP. The criteria were developed cross corporately within Administration and reviewed with BILD Calgary Region and a BILD Calgary Region subcommittee of developers. Feedback from all stakeholders was incorporated into the criteria. The criteria were structured around the following goals:

- 1. A prosperous economy;
- 2. Shaping a more compact urban form;
- 3. Creating great communities;
- 4. Urban design:
- 5. Connecting the city; and
- 6. Greening the city.

The purpose of the criteria was to understand how each business case supports and achieves Council approved policies, goals and objectives with respect to new community investment, as well as how business cases complement one another. Once the evaluation criteria were developed and finalized, the criteria were shared with Council and business case proponents on 2018 April 30. Business case proponents were then provided a week to submit business case updates addressing the criteria. Administration received updates for all business cases in response to the criteria by 2018 May 8.

Business Case Evaluation

Once business case updates were submitted, an evaluation and decision-making process was initiated that involved all departments and aligned with Administration's strategic growth governance structure. An evaluative summary of each business case against the three guiding factors was developed and is included as Attachment 3.

MDP/CTP Alignment – Evaluation Part A

Administration evaluated the business cases based on how they support the goals of the MDP and CTP. Using the criteria communicated to Council on 2018 April 30, which include strategic growth goals, the business cases achieve the following:

A prosperous economy -

- All business cases support construction jobs and permanent jobs, generally the larger the business case the more construction jobs created since there is more capital investment. Communities with a larger amount of non-residential development support more permanent jobs. (e.g., Nose Creek, Providence, Keystone Hills and Belvedere)
- 2. Many the cases leverage existing non-residential development (e.g., Rangeview, West Belvedere) in activity centres that has the potential to provide immediate access to daily needs and will help the non-residential development succeed.

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New Community Growth Strategy: Investment Recommendations

- Four of the business cases support efficient use of existing emergency response coverage by significantly aligning with Calgary Fire Department's Service Level Response Time Target policy.
- 4. The Rangeview business case leverages the recent City investment in the 212 Avenue SE/Deerfoot interchange, the Seton Fire Hall and the recreation centre and library.
- 5. The Providence business case leverages the southwest ring road investment by the Province, and provides an important planning and development interface opportunity with the Tsuut'ina Nation.
- 6. The Symons Valley Ranch business case supports the agricultural industry by proposing the creation of an agricultural research hub.

Shaping a more compact urban form -

- 7. All but two communities demonstrate some degree of contiguity with existing development. The Nose Creek ASP (QuadReal) and Belvedere ASP (OpenGate) communities are not contiguous with existing urban development in the city.
- 8. The recommended communities (Attachment 1) support and leverage existing and proposed Major Activity Centres and Community Activity Centres allowing the centres to become more successful, vibrant places, and providing close proximity services for new populations. Examples are the Ronmor/Wenzel and Symons Valley Ranch business cases in Glacier Ridge, and the Rangeview business case.

Creating great communities -

- 9. A balance of different community sizes, a mix of land uses and non-residential development is provided between all business cases.
- 10. In the Rangeview business case, the developer Section23 is to provide private agricultural space to allow fresh produce to be grown within the community.
- 11. Belvedere (OpenGate) proposes a LEED-ND community

Urban Design -

- 12. There are examples of proposed innovative urban design concepts (e.g., Belvedere
 - OpenGate, Providence, Rangeview) and mixed-use development (e.g., Belvedere
 - OpenGate, Providence, Symons Valley Ranch).

Connecting the city -

- 13. In terms of integration with transit priorities, the Rangeview business case leverages the existing Southeast Bus Rapid Transit and future Green Line projects. The West Belvedere business leverages the planning completed for the 17 Avenue SE Urban Corridor Study.
- 14. All business cases propose complete streets within their communities.

Greening the city –

- 15. The West Nose Creek corridor will be protected in the Ronmor/Wenzel business case and other business cases will preserve and enhance the Environmental Reserve lands within each.
- 16. A higher percentage of lane product is provided in the recommended communities, which will provide more planting space for street trees, increasing the canopy within the city.

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After evaluating the business cases against the six goals above, it is Administration's position that the Nose Creek ASP (QuadReal) and Belvedere ASP (OpenGate) communities are not contiguous with existing urban development and would be best suited for investment beyond the One Calgary budget (2019-2022). Of the remaining areas, six communities in the business cases better support the MDP/CTP goals, at this time. These communities include Glacier Ridge ASP (Ronmor/Wenzel), Glacier Ridge ASP (Capexco Inc., Symons Valley Ranch), Belvedere ASP (West Belvedere, Tristar/Truman/Lansdowne/Minto/Others), Rangeview ASP (Brookfield/Genstar/Section23/Others), and Providence Area Structure Plan (Dream/Qualico). The other communities are not as connected to the primary transit network, nor as contiguous with existing development. Communities not selected do not provide or support Community Activity Centres or Major Activity Centres to the same degree as the six mentioned above.

Market Factors – Evaluation Part B

Current City forecasting projects citywide housing starts (all types) to average over 6,900 in 2019-2022, and projects that 74 per cent of these units (just over 5,000 per year) will locate in suburban areas. Of these 5,000, about 3,500 are expected to be single or semi-detached units. Given that expected serviced capacity at the end of 2018 is 14,700 units, and with projected continued investment in the actively developing communities in the One Calgary budget (potentially adding over 16,000 units), and forecasted demand of approximately 14,000 units, Administration anticipates there would be capacity for over 17,500 single residential units by the end of the next four years, or 2022.

Once the MDP/CTP evaluation was complete, the evaluation of market factors took place. Through this evaluation process, it was identified that the recommended areas did not provide market capacity for the Northwest sector of the city. Therefore, Administration considered the Haskayne Area Structure Plan (Brookfield/Marquis) as a candidate to include in the recommended portfolio of new communities (Attachment 1).

Initiating new communities through 2019-2022 in the recommended portfolio complements the existing serviced capacity and expected additional capacity in actively developing communities. On top of this estimated capacity the recommended eight areas would provide additional capacity, estimated at about 16,500 single residential units. This provides sufficient single and semi-detached residential capacity in 2019-2022 and, conservatively, these units are likely to start to become available towards the end of the One Calgary period and would help support the market for the 2023-2026 period. It should increase competition in the market, which should support affordability and drive innovation in the Calgary market.

This additional capacity provided through the recommended communities also provides a contingency if growth is faster than anticipated. Recently, there have been discussions between Administration and Industry about whether City housing demand forecasts are too conservative. Administration considered this when developing the portfolio. If The City's forecast of approximately 3,500 suburban single units is realized, it is expected that 5.2 years of single and semi-detached residential supply would be available by the end of 2022, with potentially more if The City and developers are able to make units

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available earlier in 2019-2022. In addition to being the current forecast, 3,500 units per year is also the average annual absorption over the past five years.

If a more aggressive forecast of 4,500 single units per year is used (which is equal to the highest pace, of any single year, experienced in the last ten years) then there would be 4.1 years of single and semi-detached residential supply at end 2022. A final contingency is that, as indicated earlier in the report, the Mid Cycle Review in 2020 can be used as an opportunity to consider adding still more capacity should market conditions warrant it.

Finally, at this point, capacity for multi-residential units in suburban areas is considered elevated and is expected to continue to be elevated through at least the 2019-2022 period. As a result, this analysis has focused on the single residential market.

Table 1: Current and Anticipated Single and Semi-Detached Residential Capacity (number of units), 2018 and by budget cycle

For Single/ Semi Detached Residential	2018	2019-2022	2023-2026
Serviced Capacity – Start of Period	14,880	14,694	18,864
Forecasted Demand – Entire Period	(3,282)	(13,901)	(17,120)
Additional Available Capacity from Actively Developing Communities	3,096	16,321	0
Serviced Capacity – Before New Community Growth Strategy	14,694	17,114	1,744
Additional Available Capacity from New Community Growth Strategy	0	1,750	14,829
Total Serviced Capacity – End of Period	14,694	18,864	16,573

Included in Attachment 4 is a detailed summary of capacity and demand for single residential and multi-residential development for 2018, One Calgary (2019-2022) budget cycle and the 2023-2026 budget cycle. The summary illustrates the serviced capacity with or without land use at the end of each cycle separated into the individual sectors within the city. Currently, the east and northwest sectors have no capacity for development and analysis also indicates additional supply would be beneficial in the north and southeast sectors, which are the two fastest growing sectors of the city.

Regarding non-residential development, the city currently has a significant capacity of serviced industrial land in the northeast quadrant of the city (over 600 hectares as of

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2017, against expected absorption of 65 hectares per year) and the suburban office market is currently experiencing a high vacancy rate.

During the evaluation, Administration aligned with the MDP policy of maintaining a city-wide three to five year serviced land supply (5.2.3a, MDP) and providing a wide choice of housing type and location (5.2.4a, MDP). Based on the market analysis Administration is supports adding the supply indicated in the recommended communities. This capacity aligns with policy, address both city-wide and sector demand considerations over the next two budget cycles, and provides a contingency should demand accelerate ahead of City forecasts.

Financial Capacity - Evaluation Part C

New greenfield growth areas generate economic benefit for the city. New communities develop through the financing provided by private investment from developers and their investors (e.g. commercial lenders, private investment funds, and pension plans). Positioning Calgary as open for business can attract private investment to Calgary that may otherwise go to other markets. Development investment creates jobs, both temporary construction jobs and long-term jobs in the new communities to serve citizens. New development also yields new taxpayers and utility and service customers which contributes to operating cost coverage to provide new services in these areas. Through the off-site levy bylaw, developers pay levies related to the area of land that is being developed. Off-site levies are a developer contribution to cover the proportionate cost share of capital for infrastructure necessary to serve their developments. Each business case has quantified the number of jobs and economic benefit that is estimated to materialize from the community being built.

All new community growth also requires financial investments by The City. Council has identified three funding sources for new growth investments in 2019-2022: (1) an indicative property tax range of 0.45 per cent to 0.75 per cent; (2) an indicative water utility rate range of 0.0 - 0.5 per cent per year; and (3) off-site levies. If a selected portfolio does not fit within the approved indicative property tax or utility rates, additional increases to the indicative property tax or utility rates would need to be considered.

Administration estimates that the recommended portfolio in Attachment 1 will require a base property tax increase of 0.65 per cent in 2019 and a 0.3 per cent per year increase in the utility rate for the water service line. These rates fit within the indicative tax rates and utility rates approved by Council on 2018 April 25 and 2018 June 18, respectively. Council has directed Administration to bring back amendments to the off-site levies by 2018 Q4 to ensure that the remainder of the required capital investments for utility infrastructure is funded by off-site levies. If amendments to the off-site levy bylaw are not approved to include the capital costs for the recommended communities, additional increases to the indicative property tax or utility rates would need to be considered.

Operating Budget Impact

Table 2 is a summary for 2019-2022 of the estimated direct incremental operating costs and property tax revenue for the recommended communities in Attachment 1. These estimates will be refined through the One Calgary (2019-2022) budgeting process. The projected operating costs are the direct incremental costs associated with a new

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community and that allow a community to get started with the introduction of direct services in a community and are substantially lower than the costs of a complete community. Over time, additional costs that are regional and city wide in nature need to be covered by all communities in the city, to the extent that property tax covers operating costs. As these new communities build out, a cost model will need to be developed to accurately forecast the full cost attributed to any one community. Costs and revenues are in 2018 dollars and assume no inflation or tax increases.

As was identified in the New Community Growth Strategy report (PFC2018-0200), a new community will generate property tax revenue as it builds out. The total property tax affords all City services, including those directly in the community, regionally, and centralized. To understand what proportion of property tax is for services delivered directly in communities, Administration considered the costs associated with services delivered community by community and those services that are delivered on a regional basis. It has been determined that 30 per cent of tax revenue is attributable to provide service on a regional and centralized basis (e.g., 311 operators and libraries), meaning 70 per cent of revenue is attributable to individual community services (e.g., Calgary Transit).

It should be noted that the calculation of community based costs is different and much lower from the calculation of direct incremental costs. For example, it has been determined that Calgary Transit provides services community by community. Therefore, all Calgary Transit costs are included in the 70 per cent allocation. For direct, incremental costs purposes, however, only the costs of additional transit routes are considered, and not the balance of all costs within Calgary Transit, such as costs to support the bus storage and maintenance facilities and the fare processing centre. This means that the direct incremental costs are much less than the 70 per cent calculation.

The direct incremental impact of development in 2019 and 2020 is expected to be nominal. As the communities develop, operating costs increase with the introduction of new services such as transit and future fire stations.

Table 2: Estimated Operating Budget Impact for Recommended Communities¹

Operating	One Calgary (2019-2022)				Total
(\$000s)	2019	2020	2021	2022	2019-2022
Direct Incremental					
Operating Cost	0	0	3,499	4,315	7,814
Community-based					
Revenue Share	0	0	2,568	3,816	6,384
Revenue					
(Shortfall)	0	0	(932)	(498)	(1,430)

Revenue and operating costs are dependent on the timing of development, but do not always proceed together. In years where operating expenses exceed revenues, portions

¹ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

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of the operating expenses will need to be covered by alternative revenue sources; namely, the approved indicative rates. To cover the operating shortfalls in One Calgary (2019-2022), Administration estimates that a 0.1 per cent and 0.05 per cent portion of the property tax increase will be required to fund operating shortfalls in 2021 and 2022 respectively. The remainder of the indicative rate increase will be used for pay-as-you-go capital (see below).

The portion of operating costs required in One Calgary (2019-2022) cannot be considered in isolation; there will be additional base operating costs into the future as the community completes and sustains into the future. By approving communities now, Council is also directing Administration to continue with the required operating costs for these communities past 2022.

Capital Budget Impact

Administration has considered capital funding sources for infrastructure necessary to serve the recommended communities in Attachment 1 as part of the One Calgary (2019-2022) budget and in budgets beyond 2023. This infrastructure includes Utilities (Water, Wastewater, and Stormwater), Transportation, and Fire. This investment is summarized in Table 3.

Table 3: Estimated Capital Budget Impact for Recommended Communities²

Capital		One Calgary (2019-2022) Budget			
(\$Ms)		Funding Source			
	Total Capital	Total	Developer	Property	
	Cost	Cost	Levy	Tax	Utility Rate
Total	\$469.7	\$311.7	\$242.2	\$31.4	\$38.2
		2023+ Budgets			
		Funding Source			
		Total	Developer	Property	
		Cost	Levy	Tax	Utility Rate
					1

Total Off-Site Levies Collected

\$727,921,144

For the recommended communities, Administration estimates that a total capital investment of \$470.0 million (in 2018 dollars) is required to develop these communities. Of this \$470.0 million, \$312.0 million is estimated be funded in the One Calgary (2019-2022) budget. Of the \$312.0 million, \$242.0 million is attributed to greenfield growth, and can be funded through the off-site levies. The remaining \$70.0 million represents the City's share of the investment, and is expected to be funded through property taxes (\$31.0 million) and the utility rates (\$38.0 million). The City's portion of capital investment

² All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

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to be funded by the property tax is estimated to be pay-as-you-go funding from taxes generated by a base property tax increase in 2019 of 0.65 per cent, including contingency.

The portion of capital investment required in One Calgary (2019-2022) cannot be considered in isolation; the additional \$158.0 million in capital investment projected for subsequent budgets is also necessary for the complete development of these communities. By approving communities now, Council is also directing Administration to continue with the required capital investments past 2022, by specifically including these investments in future capital budgets and prioritization processes.

Indicative Tax Rate Impact

On 25 April 2018, Council approved a one-time indicative tax rate increase in 2019 of 0.45-0.75 per cent for new community growth. To fund the recommended communities in Attachment 1 and cover the projected operating shortfalls and the required capital investment in One Calgary (2019-2022), a base increase in property taxes of 0.55 per cent will be required, plus a 20 per cent contingency to mitigate the risk of, among other things, the unknown development timeline and phasing, and possible cost inflation. With the contingency, a total tax increase of 0.65 per cent is estimated to be required. The tax rate increase will be used to cover the operating budget shortfalls in 2021 and 2022, and for pay-as-you-go capital infrastructure investments.

Further operating and capital investments will be required in the 2023+ budgets. The projected indicative rates for these budgets will depend on the timing of development and build out, as these will drive operating costs and capital investment requirements.

Other Financial Considerations

All business cases have some degree of direct incremental operating cost and remaining capital costs to fully build out the community. Administration reviewed the business cases that require no tax funding in 2019-2022 to pay for the City-portion of capital costs, and that were not deemed a priority after the MDP/CTP alignment and market evaluation. These include Glacier Ridge ASP (Qualico), Keystone Hills ASP (Melcor/Pacific/Genstar) and South Shepard ASP (Hopewell/Melcor). There are two additional financial considerations that Administration considered in assessing the financial capacity of The City.

Firstly, identifying the *funding* sources for the recommended communities does not address how they will be *financed*. The timing of the collection of funds does not always align with when the capital is spent (e.g. a capital project may be built before all the offsite levies are collected to pay for it). In the interim, other sources of funding to finance the project must be found. Financing is addressed through the Infrastructure Calgary process of corporate prioritization in the One Calgary budget process. The money for financing is shared across the corporation (i.e. it is not part of the indicative rate amount). This means that the more money allocated to finance capital investments for new communities takes away from the money that can be used to both fund and finance other important capital investments like maintenance, service enhancement, and new projects in other parts of the city. In determining the final recommended new communities in Attachment 1, Administration has attempted to balance the capital

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allocated to new communities with the capital required for other priorities coming forward in the capital budget for One Calgary 2019-2022.

Secondly, many of the direct incremental operating and capital costs required for new community development is unlikely to occur within the One Calgary (2019-2022) timeframe. Particularly, these costs are likely to significantly impact the next City budget (2023-2026). Administration has put forward a recommendation that considers the future and long-term impacts to The City's financial capacity, as well as minimizing the uncertainty of return on investment for The City.

In light of these considerations, these communities that are low cost in the One Calgary 2019-2022 budget remained excluded from the recommended portfolio of new communities.

Evaluation Summary (Parts A, B, and C)

After evaluation of all business cases against the three factors, Administration recommends the following communities for investment as part of One Calgary (2019-2022):

- Glacier Ridge Area Structure Plan (Ronmor/Wenzel)
- o Glacier Ridge Area Structure Plan (Capexco Inc., Symons Valley Ranch)
- Belvedere Area Structure Plan (West Belvedere, Tristar / Truman / Lansdowne / Minto / Others),
- o Rangeview Area Structure Plan (Brookfield/Genstar/Section23/Others),
- o Providence Area Structure Plan (Dream/Qualico), and
- Haskayne Area Structure Plan (Brookfield/Marquis).

The recommendation ensures that sufficient capacity could be delivered through 2019-2022 so that The City can expect to exit the period with an amount of growth capacity that addressed demand and maintained a healthy inventory for growth in 2023 and beyond. The recommendation is expected to provide greater residential supply at the end of One Calgary (2019-2022) than the city is expected to have at the end of 2018. This allows greater ability to support the market should the high end of Corporate Economics' housing start forecast and third party forecasts come to fruition. Administration is particularly aware of accommodating capacity for single and semi-detached residential units, which is currently lower than that of multi-residential and for which demand is expected to be stronger during 2019-2022.

As a group, the recommended communities provide the city with the following:

- Capacity for over 1,300 hectares of land, nearly 17,000 single/semi residential units, and over 8,000 multi-residential units.
- New housing choice is provided by adding capacity for new residential supply in the East and Northwest market sector. The East sector area, which is the closest to the downtown of any new community area, has not had available residential capacity for twenty years.
- Additional supply is provided in the North and Southeast sectors, supporting the two fastest growing sectors in the city. These two sectors accounted for 60 per cent of new community units over the past five years, and there are a number of

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actively developing communities that will be completing single residential supply in the next three to five years.

- Emergency service coverage support would be provided for existing communities west of Stoney Trail, with the addition of a new temporary fire station in Belvedere,
- Financial efficiency by leveraging previous investments, for example; Rangeview leverages the transportation and fire station investments, recreation centre, library, Green Line and South Hospital
- Introducing new competition is achieved via the introduction of new developers in the north, southeast and south sectors.
- Proponents in the recommended areas have demonstrated their willingness to construct as evidenced through the submission of outline plan and land use applications. Their investments in the costs associated with these applications reinforces their commitments to build in the near term.

These recommended communities support a flexible and dynamic housing market by allowing additional private investment opportunities, while in alignment with the MDP/CTP. Increased competition and choice will be provided to citizens which can lead to increased affordability and innovation.

Thus, based on Council's approved indicative tax and utility rate ranges, Administration recommends that Council approve, in principle, the investment in the direct incremental operating and capital budgets in One Calgary 2019-2022 necessary to support the communities recommended in Attachment 1. If the indicative tax and utility rates for new community growth changed through One Calgary service plans and budgets in 2018 November, Administration may recommend a different number of communities, relative to the associated capital and direct incremental operating cost investments.

2018 New Community Growth Decisions – Next steps for period 2018 July to 2019 January There are a number of anticipated next steps following the decision making on this report, both for The City and also for business case proponents.

Figure 2 - Next steps for period 2018 July to 2019 January

Work	Task	Work Completed
Commence		
2018 July	Incorporate the necessary utility infrastructure to service the recommended communities into the Water Distribution & Wastewater Collection, and Drainage System portions of the Off-site Levy Bylaw.	2018 November
	 Incorporate the selected communities for investment into the One Calgary (2019-2022) operating and capital budgets. 	2018 November
2018 August	Meet with all the business case proponents not selected to determine their next steps.	2018 August – 2018 December
	4. Meet with selected business case proponents and prepare Area Structure Plan amendments to remove associated Growth Management Overlays.	As feasible, after 2018 November One Calgary budget decisions

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2020 New Community Growth Mid-Cycle Adjustment

Administration intends to repeat the business case evaluation process to determine the next communities for investment as part of the One Calgary mid-cycle budget review in 2020. The communities not selected for investment now, will have the opportunity to be considered for the next round of new community growth decision-making in 2020. The intent is to move to a regular, repeatable evaluation of business cases every two years in coordination with the beginning and mid-point of each budget cycle. Administration's intent is to issue a call for business cases in the fall of 2019, to allow time to incorporate the evaluation into the mid-cycle review development process. Additionally, the New Community Growth Strategy monitoring report already directed by Council (expected 2019 Q4) will assist in assessing the success of the current evaluation process, communicating any process changes, identifying current market factors and commenting on expected levels of investment.

Some of the benefits of this process are:

- 1. Allows for ongoing and predictable decision-making timing for Council and the development industry.
- 2. Aligns with the budget cycle timing to incorporate adjustments.
- 3. Allows opportunity for additional investment to create capacity in the event market demand exceeds projections.
- 4. Allows for the off-site levy bylaw to remain current by including infrastructure necessary to serve areas identified through the process.

Recommendation 3 within this report outlines when Administration would return to the Priorities and Finance Committee in coordination with the One Calgary 2019-2022 mid-cycle budget adjustment process. In 2020 March, Administration will be able to apply the recommendations of the New Community Growth Strategy monitoring report as well as the recommendations from the Established Areas Growth Strategy into its investment framework.

Stakeholder Engagement, Research and Communication

Administration stayed in close contact with BILD Calgary Region while developing the process, criteria, and facilitating the necessary engagement to support this report. Weekly meetings were held with BILD Calgary, and BILD Calgary also retained a sub-committee of developers to provide input. BILD Calgary Region has provided a letter of support that recognizes the development of the framework and criteria for the new community growth strategy, the letter is included in Attachment 5.

The evaluation criteria (Attachment 3) were first developed cross corporately within Administration, and then shared with BILD Calgary to receive their input. After incorporating many aspects from the feedback, the criteria were reviewed with BILD Calgary's sub-committee. Administration then brought forward the criteria to the cross corporate growth decision-making teams, including the Directors Integrated Growth Committee (DIGC) and the General Managers Strategic Growth Committee (GMSGC).

The evaluation of the business cases and the selection of the recommended communities was completed cross corporately within Administration; these recommendations were then affirmed by DIGC and GMSGC.

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Since business cases were first submitted in 2017, Administration has kept the proponents up to date through regular communication, including meetings, memos, and at least one joint meeting with the proponent(s) and the Ward Councillor.

Strategic Alignment

The recommendations of this report leverage previous capital investments already made in the existing 27 actively developing communities by The City and developers. This optimizes the use of existing infrastructure and services in accordance with MDP policy 2.1.4a. The portfolio as a whole also aligns with MDP policies 2.1.1a and 2.1.1b by providing additional choice and housing product in different sectors. Housing affordability was considered as part of the recommendation formation and thus increased competition has been provided in existing sectors. The recommendation also strengthens and supports planned and existing services within the actively developing and developed areas of the city by providing additional employment, residential and commercial uses that support new communities as well as the needs of adjacent communities (MDP 2.2.1a.v).

In addition to alignment with the MDP and CTP, this portfolio aligns with the directives of One Calgary under A City of Safe and Inspiring Neighbourhoods, whereby the cost of growth is minimized for The City while maximizing housing choice and affordability balancing social, environmental and economic outcomes. Also included in the portfolio are communities that support A Healthy and Green City by promoting, healthy lifestyles and interaction amongst residents to reduce and prevent social isolation.

Following the New Community Growth Strategy, Administration will bring forward a scoping report for an Established Areas Growth Strategy in 2018 September. Administration is anticipating that an Industrial Areas Growth Strategy could be initiated in 2019. Both of these strategies will follow the lead established by the New Community Growth Strategy, to create a comprehensive strategic growth and investment decision making framework for development in Calgary.

Social, Environmental, Economic (External)

Social

The recommended portfolio of new communities helps support existing services and facilities in the actively developing or recently completed communities, leading to more complete communities. The portfolio supports and leverages existing and proposed Major Activity Centres and Community Activity Centres allowing the centres to become more successful, vibrant places, and providing close proximity services for new populations. In addition, the portfolio contributes to supporting the primary transit network now and in the future along 17 Avenue SE, the Green Line, Sage Hill BRT hub and 162 Avenue SW.

Environmental

The recommended portfolio provides for a variety of environmental features that will provide a benefit to the citizens of Calgary. The West Nose Creek corridor will be protected in the Ronmor/Wenzel business case and other business cases will preserve and enhance the Environmental Reserve lands within each. In the Rangeview business case, the developer Section23 is to provide private agricultural space to allow fresh produce to be grown within the community. This reduces the energy required to transport goods. The Symons Valley Ranch

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business case is also supporting agriculture by proposing to create an agricultural research hub. The recommended portfolio provides a higher per centage of lane product which will provide more planting space for street trees, increasing the canopy within the city, most notably in the Providence business case. Additional site-specific environmental considerations within the new communities will be addressed through further development approvals.

Economic (External)

The recommendations are anticipated to help retain or increase private investment within the city, supporting additional job creation in temporary construction jobs and in other sectors by supporting commercial and retail development. The portfolio introduces development to the East sector for the first time in 20 years and adds additional developers to the North, South and Southeast sectors. With many communities finishing single residential development in the North and Southeast sectors within the next three to five years, adding development to these two sectors will ensure the two fastest growing areas of the city are supported.

Financial Capacity

The recommendation fits within the indicative tax rates and utility rates approved by Council on 2018 April 25 and 2018 June 18, respectively.

Once Council approves new growth communities, the required capital investments will need to be incorporated into the One Calgary Service Plans & Budgets for 2019-2022. Although the indicative rates provide a funding source for these capital investments, any capital requirement beyond the funding available from this funding source will have to be funded through traditional capital funding sources as part of the overall One Calgary budget process. This would have a financial impact on funding sources supporting other services requiring capital investments. Further details on financing and allocation of other funding sources (such as off-site levies) will be incorporated into the overall corporate strategy.

Operating Budget Impact³

The estimated operating cost budget impact in One Calgary (2019-2022) is \$7.85 million in direct incremental cost, and community-based revenue of \$6.5 million. This represents only a portion of the operating costs and is not reflective of the full cost to serve a complete community. These costs were developed with stakeholder input and detailed in the New Community Growth Strategy report (PFC2018-0200).

Additional costs related to growth, which are not directly incremental to the initiation of new community development, should be anticipated. These may include costs that are regional in nature (e.g. 311 operators, libraries) or not directly related to the timing of community build out. These costs will be identified and brought forward through the One Calgary (2019-2022) budget process or subsequent budget reviews.

Capital Budget Impact⁴

The recommended portfolio requires a significant capital investment in One Calgary (2019-

³ All costs in 2018 dollars, with no inflation.

⁴ All costs in 2018 dollars, with no inflation.

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New Community Growth Strategy: Investment Recommendations

2022), and ongoing capital investment in 2023+ to complete these communities. By approving the 2019-2022 capital investment of \$312.0 million, Council will also require The City to continue the capital investments past 2023 in the amount of an additional \$158.0 million in future years.

To raise the portion of the capital investment, for this portfolio, funded by property taxes in One Calgary (2019-2022), a tax rate increase (applied once in 2019) within the indicative rate range of 0.45-0.75 per cent approved by Council is required in the One Calgary budget.

To raise the portion of the capital investment, for this portfolio, funded by utility rates in One Calgary (2019-0222), a water utility rate increase (applied annually in 2019-2022) within the indicative rate range of 0.0-0.5 per cent approved by Council is required in the One Calgary budget.

One Calgary (2019-2022) Indicative Rate Impact

Administration estimates a base property tax increase in 2019 of 0.65 per cent is required to fund the operating budget shortfalls in 2021 and 2022, and for pay-as-you-go capital infrastructure investments in all four years. Administration also estimates an annual increase (2019-2022) of 0.3 per cent is required to fund the water utility capital costs for this recommended portfolio. The cost estimates presented in this report will be refined through the One Calgary (2019-2022) budget process.

Further operating and capital investments will be required in the 2023+ budgets. The projected indicative rates for these budgets will depend on the timing of development and build out, as these will drive operating costs and capital investment requirements.

Other Financial Considerations

Additional community-based costs beyond direct incremental costs will be required. These costs are not attributable to any specific community and include City-wide services such as 311 and community services that serve many communities. Furthermore, significant City staffing resources have been called upon to respond to the New Community Growth Strategy, as this work raises planning, engineering, community service, financial and legal questions. As The City moves to a two year cycle of evaluation and impact analysis, the required dedicated staff resourcing to embed this work into cyclical work plans is anticipated to increase.

These costs are currently addressed through other funding sources, and will be brought forward as part of the One Calgary budget process.

Risk Assessment

Return on investment

Once The City invests in initial infrastructure in an area, there is no enforceable method to guarantee development. Therefore, resultant property taxes and levy payments could occur thereafter creating a shortfall that would be recovered at some point in time, the length of which is a function of market trends and private investment decisions. This creates the potential for a slow return on investment, cash flow shortfall to cover principle and interest charges and potentially operating costs for The City without full offsetting property tax revenue, as well as an opportunity cost risk for any allocated funds. This was highlighted through the recent report on

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indicative utility rates (C2018-0787) where a temporary shortfall in off-site levy payments was identified when development over the period 2016-2018 did not materialize.

Regarding operating costs, for the purpose of initiating new communities through the New Community Growth Strategy, a direct incremental operating cost model was used to identify those costs that are incurred to get a community started and to evaluate the business cases. This does not address the full cost to serve communities. Administration will continue to evolve the cost methodology to include those costs that are regional and citywide in nature and that are generally recovered through property tax. The risk of not knowing the full costs for complete communities is that costs beyond the direct incremental costs may be much higher than expected and the rate of property tax increases to support the addition of new communities cannot be fully recovered through the tax rate.

Debt limits and opportunity costs

The analysis in this report identifies the *funding* sources for the required capital investments. However, collection of the funds does not always align with when the money will be spent. The recommended portfolio in Attachment 1 identifies a total capital investment in 2019-2022 of \$470.0 million; but the collection of funding in the form of levies and property taxes is tied to market trends and development agreement volumes and timing, which are unknown. In the interim, other sources of funding to finance the project must be found. Financing is addressed through the Infrastructure Calgary process of corporate prioritization in One Calgary budget processes. The money for financing is shared across the corporation (i.e. it is not part of the indicative rate amount). This means that the more money required to finance capital investments for new communities takes away from the money that can be used to both fund and finance capital investments (maintenance, enhancement, and new projects) in the existing communities. Administration has mitigated these risks by aligning the recommended portfolio with the Council approved indicative tax and utility rates for 2019-2022, and working with Infrastructure Calgary on capital timing.

Further, many capital projects are financed through debt, which will increase The City's total debt and debt financing costs. Construction Financing Agreements (CFA) and other agreements for developers to front-end capital projects also increases The City's total debt: in these situations, The City will ultimately have to repay the amounts front-ended by developers, which is a debt to The City that is added to The City's total debt.

Potential loss of private investment

By not opening areas for new community development, now, the city risks the flight of capital investment to other markets where a return on investment could be realized. Capital flight may have a negative reputational impact to Calgary and could jeopardize attracting future investment to Calgary. To mitigate this, Administration is recommending an increased level of investment to open eight new community areas. Also, Administration will monitor new community growth and bring a monitoring report forward in Q4 2019. Administration is also proposing an accelerated two-year cycle to review new community growth business cases for investment in line with the One Calgary budget cycle processes.

Addressing market demand

Providing for a balanced single residential supply, where the development industry can make labour, capital investment, and resource decisions based on market demand instead of

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New Community Growth Strategy: Investment Recommendations

regulatory approval, facilitates private investment and allows for responses to market changes. However, an under-supply or over-supply scenario raises certain risks for The City.

Under-supply and Developer flight

If City investment provides for less supply than market demand, this could result in:

- Lost opportunity for higher property tax revenue and faster or higher levy collections and repayments (where The City finances investment) for The City;
- Higher housing prices for consumers;
- Potential lost opportunity of private investment, job creation, and economic activity in the Calgary economy; and
- Developer flight to other cities with development opportunities.

Administration has identified the following methods to mitigate the risks of under-supply:

- Identifying a recommended portfolio that balances market supply with anticipated market demand;
- Ensuring that the capital financing for the portfolio considers the opportunity cost of capital for other City projects;
- Establishing a method for bi-annual review of new community applications to ensure that the lost opportunity of private investment, job creation, economic activity, and possible developer flight is limited to a two-year duration before reconsideration.

Over-supply and market saturation

If City investment provides for more capacity than market demand, this could result in:

- Communities without complete City services (such as transit, recreation, and libraries) because capital is tied-up in funding and financing infrastructure;
- A market response that delays construction in some communities until over-supply is corrected, slowing down The City's return on investment;
- A delay in a critical mass in communities to trigger private investment in local services, such as grocery stores and other privately provided services and amenities; and
- Lower housing prices for consumers.

Administration has identified the following methods to mitigate the risks of over-supply:

- Identifying a recommended portfolio that balances market supply with anticipated market demand.
- Deferring capital investment decisions to a later date, if possible, to better align City investment with market demand.

To further mitigate the risk of over- or under-supply, Administration will return with a monitoring report in Q4 2019 evaluating the success of increased investment in new communities. If, at that time, there is an identified under- or over-supply in the market, Administration may recommend Council delay or accelerate future capital and operating investments through the mid-year budget review process.

Committing Council to future budgets

By opening and starting many new communities at one time, Council is in principle committing to continued investment in new communities, and a greater degree of uncertainty in future budgets, starting in 2023. To maintain desired levels of service, future Councils will be faced with a significant impact to the operating and capital budgets in the next budget cycle and beyond when additional demand for services such as transit and fire response will be needed.

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New Community Growth Strategy: Investment Recommendations

As discussed in previous reports on new community growth, City operating commitments tend to accelerate in years through eight after a new community is initiated.

Developed area/greenfield area population growth split

The increase in the level of City commitment and investment in new communities may contribute to greater population growth in Developing Areas as defined in the MDP, and a shift in market share towards the Developing Areas versus the Developed Area, which may work against the policy and growth objectives in Part 5 of the MDP. However, lower levels of investment in new communities without matching increases in redevelopment may contribute to private capital leaving the city, a loss of construction jobs, and a greater share of population locating outside The City's boundaries within the region.

To mitigate this risk, Administration will bring forward a scoping report in 2018 Q3 to Council that is expected to be the first of several reports addressing necessary inputs and desired goals for an Established Area Growth Strategy that would inspire growth in these areas and complement the New Community Growth Strategy. Furthermore, it is important that this Strategy include a funding focus to ensure that City investments are supporting established areas growth as well.

Timing of Growth Management Overlay removal

The business cases endorsed through this work will require City funding for capital and direct incremental operating costs to begin development. The mechanism to fund these investments is Council approval of The City's four year business plan and budget One Calgary (2019-2022). Growth Management Overlays exist in the Area Structure Plans to highlight where infrastructure and services are currently unfunded.

To mitigate the risk of Overlays being removed and land use being approved without Council approved funding for required investments, this report recommends bringing forward ASP amendments to remove Overlays as soon as possible following approval of the One Calgary budget to preserve Council flexibility for the budget approval purposes, and to link approval of funding to land use approval.

General risk of adding new communities to the recommended communities

Each business case was developed exclusive of the others, therefore, the absorption assumptions in one business case may not consider competition for absorption from other endorsed business case. The more business cases that are endorsed, the more competition that will exist for finite market share, raising the possibility of slower individual business case absorption pace. Also in this case, City operating costs may be initiated, but if expected absorption pace is not realized, operating deficits may occur. Finally, The City's capacity to manage the design, construction, delivery and staffing of capital and operating investments during the 2019-2022 period will become stretched with the addition of more communities and associated investments.

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New Community Growth Strategy: Investment Recommendations

REASON(S) FOR RECOMMENDATION(S):

Administration recommends the portfolio of new community investment (Attachment 1, PFC2018-0678) and that the operating and capital budgets necessary to fund these communities be included in the One Calgary 2019-2022 four year service plan and budget.

Once the budget is approved, Administration recommends the removal of growth management overlays through a proposed Area Structure Plan amendment to allow for these areas to proceed to a land use decision.

Together, these communities align with the MDP/CTP strategic growth policies, provide single residential supply to a variety of sectors across the city and is within the indicative tax and utility rate ranges previously approved by Council.

ATTACHMENT(S)

- 1. Attachment 1 Recommended Portfolio of Communities for One Calgary (2019-2022)
- 2. Attachment 2 Business Case Evaluation Criteria
- 3. Attachment 3 Summaries of Business Cases
- 4. Attachment 4 New Community Capacity Analysis
- 5. Attachment 5 Letter from BILD Calgary Region

Recommended Portfolio of Communities for One Calgary (2019-2022)

1. Recommended communities for investment in One Calgary

A community, for the purposes of this report, is defined generally by the community boundaries approved through Area Structure Plans. A business case may include multiple communities, as is the case with some of the larger business cases. A business case may also involve more than one developer or land owner.

ASP Area	Developer(s)	# of Communities	City Sector
Glacier Ridge Area Structure Plan	Ronmor/Wenzel	2	North
Glacier Ridge Area Structure Plan – Symons Valley Ranch	Capexco Inc.	1* note, this area is better defined as a Community Activity Centre	North
Belvedere Area Structure Plan – West Belvedere	Tristar/Truman/ Lansdowne/Others	1	East
Rangeview Area Structure Plan	Brookfield/Genstar/Section23/Others	2	Southeast
Providence Area Structure Plan	Dream/Qualico	1	South
Haskayne Area Structure Plan	Brookfield/Marquis	1	Northwest

2. Operating and capital budget information

Operating Budget Impact

Table 2 is a summary of projected initial directly incremental operating costs and community-based revenue for the recommended communities. These estimates will be refined through the One Calgary (2019-2022) budgeting process. The projected operating costs and revenue are in 2018 dollars and assume no inflation or tax increases.

Table 1: Projected Operating Budget Impact for Recommended Communities¹

Operating	One Calgar	One Calgary (2019-2022)			Total	Total	Incremental
				2019-		Addition	
(\$000s)	2019	2020	2021	2022	2022	Final Year	(2023+)
Direct Incremental Operating Cost	0	0	3,499	4,315	7,814	57,350	53,035
Community-based Revenue Share	0	0	2,568	3,816	6,384	63,796	59,979
Revenue (Shortfall)	0	0	(932)	(498)	(1,430)	6,446	

¹ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

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Capital Budget Impact

Administration has considered capital funding sources for necessary leading infrastructure required in the One Calgary (2019-2022) budget and in budgets beyond 2023. Leading infrastructure includes Utilities (Water, Sanitary, and Storm), Transportation, and Fire. This investment is summarized in Table 2. These estimates will be refined through the One Calgary (2019-2022) budgeting process.

Table 2: Projected Capital Budget Impact for Recommended Communities²

			ict for ixecomme		
Capital					
(\$millions)		One Calgary	y (2019-2022)		
			Funding Source		
	Total Capital			Property	
	Cost	Total Cost	Developer Levy	Tax	Utility Rate
Total	\$469.7	\$311.7	\$242.2	\$31.4	\$38.2
		2023+ Budgets			
			Funding Source		
				Property	
		Total Cost	Developer Levy	Tax	Utility Rate
		\$157.9	\$130.1	\$27.8	TBD

Total Off-Site Levies Collected

\$727,921,144

Administration estimates that a total capital investment of \$470.0 million (in 2018 dollars) is required to develop these communities. Of this \$470.0 million, \$312.0 million is estimated to be funded in the One Calgary (2019-2022) budget. Of the \$312.0 million, \$242.0 million is a result of greenfield growth, and can be funded through the off-site levies. The remaining \$70.0 million represents the City's share of the investment, and is expected to be funded through property taxes (\$31.0 million) and the utility rates (\$38.0 million). The City's portion of capital investment to be funded by the property tax is estimated to be pay-as-you-go funding from taxes generated by the approved base property tax increase (see below).

In subsequent years, Administration estimates an additional capital investment of \$158.0 million will be required. Of this \$158.0 million. it is anticipated that \$130.0 million will be attributed to greenfield growth and funded through off-site levies. Of the City's share, it is anticipated that \$28.0 million will be pay-as-you-go funded by property taxes.

Indicative Rate

On 25 April 2018 Council approved an indicative rate of 0.45-0.75 per cent to cover the costs of growth in the new communities. This indicative rate, when approved, will be provide a funding source for any operating shortfalls and the property tax portion of the required capital investments. This indicative rate does not provide a funding source for any financing required to facilitate the capital investments.

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² All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

In One Calgary, the property tax is required to fund the following:

Operating Shortfall (2021): \$0.9 million
 Operating Shortfall (2022): \$0.5 million
 Capital Investment: \$31.4 million

Administration has estimated that a base tax rate increase of 0.65 per cent, including contingency, in 2019 will provide the necessary funding source for these operating shortfalls and the required capital investment. This rate is within the Council approved range of 0.45-0.75 per cent, and will be refined and confirmed through the 2018 November One Calgary budget process.

The impact of future operating shortfalls and City-share of capital investments (post-2022) will be assessed through future budget processes.

Utility Rates

On 2018 June 18 Council approved a Water service line utility indicative rate increase of 0.0 – 0.5 per cent per year for 2019-2022.

Administration has estimated that the portfolio will require an increase of 0.3 per cent per year in the water line of service. This estimate will be refined through the November One Calgary budget process.

3. Strategic Highlights

Community	Sector	Strategic Highlights
Glacier Ridge ASP (Ronmor/ Wenzel) [2 Communities]	North	 Contiguous, good connectivity across 144 Ave NW, significant size. Provides significant single residential supply to a fast growing sector Supports nearby non-residential. Developer has control over infrastructure Rights of Way Leverages Community Activity Centre Helps protect West Nose Creek
Glacier Ridge ASP (Capexco Inc., Symons Valley Ranch [1 CAC]	North	 Community Activity Centre in a suburban setting – centrally located with the ASP and focused on agricultural hub and uses Brings back the Symons Valley Farmers Market and associated employment, sets foundation for future mixed use development Leverages existing fire coverage
Belvedere ASP (West Belvedere, TriStar/ Truman/ Lansdowne/ Others) [1 Community]	East	 Proximity to downtown; balances housing with jobs at East Hills and East Industrial Adds supply to East sector, improving consumer choice Planned to be part of primary transit network via 17 Ave SE corridor Leverages investment at East Hills centre
Rangeview ASP (Brookfield/ Genstar/ Section23/ Genesis/ Others) [2 Communities]	Southeast	 Leverages City and Province transportation and fire station investments, recreation centre, library, Green Line, South Hospital Innovation: agricultural urbanism, Seton Major Activity Centre integration

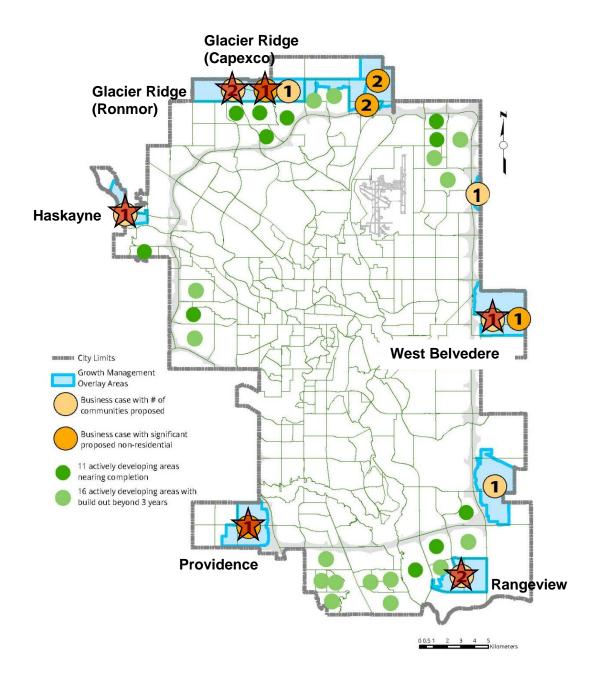
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		Provides single residential supply in one of the fastest growing sectors, raises number of new communities significantly
Providence ASP (Dream/Qualico)		 Introduces significant non-residential development (commercial, retail)
(Diearri Qualico)	South	Innovative suburban design concepts
		Along long term primary transit network
[1 Community]		 Leverages southwest ring road, existing Fire coverage
[1 Corrantantaly]		Includes Community Activity Centre
Lie element AOD		Helps bring access closer to Haskayne Legacy Park
Haskayne ASP	Nawtharrast	Repurposes an old gravel site
(Brookfield)	Northwest	Features Trail Oriented Design (TrOD)
[1 Community]		Introduces supply into Northwest sector, improving choice

4. Conclusion

The portfolio was designed to ensure that sufficient supply could be delivered through 2019-2022 so that it can be expected to exit the period with an amount of growth capacity that addressed demand and maintained a healthy inventory for growth in 2023 and beyond. This portfolio of communities supports a flexible and dynamic market by allowing additional private investment opportunities, while in alignment with the MDP/CTP. Increased competition and choice will be provided to citizens which can lead to increased affordability and innovation.

5. Location of Portfolio Communities





Recommended portfolio of 8 areas (across 6 business cases)

BUSINESS CASE EVALUATION CRITERIA

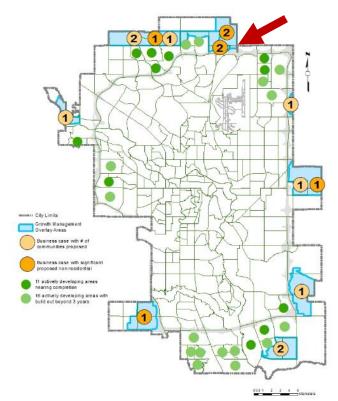
Factor	MDP Goal	Definition	Current New Community Considerations
			How many temporary construction jobs are expected from development in the business case area?
	Prosperous Economy	Planning for our economy's long-term sustainability ensures that current and future generations are resilient and adaptable to economic cycles and unanticipated changes.	How many future jobs/permanent jobs are expected within the business case area? How does the business case area support innovative economic
			diversification for Calgary?
		A dispersed and spread out population creates some social, economic and environmental challenges. In a compact city,	Is the business case area contiguous? Is the business case area logically serviceable?
	Compact City balancing growth between new and developed areas builds vibrant, thriving communities. A compact city is made up of complete communities that provide a broad range of housing choices and services, as well as high quality transit and transportation options.		How does the business case area meet the intensity target of 60 people and jobs per gross developable hectare?
			Is the business case area greater than 40 hectares? If larger than 75 hectares, what is the plan to accommodate multiple neighbourhoods?
	Great	Great communities are flexible. They adapt to the needs of current and future residents by providing a variety of housing options and	How does the business case area include non-residential development, or leverage adjacent non-residential development?
Strategic Alignment:	Communities	services so that people can meet their day-to-day needs within their own neighbourhood. Essentially, it is about creating communities where residents can live, work and play.	How the business case area integrate Neighbourhood Activity Centres (NAC), a Community Activity Centre (CAC), and/or leverage a Major Activity Centre (MAC)?
Municipal Development			How does the business case area support City facilities, such as libraries and recreation centres?
Plan / Calgary Transportation Plan	Good Urban Design	Good urban design is the result of collaboration and coordination between various disciplines, creating public places that people enjoy.	How does the business case area meet or exceed the MDP intensity target of 60 people and jobs per gross developable hectare?
	Design	between various disciplines, creating public places that people enjoy.	How does the business case area demonstrate innovation or a new approach for development in Calgary (e.g. LEED, BREAM)?
	Connecting the	The design of the transportation system has a significant impact on how a city grows and how people get around. The Municipal Development Plan encourages more sustainable transportation options such as walking, cycling and transit to create a system that	How does the business case connect to the rest of the city via walking and cycling networks?
	provides more choice. This means prioritizing investment to improve transit networks, designing streets to accommodate cycling and walking, plus improved connectivity.	How does the business case area integrate with the Primary Transit Network in the MDP/CTP?	
	Greening the City	Protecting environmentally sensitive areas and promoting renewable energy sources, energy efficiency, low-impact development for stormwater management, construction of green buildings, and encouraging cycling and walking all work together to make Calgary more environmentally friendly.	How does the business case help deliver quality public spaces or open spaces for residents/employees?
	Managing Growth and Change	Founded on the principles of sustainable development and guided by fiscal responsibility and managed growth, these goals will stimulate growth and change across the city for the next 60 years.	How does the business case area use existing municipal infrastructure or deliver on current municipal strategies and initiatives? What does the business case propose as a practical strategy to achieve the long term city wide fire/emergency service response
			policy?
Factor	MDP Goal	Definition	Considerations What is the status of required environmental/infrastructure servicing
		Founded on the principles of sustainable development and guided by	studies? (e.g., Master Drainage Plan, Transportation Impact Assessment) Are there any considerations involving third parties? (e.g., public land claims, rights of way acquisitions, Provincial funding or approvals)
Market Demand	Managing Growth and Change	fiscal responsibility and managed growth, these goals will stimulate growth and change across the city for the next 60 years.	How can it be demonstrated that the required private investment capital will be available after the City investments are made? How does the business case area benefit the city-wide serviced
			residential or non-residential growth capacity? How does it improve near term market competition?
			How does the business case area benefit the sector/local serviced residential or non-residential growth capacity? How does it improve near term market competition?
Factor	MDP Goal	Definition	Considerations
			What do you expect are the City of Calgary capital costs for the business case area over the lifetime of the development? Include pertinent information around the expected phasing of these costs.
City of Calgary Financial	Managing Growth and Change	Founded on the principles of sustainable development and guided by fiscal responsibility and managed growth, these goals will stimulate	What do you expect are the City of Calgary annual operating costs for the business case area over the lifetime of the development?
Considerations	and Chafige	growth and change across the city for the next 60 years.	What is the anticipated total amount of levies to be contributed by the business case area (using 2018 rates)?
			What is the average annual City portion of the property tax revenue for the business case area over the lifetime of the development?
Other	Other	Are there any other key attributes that should be highlighted about the resiliency and sustainability, service efficiency, alignment to other City	

Summaries of Business Cases

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Business Case: Keystone Hills ASP - (Melcor/Genstar/Pacific)



Summary				
# Communities	2			
Sector	North			
Current Sector Supply (Single/Semi units)	1,301 units (Jan 2018)			
Business Case Area (Ha)	73			
Residential (units)	572 Single 606 Multi			
Jobs	6,470 construction jobs in person years Over 4000 permanent jobs			
Industrial (Ha)	22.8			
Commercial (Ha)	26.8			
Retail (Ha)	0			
Years to Completion	10			

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

For details on criteria questions, see Attachment 3, Business Case Evaluation Criteria.

New Community Criteria Considerations	Technical Evaluation of Business Case
Prosperous Economy	

- Proponent estimates 6,470 construction based jobs in person-years. Administration is in agreement with these estimates.
- Proponent anticipates over 4,000 permanent jobs.
- The industrial, office and retail uses within the Southeast Keystone Hills business case area are noted to generate employment for the residents within the adjacent communities. This business case proposes to bring approximately 20 hectares of commercial zoned land, and 14 hectaes of I-B industrial business land. The size of the commercial lands and limited opportunity for residential units due to the Airport Vicinity Protection Area will drive different types of retail development than seen in other areas of the city. The amount of I-B lands proposed in the business case area feature the permitted use of "specialized industrial". This use is specifically geared towards a high tech and value-add manufacturing activity, which is in alignment with Calgary MDP goals to target innovation industries.

Compact City

- The business case area is contiguous with Coventry Hills across Stoney Tr NE. It will be contiguous with Livingston upon build out of Livingston.
- It can be serviced by existing utilities and future transportation and fire servicing provides permanent servicing that would benefit existing development
- Proposes between 69 (minimum) and 92 (maximum) people and jobs per hectare, minimum, which is above the MDP requirement of 60.

Great Communities

- Total business case area is 113 hectares and is divided among area land owners: 42 hectares (Genstar), 32 hectares (Melcor), and 38 (Pacific).
- Industrial/employment regional centre in eastern portion of business case area.
- Significant regional retail and employment uses within this business case area. A Neighbourhood Activity Centre is included in the western portion of the business case area.
- Creates additional demand of the VIVO Recreation Centre and library. About 11 minutes (7 km) drive to VIVO Centre.

Good Urban Design

• Home builders adhere to a Built Green or higher energy efficiency standard. Most non-residential buildings will approach LEED standards. Low Impact Development (LID) is also planned for the non-residential area to help manage stormwater.

Connecting the City

- The business case area will connect to the future Rotary/Mattamy Greenway network. Multimodal options will connect into the Major Activity Centre and Centre Street Corridor.
- The business case area will have direct transit connections into the future LRT along Centre Street.

Greening the City

• A large community park is planned for the regional retail area. A significant greenway travels through the eastern portion of the business case.

Growth and Change

- The business case proposes to leverage existing utility servicing. Future investments in the transportation network would also benefit from increased efficiency
- The majority of this area achieves the long term city-wide fire/emergency response policy, should a temporary station go forward in Livingston, allowing for development to proceed in this portion. For full coverage, a Fire Hall indicated in the Nose Creek ASP will be required. A practical strategy that allows for incremental achievement of the policy is estimated to address this by the 2023-2026 business cycle.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

- Significant light industrial supply exists in NE Calgary that could support 8-9 years of development.
- Many existing communities are completing single residential development; the North sector will only have 2 actively developing communities at the end of 3 years without further sectoral investment.
- The North sector is one of the fastest growing residential areas.
- Significant capacity beyond initial approvals has yet to be brought on in the Keystone Hills ASP.

New Community Criteria	Technical Evaluation of Business Case
Considerations	
Project Readiness	

- All required environmental/ infrastructure servicing studies have been reviewed and approved.
 Alberta Transportation has approved the Function Study for the full 11th Street interchange,
 including staging of the right-in/ right-out (RI/RO). The RI/RO at Stoney Trail/ 11th Street has
 been approved by the City of Calgary, and is included in the current Investing in Mobility
 capital plan.
- All wetlands in the business case area have been cleared of Public Land claims. An
 abandoned Plains Midstream pipeline formerly within the business case area has been
 removed and a reclamation certificate has been issued by the Alberta Energy Regulator.
- Melcor is an Alberta-based publicly-traded development firm, founded in 1923. Genstar has been active as a development firm in Calgary and across North America since 1950. Pacific has completed 18 development projects in Calgary since 1995. All three companies have owned the subject lands for 15 or more years. All three companies have been heavily involved in planning on the subject lands since the Regional Context Study was completed in 2010, and are ready and committed to investing private capital for development.

Market

- Calgary currently has 981 ha of serviced industrial lands. Considering recent trends in Industrial absorption, this supply could reasonably support 8-9 years of industrial development. Administration expects the proposed development to face competition for market share.
- The North residential planning sector has around 2 years of serviced land supply considering single/semi development that is one of the lowest among the actively developing City Planning Sectors. Over the last five years, the sector captured 29% of the single/semi market share. The proposed development will help to increase the single/semi supply.
- The subject land is within Northeast industrial sector of Calgary that has 15-20 years of supply (616 ha of serviced lands with average annual absorption of 30 - 40 ha). Also (as indicated in the business case) there are significant amount of industrial lands within Rocky View and Airdrie that compete with Northeast industrial sector of the City.
 - The proponents disagree that the industrial proposed in the business case should be grouped in with Northeast industrial. They have stated that the product being offered in the business case will have an advantage due to the proposed parcel sizes, visibility from major freeways, efficient access and proximity to major transportation hubs, and future corridors.
 - The proponents have provided the following quote from CB Richard Ellis: There is a significant deficiency of retail space in the north Calgary trade area, a market area defined by CBRE. To bring this trade area up to the City-wide service level requires another 3 million ft2 of additional retail space, accounting for the future growth in the Keystone Hills ASP, which will require another 1.7 million ft2 of retail space to meet established service benchmarks.
- The North residential planning sector currently has five actively developing communities
 considering single/semi development, but over the next 3 years the sector may drop to 2
 actively developing communities considering single/semi development. Introducing more
 communities in North sector will provide more choice for home buyers. At the same time, it will
 open up new area in this sector that will create more competition in the market.

Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s)¹

Operating	One Calgary (2019-2022)				Total	Total	Incremental Addition
(\$000s)	2019	2020	2021	2022	2019-2022	Final Year	(2023+)
Direct Incremental							
Operating Cost	0	0	13	39	52	2,582	2,544
Community-based							
Revenue Share	0	0	593	2,129	2,722	6,929	4,800
Revenue							
(Shortfall)	0	0	579	2,090	2,670	4,346	

Administration does not anticipate an operating shortfall in 2019-2022 that would need to be funded through an indicative rate increase in One Calgary (2019-2022).

Capital (\$Ms)²

Capital (\$Ms)		One Calgary (2019-2022)					
		Funding Source					
	Total Capital			Property			
	Cost	Total Cost	Developer Levy	Tax	Utility Rate		
Total	\$45.4	\$10.4	\$10.4	\$0.0	\$0.0		
		2023+ Budgets					
			Funding Source				
				Property			
		Total Cost	Developer Levy	Tax	Utility Rate		
		\$35.0	\$21.1	\$13.9	TBD		

Total Off-Site Levies Collected	
	\$32,167,589

Administration anticipates that capital investments in One Calgary (2019-2022) are 100 per cent allocated to growth, and will be funded by off-site levies. The City's share of anticipated future capital investments will be funded through the property tax.

*Keystone Hills ASP (Melcor/Genstar/Pacific) is within the benefitting area for the North Ridge Pressure Zone infrastructure investment (approximately \$72M). These capital investments are addressed elsewhere but are required if any community within the benefitting area proceeds.

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¹ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

² All costs are estimates in 2018 dollars, and do not include inflation or property tax increases. Capital

² All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Capital Investment Projects Required

One Calgary		2023+	
Storm Linear	\$10,400,000	11 ST/Stoney Tr I/C	\$35,000,000

The proposed storm infrastructure services the existing Livingston community in addition to the proposed business case. The proposed full interchange will service a larger area than the business case.

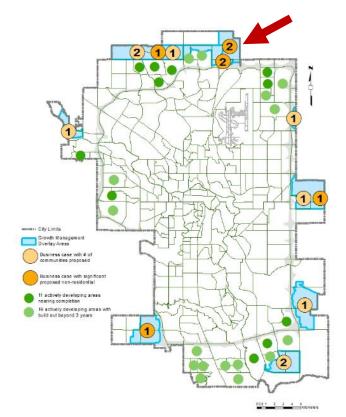
The proponent has stated that their engineering estiamtes the interchange will cost \$25M.

**In addition to the Livingston fire station, Keystone Hills ASP (Melcor/Genstar/Pacific) requires the Nose Creek ASP fire station to achieve full fire coverage by final build out.

Capital projects also required but costs attributed to other business cases or actively developing communities

- Livingston Fire Station
- Nose Creek ASP Temporary Fire Station
- Nose Creek ASP Permanent Fire Station
- 14 Street/Stoney Trail interchange
- Centre Street/Stoney Trail interchange
- North right-in/right-out ramps at 11 Street/Stoney Trail
- Northridge Feedermain Phase 1
- Northridge Feedermain Phase 2
- Northridge West Leg Feedermain
- Northridge Reservoir

Business Case: Nose Creek ASP - (QuadReal)



Summary							
# Communities	2						
Sector	North						
Current Sector Supply (Single/Semi units)	1,301 units (Jan 2018)						
Business Case Area (Ha)	248						
Residential (units)	3,000 Single 1,380 Multi						
Jobs	16,025 Permanent at 9 yrs 23,000 Permanent at full build out 18,236 Construction						
Industrial (Ha)	96						
Commercial (Ha)	32						
Retail (Ha)	4						
Years to Completion	9 (initial phases)						

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

For details on criteria questions, see Attachment 3, Business Case Evaluation Criteria.

New Community Criteria Considerations	Technical Evaluation of Business Case
Prosperous Economy	
	•

The business case proposes:

- 18,236 temporary jobs (including land development and building construction) at full build out.
- 16,025 (at 9 years) and 23,000 (at full build out) permanent jobs.
- The business case area is large with a majority consisting of light industrial development
- The proposal supports innovative economic diversification as 65% of the net developable area is dedicated to employment functions including an office business campus, a health/education campus district, mixed-use Village Centre, light assembly precinct, warehouse/distribution district and highway service commercial.

Compact City

- The business case is not considered to be contiguous to other city developments. A gap would exist as lands to the south are not developed. The nearest current development is Coventry Hills across Stoney Tr NE.
- This area is not considered to be logically serviceable as services or extensions are not directly available or funded.

- For sanitary, it would require an extension of the Nose Creek Sanitary Trunk north of 144 Av NE (City funding for this has not been allocated); and,
- There are a number of transportation connections that would need to be in place for development to proceed including, Hwy 566-QII interchange (Province has not allocated funding in 2018-21 Fiscal Plan), and upgrades to skeletal and arterial roads
- At 88 people and jobs per gross developable hectare, the proposal meets the MDP intensity target of 60 people and jobs per gross developable hectare.

Great Communities

- At 248 hectares this business case exceeds the 40 -75 ha neighbourhood size. The proponent envisions multiple development types over 5 phases.
- The business case includes residential and non-residential development including, light industrial (office park), commercial, employee-intensive and mixed use. It is envisioned as a "Live-Work-Play-Learn" development. The proposal was subject to a Health Impact Assessment and incorporates 10 healthy planning principles. Community design is noted to be akin to, yet much larger than, the Quarry Park development in the south.
- Proponent notes that the development would leverage regional facilities in Calgary and Rocky View. Country Hills Library is the nearest existing library at approximately 5.39 km away. The nearest future library is approximately 3.98 km to the west.

Good Urban Design

• The business case envisions as a self-contained master-planned community employing principles of urban sustainable design, new urbanism and smart growth in an approach that is focused on reducing the carbon footprint of the development. Non-residential buildings are proposed to be constructed to LEED® Gold standards with all residential dwellings constructed to Built Green standards. Proponent projected a reduction in greenhouse gas emissions of 62% for the average Nose Creek Lands household versus that of the average suburban household.

Connecting the City

- The Parks and Open Space network proposed for the area includes internal connections.
- The area currently does not have connections to other communities as it is adjacent to undeveloped parcels.
- No primary transit network service routes are adjacent or travel through the growth area
 according to the Calgary Transportation Plan. Nevertheless, future regional transit and
 commuter rail are identified to travel through the Nose Creek Lands, allowing the potential
 for a transit station to be located within the growth area.

Greening the City

Business case notes that ~13% of the gross land area for Nose Creek Lands will be
preserved in its natural state and plans for integrating the creek system and riparian areas
into the development design. This is slightly above the standard requirement for a minimum
of 10% of land to be green space.

Growth and Change

- Limited alignment with The City's current investments, but some potential for regional linkage as water servicing is in place.
 - To the east of the proposed development (in Rocky View) is the Cross Iron Mills mall and the site for the future Amazon fulfillment centre. There may be an opportunity for ancillary industrial alignment opportunities.
- Proponent has offered to finance, through a Construction Finance Agreement, all required infrastructure, with an agreement that The City would repay the full amount at a later date.

- None of the area achieves the long term city-wide fire/emergency response policy. A practical strategy that allows for incremental achievement of the policy is to include a Fire Hall by the time development commences.
- Proponent suggests regional coverage, however Fire notes that it is premature for these considerations.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

• The proposal is mainly to develop an industrial office park and commercial. It also proposes to add singe and multi residential units.

New Community Criteria Considerations	Technical Evaluation of Business Case
Project Readiness	

- An Outline Plan has been submitted on June 8, 2018 for this business case area and studies are underway and need to be reviewed and confirmed. The file is in the beginning stages of the Land Use/ Outline Plan review.
- Proponent notes that the business case proposal is backed by a pension fund with a "hold and build" model.
- Concern that there are funding alignment issues. The expansion of the Cross Iron Mills/Highway 2 grade-separated interchange will require consultation with Alberta Transportation, although no funding is anticipated. No funding has been dedicated to Hwy 566 in Provincial Fiscal Plan for 2018-21.
 - Proponent noted that they will request a letter from the Province to outline timing of the development of the Hwy 566-QE2 interchange.

Market

- Calgary currently has 981 ha of serviced industrial lands. Considering recent trends in Industrial absorption, this supply could reasonably support 8-9 years of industrial development. The proposed development will face competition for market share.
- The subject land is within Northeast industrial sector of Calgary that has 600 ha. Also (as indicated in the business case) there is a significant amount of industrial lands within Rocky View and Airdrie that compete with the North East industrial sector of the City.
- The proponent has stated that the product being offered in the business case will have an advantage due to the nature of the live-work-play-learn community model that is proposed, and do see it as competing with the industrial product currently available in that sector.

Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s)³

	One Calgary (2019-			
Operating	2022)	Total	Total	Incremental

³ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

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							Addition
(\$000s)	2019	2020	2021	2022	2019-2022	Final Year	(2023+)
Direct Incremental							
Operating Cost ⁴	0	0	0	0	0	8,587	8,587
Community-based							
Revenue Share	0	0	1,358	2,716	4,074	17,577	14,861
Revenue							
(Shortfall)	0	0	1,358	2,716	4,074	8,991	

Administration does not anticipate an operating shortfall in 2019-2022 that would need to be funded through an indicative rate increase in One Calgary (2019-2022).

Capital (\$Ms)5

Capital (\$Ms)		One Calgary (2019-2022)				
		Funding Source				
	Total Capital			Property		
	Cost	Total Cost	Developer Levy	Tax	Utility Rate	
Total	\$111.4	\$93.4	\$52.4	\$33.0	\$8.1	
		2023+ Budgets				
			Funding Source			
				Property		
		Total Cost	Developer Levy	Tax	Utility Rate	
		\$18.0	\$18.0	\$0.0	TBD	

Total Off-Site Levies Collected	\$109,754,089
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Administration anticipates that a base tax rate increase of 0.65 per cent in 2019 is required to cover the City's share of the capital investment in One Calgary (2019-2022). Administration anticipates that future capital investments are 100 per cent allocated to growth, and will be funded by off-site levies.

*This business case requires a Hwy 566 upgrade and Hwy 566/QEII Interchange, which is an unfunded \$70M Provincial project.

Capital Investment Projects Required

One Calgary		2023+	
160 AV/Creek/Rail			
and Cross Iron		Temporary Fire	
DR/QEII I/C	\$83,000,000	Station	\$2,000,000

⁴ The initial direct operating costs are tied to residential development; no residential development is anticipated is 2021 or 2022.

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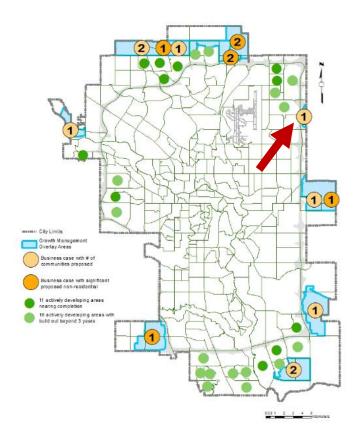
⁵ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

		Permanent Fire	
Sanitary Linear	\$10,400,000	Station	\$15,988,545

Capital projects also required but costs attributed to other business cases or actively developing communities

• Livingston Fire Station

Business Case: East Stoney ASP- (Pacific)



Summary				
# Communities	1			
Sector	Northeast			
Current Sector Supply (Single/Semi units)	4,380 units (Jan 2018)			
Business Case Area (Ha)	106			
Residential (units)	1,442 Single 335 Multi			
Jobs	4,422 construction jobs 378* permanent jobs			
Industrial (Ha)	1.0			
Commercial (Ha)	2.0			
Retail (Ha)	0			
Years to Completion	10			

*Important to recognize the school site, but its development timing will be based on broader population considerations than the proponent's land. As such, permanent jobs for the site would have a regional trigger, not a local one.

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

For details on criteria questions, see Attachment 3, Business Case Evaluation Criteria.

New Community Criteria Considerations	Technical Evaluation of Business Case
Prosperous Economy	

- Proponent indicated 4,422 construction jobs. Administration is in agreement with this estimate.
- Proponent has indicated 428 total; school 50, industrial 14 + 75 from another land owner, commercial 65, home based 224. The City notes that the school site should not be included for reasons noted above.
- Application proposes a unique employment component whereby the construction of the manufactured homes will be completely on-site on the I-G parcel.

Compact City

- Some existing infrastructure can be utilized. Sanitary and water would be connected from existing development to the west. Storm water would be held in an evaporation pond and then pumped to the existing trunk for discharge.
- 65 people and jobs per hectare meets the minimum intensity targets of 60.

Great Communities

- The application is for 98 net developable hectares. Due to the geographic constraints, the area will develop as one neighbourhood in one community.
- The application includes an industrial parcel (0.65 ha) to construct manufactured homes and the plan area also contains a commercial parcel (1.62 ha) to provide for primarily local retail and personal service uses.
- The business case contains a Neighbourhood Activity Centre that contains commercial, multi-residential and open space.
- In nearby Saddle Ridge is a recreational centre (Genesis Centre), high school, library and LRT, about 16 - 18 minutes' drive (10-11km); the distance could be reduced when the Stoney Tr/64 Av NE flyover and Airport Tr/Stoney Tr full interchange is constructed.

Good Urban Design

 The implementation of Low Impact Development (LID) measures such as stormwater irrigation re-use will be provided throughout the public parks and open spaces. Homebuilders who are expected be active in the business case area will adhere to a Built Green or higher energy efficiency standard. Commercial and industrial builders will be required to construct with environmental and efficiency measures that approach or meet the LEED standard.

Connecting the City

- Pathway links via the existing and future Stoney Trail interchange crossings to the Rotary/ Mattamy Greenway offers efficient north and south walking and cycling opportunities.
 Regional Pathway provides cycling and walking connections within the Plan Area and to surrounding communities.
- The proponent is planning to provide a developer funded private transit connection to the LRT in near future but details are still to be worked out. No primary transit identified near business case.

Greening the City

• The business case contains a school site, community association site and local parks. This represents 18% of the plan area.

Growth and Change

• A portion of this area achieves the long term city-wide fire/emergency response policy, allowing for development to proceed in this portion. A practical strategy that allows for incremental achievement of the citywide policy is required, and so far no agreement with the proponents has been reached. The proponent and Administration continue to evaluate options to provide emergency service coverage to East Stoney in the most cost effective manner possible. These options include transportation modifications to City roads and/or Stoney Trail, or a Fire coverage operating cost solution.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

- Considerable residential supply in NE; the market segment being pursued (manufactured home) component may or may not be in direct competition.
- The Northeast sector has 7-8 yeas of serviced land supply, but East Stoney is the only new development fulfilling the manufactured-home built-form.
- Significant capacity has yet to be brought on in the Cornerstone ASP.

New Community Criteria Considerations	Technical Evaluation of Business Case
Project Readiness	

- Ecological Inventory Report (October 2016) is complete and approved by the City.
 - Wetland Permanence Assessment (November 2016) is complete and accepted by Alberta Environment and Parks in regards to Crown Ownership under the Public Lands Act.
 - Biophysical Impact Assessment (September 2017) is complete and approved by the City.
 - Sanitary Servicing Study (December 2017) is complete and approved by the City.
 - Water Modelling is complete (by City) and servicing strategy has been accepted by the City.
 - MDP/SMDP is complete and approvals are pending with the City.
 - 84 Street Transportation Study as it relates to the Stevenson Community has been accepted by the City and Rocky View County.
 - Transportation Impact Assessment (March 2017) has been reviewed and City comments have been provided. A final TIA was submitted concurrently with the Outline Plan.
- There is a large wetland in the southwest corner of the plan area, setbacks have been applied
 and the wetland will remain undisturbed. An agreement to purchase provincial land for
 stormwater is pending approval of the business case.

Market

- The Northeast sector has 7-8 yeas of serviced lands supply, but East Stoney is the only new development fulfilling the manufactured-home built-form.
- Northeast sector has 4 actively developing communities, but none allows to build manufactured homes.

Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s)⁶

Operating	One Calgary (2019- ng 2022)			Total	Total	Incremental Addition	
(\$000s)	2019	2020	2021	2022	2019-2022	Final Year	(2023+)
Direct Incremental Operating Cost	0	0	15	31	46	3,047	3,016

⁶ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

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(Shortfall)	0	0	101	327	428	(307)	
Revenue							
Community-based Revenue Share	0	0	117	358	474	2,740	2,382

Administration does not anticipate an operating shortfall in 2019-2022 that would need to be funded through an indicative rate increase in One Calgary (2019-2022). As the community develops and more services come online, tax rate coverage for operating shortfalls may be required.

Capital (\$Ms)⁷

Capital (\$Ms)		One Calgary (2019-2022)			
			Funding Sou	ırce	
	Total Capital		Developer	Property	
	Cost	Total Cost	Levy	Tax	Utility Rate
Total	\$30.0	\$30.0	\$18.1	\$11.9	\$0.0
		2023+ Budgets			
			Funding Sou	ırce	
			Developer	Property	
		Total Cost	Levy	Tax	Utility Rate
		\$0.0	\$0.0	\$0.0	TBD

Total Off-Site Levies Collected	\$44.781.412
	\$44,781,412

Administration anticipates that a base tax rate increase of 0.25 per cent in 2019 is required to cover the City's share of the capital investment in One Calgary (2019-2022).

Capital Investment Projects Required

One Calgary		2023+	
64 AV NE/Stoney Tr			
flyover	\$30,000,000		

The 64 Av NE/Stoney Tr flyover is only required in One Calgary if no other option is agreed upon to provide emergency service. The flyover would be required beyond 2023 if it was only required for transportation purposes, and is not required for this business case to complete buildout.

Capital projects also required but costs attributed to other business cases or actively developing communities

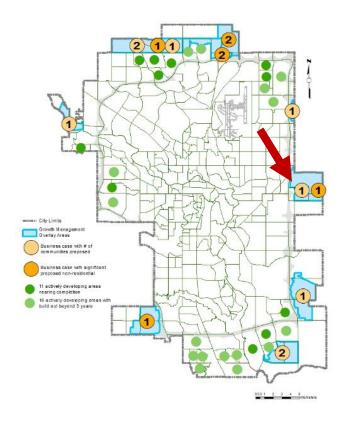
None

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⁷ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Business Case: Belvedere ASP - (West Belvedere, TriStar/Truman/Lansdowne/Minto/Others)



Summary				
# Communities	1			
Sector	East			
Current Sector Supply (Single/Semi units)	None			
Business Case Area (Ha)	322			
Residential (units)	1,994 Single 1,631 Multi			
Jobs	900 permanent 11,750 construction			
Industrial (Ha)	0			
Commercial (Ha)	8			
Retail (Ha)	0			
Years to Completion	8			

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

For details on criteria questions, see Attachment 3, Business Case Evaluation Criteria.

New Community Criteria Considerations	Technical Evaluation of Business Case
Prosperous Economy	

Business case proposes:

- 11,750 temporary/ construction jobs.
- ~900 permanent jobs
- Opportunity to leverage non-residential development in the East Hills Shopping Centre.

Compact City

- The business case area is contiguous across the ring road via 17 Avenue SE.
- The business case is the closest business case area to downtown Calgary.
- Transportation can be logically serviced via 17 Avenue SE; water/sanitary via identified connections, zero-discharge ponds as an interim solution will be analyzed. Forest Lawn Creek upgrades may be required to service the ultimate storm water solution.
- 67 person and jobs per hectare across the 290 developable hectares meets the minimum intensity target of 60. Land owner group has a target of 25 units per hectare across emerging applications.

Great Communities

- Business case is for 322 ha across the whole of West Belvedere, accommodating multiple neighbourhoods and at least 3 Neighbourhood Activity Centres.
- New residents would have access to daily needs with the East Hills Shopping Centre, which
 is directly adjacent.
- A future Recreation Facility with library is identified to the southeast of the business case area in ASP. Timing is unknown. Area is about 5-6km away from the existing Bob Bahan Aquatic & Fitness Centre which will be redeveloped. 12 mins drive to the existing Great Plains Recreation Facility. About 9km to Village Square Leisure Centre/Library. 5km to Forest Lawn Library. 2-3km to Elliston Park.

Good Urban Design

• No specific design innovation details outlined in business case. Consideration will be given at appropriate application and implementation stages.

Connecting the City

- A green corridor along 17 Av SE and a regional pathway along Memorial Dr NE will connect West Belvedere to the city. A north south green corridor connection is planned for 84 St SE.
- The Primary Transit Network will run along 17 Av SE.
- New residential in Belvedere will balance retail jobs at East Hills and industrial jobs in southeast Calgary.

Greening the City

 The West Belvedere Landowner Group outlined plans to preserve and enhance the environmental reserve lands by integrating them into the comprehensive Open Space network for the enjoyment of future residents.

Growth and Change

- City funded water and sanitary capacity are in place. Ultimate stormwater infrastructure
 through the Forest Lawn Creek stormwater management facility requires an upgrade of the
 facility, but development can proceed through interim solutions.
- Transportation capacity will be limited by existing infrastructure until the Memorial Dr overpass is constructed.
- None of the area achieves the long term city-wide fire/emergency response policy. A
 practical strategy that allows for incremental achievement of the policy is estimated to
 include a Fire Hall by the time development commences.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

- The east sector has no actively developing communities.
- Introduces many smaller developers into a new sector, increasing consumer choice.

New Community Criteria Considerations	Technical Evaluation of Business Case
Project Readiness	

- Master Drainage Plan has not been completed for the entire Belvedere ASP, but West Belvedere drains into the Forest Lawn Creek catchment for which a Master Drainage Plan has been completed.
- There may be potentially qualifying Crown-claimable wetland areas and related Provincial approvals processes. To be determined at outline plan.
- No City capital investment is required for the first 2000 units, which is the transportation capacity limit prior to the Memorial Dr overpass.
- One developer, TriStar, has submitted an outline plan application, the review is well advanced.

Market

- The East sector does not have any actively developing communities with vacant capacity. The
 proposed development will open up a new actively developing community that will bring more
 choice and competition. There has not been new residential development in the East sector for
 20+ years.
- No City capital investment is required for the first 2000 units, which is the transportation capacity limit prior to the Memorial Dr overpass.

Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s)8

Operating	One Calgary 2022)	y (2019-			Total	Total	Incremental Addition
(\$000s)	2019	2020	2021	2022	2019-2022	Final Year	(2023+)
Direct Incremental Operating Cost	0	0	3,440	3,640	7,080	10,209	6,569
Community-based Revenue Share	0	0	117	291	408	8,069	7,778
Revenue (Shortfall)	0	0	(3,323)	(3,348)	(6,672)	(2,139)	

Administration anticipates an operating shortfall in 2019-2022 that would need to be funded through a 0.25 per cent indicative rate increase in One Calgary (2019-2022), due to the inclusion of the Fire Hall. As the community develops and more services come online, tax rate coverage for operating shortfalls may be required.

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⁸ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Capital (\$Ms)9

Capital (\$Ms)		One Calgary (2019-2022)			
			Funding Source		
	Total Capital			Property	
	Cost	Total Cost	Developer Levy	Tax	Utility Rate
Total	\$48.0	\$2.0	\$2.0	\$0.0	\$0.0
		2023+ Budgets			
			Funding Source		
				Property	
		Total Cost	Developer Levy	Tax	Utility Rate
		\$46.0	\$34.1	\$11.9	TBD

Total Off-Site Levies Collected	\$138,155,420
	Ψ100,100,π20

Administration anticipates that capital investments in One Calgary (2019-2022) are 100 per cent allocated to growth, and will be funded by off-site levies. The City's share of anticipated future capital investments will be funded through the property tax.

Capital Investment Projects Required

One Calgary		2023+	
Temporary Fire Station	\$2,000,000	Permanent Fire Station	\$15,988,545
		Memorial DR flyover	\$30,000,000

Capital projects also required but costs attributed to other business cases or actively developing communities

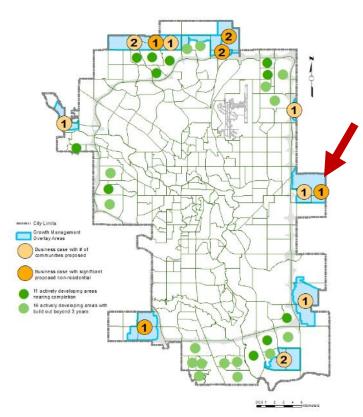
None

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⁹ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Business Case: Belvedere ASP - (OpenGate)



Summary				
# Communities	1			
Sector	East			
Current Sector Supply (Single/Semi units)	None			
Business Case Area (Ha)	89 (Outline Plan) 55 (LEED ND Pilot Area)			
Residential (units)	160 Single 1,752 Multi			
Jobs	5606 construction jobs in person years Up to 20,302 permanent jobs			
Industrial (Ha)	10.7			
Commercial/Office (Ha)	25.6			
Retail (Ha)	5.6			
Years to Completion	8			

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

For details on criteria questions, see Attachment 3, Business Case Evaluation Criteria.

New Community Criteria Considerations	Technical Evaluation of Business Case
Prosperous Economy	

Business case proposes:

- 5,606 construction jobs in person years
- 20,302 service and Science, Technoloy, Engineering, Mathematics (STEM) jobs.
 Administration has indicated that this level of job activity in a 10 year period appears optimistic.
- A technology hub:
 - Dual Transit-Oriented Development (TOD) mixed-use site chosen to accommodate a Calgary campus site for Amazon's HQ2 bid Selected by Calgary Economic Development (CED) as one of their CED Innovation Hubs and Calgary Technologies' satellite campus
 - Flexible footprints accommodate change for both cyber and residential lifecycles to allow businesses and residents to WORK-LIVE, Grow and Age In Place with convenience
- A regional service town:

- TwinHills' second TOD, located on SE 17 Ave between 100 and 116 St SE, can become the intermunicipal epicenter for regional expansion in the Central East Sector
- Leverages growth from both Rocky View and Chestermere to provide city revenue and meet demand for work-live-thrive convenience within the Central East Calgary.
- The business case area would provide a large employment centre in a suburban setting.

Compact City

- The business case is not contiguous with existing development. The closest existing development is the East Hills shopping Centre.
- The business case proposes 168 to 179 people and jobs per hectare, which highly exceeds the minimum requirements.

Great Communities

- At 54 ha, the business case proposes two neighbourhoods
 - Town Centro: is an intermunicipal regional town centre of mixed use services, with ground level commercial, entertainment, medical and event areas.
 - Cyber Centro: CyberSynergy and technology focused on flexible building footprints for high tech requirements. Area strongly focused on Science, Technology, Engineering, and Mathematics (STEM) jobs.
- Proposed to be connected to the regional retail centre to the west at East Hills.
- The closest regional facilities would be located in Chestermere or Don Hartman NE Sportsplex which is only 9 minutes from TwinHills. In addition, TwinHills provides diversity of activity centres within the development which include: 1. Prairie Preserve (Community Activity Centre): Urban Agriculture, food water activity centre. 2. Senior and Boys & Girls Club. 3. Single Athletic Club. 4. Kayak Club. 5. Civic Plaza. A future Rec/Library identified to the south of 17 Ave in Belvedere ASP.

Good Urban Design

 Business case proposes a work-live community, LEED Buildings, and LEED-ND Community.

Connecting the City

- Connections would be provided along the 17 Avenue SE corridor.
- 10.3 km of internal biking pathways which would connect to the multimodal SE 17 AV corridor
- Business case is along the 17 Avenue SE primary transit corridor including BRT 305 route (terminus Elliston Park). BRT is also a focus of the completed 17 Avenue SE Urban Corridor Study.

Greening the City

The business case proposes open space which includes civic plazas, public and performing
art spaces, pocket parks, courtyards, activity spaces and outdoor recreational fields, as well
as places to exercise, bike, gather, and play around a kayaking freshwater lake.

Growth and Change

- There are two options for stormwater drainage, either by transmission west into the Forest Lawn Creek catchment or through the Cooperative Stormwater Management Initiative.
 - The proponent proposes to use Low Impact Development (LID) for its stormwater management, aiming for zero discharge.
- Water Resources may also review a zero discharge, on site retention solution. A Staged Master Drainage Plan has been submitted but not fully review. No approved Master Drainage Plan exists for the area.

- None of the area achieves the long term city-wide fire/emergency response policy. A
 practical strategy that allows for incremental achievement of the policy is estimated to
 include a Fire Hall by the time development commences.
- The proponent has submitted servicing proposals for water and sanitary servicing. Water Resources has concerns that the proposed water servicing solution does not provide adequate pressure for fire flow, and that the proposed sanitary solution would require agreements to reallocate capacity from the West Belvedere catchment.
 - The proponent proposes that available sanitary capacity be allocated to TwinHills and other adjacent developments
 - O Proponent has submitted water and sanitary servicing that serve the southern loop of the City proposed Belvedere servicing. The proponent proposes a variety of mitigations and procedures such as onsite water storage, storage pond, lift booster stations to defer the need for feedermain. The proponent has indicated that TwinHills has the best water pumping efficiency and less sewage capacity requirement so it is easier to reallocate from the future south of SE 17 Avenue development.
- The proponent has proposed that very little transportation infrastructure identified by Administration would be required. The proposal indicates the reverse flows generated by the proposed mix of uses mitigates capacity concerns. A recently submitted TIA is under review. At this time, Administration has identified a capacity limit for all of Belvedere (2000 units) and also that, generally speaking, reverse traffic flow is limited in its ability to mitigate trip generation.
 - The proponent indicates that TwinHills as an intermunicipal service centre will reduce trips by providing a live close to work development.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

The East sector has no actively developing communities.

New Community Criteria	Technical Evaluation of Business Case
Considerations	
Project Readiness	

- A Preliminary Local Transportation Impact Analysis (TIA) was filed as part of the TwinHills CyberCity Outline Plan submission:
 - Global TIA was submitted on June 1, 2018
 - Master Drainage Plan has not begun for the land in East Belvedere. The Staged Master Drainage Plan was filed on May 31, 2018
 - o A Biological Impact Analysis (BIA) was completed for Belvedere ASP in 2013
 - A new and second BIA (Level 3) incorporating year-round seasons will be completed and filed in fall 2018
 - Phase I Environmental Site Assessment was completed on August 27, 2015, and Archeological Assessment successfully completed July 25, 2013 with no concerns.
- TwinHills has been engaged with Chestermere's mayor, council, staff, and residents regarding our inter-municipal planning required.
- OpenGate Properties has the advantage of low debt ratio, attractive to a wide range of private funding sources and potential joint venture partners for financial stacking of development phases: • Major Canadian pension funds and provincial investment management corporations

• International sovereign funds • Global private equity placement firms • Multi-national technology and commercial anchor tenants

Market

- The East sector does not has any actively developing community with serviced vacant lands. The proposed development will open up a new actively developing planning sector that will bring more choice and competition. The proposed development has significant multi residential that may experience competition given current citywide capacity levels.
- The proponent proposes to market the multi-residential to senior and mid-age singles who
 prefer a live close to work lifestyle.

Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s) 10

Operating	One Calgar 2022)	ry (2019-			Total	Total	Incremental Addition
(\$000s)	2019	2020	2021	2022	2019-2022	Final Year	(2023+)
Direct Incremental							
Operating Cost	0	0	3,400	3,406	6,806	6,417	3,011
Community-based							
Revenue Share	0	0	591	1,099	1,690	7,222	6,123
Revenue							
(Shortfall)	0	0	(2,809)	(2,307)	(5,115)	805	

Administration anticipates an operating shortfall in 2019-2022 that would need to be funded through a 0.25 per cent indicative rate increase in One Calgary (2019-2022).

Capital (\$Ms)11

Capital (\$Ms)		One Calgary (2019-2022)			
			Funding Source		
	Total Capital			Property	
	Cost	Total Cost	Developer Levy	Tax	Utility Rate
Total	\$70.5	\$54.5	\$52.5	\$0.0	\$2.0
		2023+ Budgets			
			Funding Source		
				Property	
		Total Cost	Developer Levy	Tax	Utility Rate
		\$16.0	\$16.0	\$0.0	TBD

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All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.
 All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Total Off-Site Levies Collected	
(LEED ND area = 54 ha)	\$25,725,492
Total Off-Site Levies Collected	
(Outline Plan Area = 89 ha)	\$42,399,422

Administration anticipates that capital investments in One Calgary (2019-2022) are funded by off-site levies and through the utility rates, so no indicative rate funding in 2019-2022 will be required.

Capital Investment Projects Required

One Calgary		2023+	
Belvedere East Water		Permanent Fire	\$15,988,545
Feedermain	\$23,000,000	Station**	
Sanitary Linear, Lift			
Station	\$6,000,000		
Storm Linear	\$23,200,000		
Temporary Fire			
Station**	\$2,000,000		

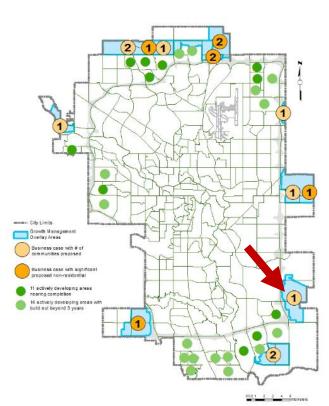
^{*}Belvedere ASP - (OpenGate) will require investment in the Memorial Drive flyover (approximately \$30M). This capital investment is addressed elsewhere.

Capital projects also required but costs attributed to other business cases or actively developing communities

- West Belvedere Temporary Fire Station
- West Belvedere Permanent Fire station
- Memorial Drive flyover

^{**}If the West Belvedere business case goes ahead, the Belvedere business case is served by West Belvedere's fire station and does not require one of its own.

Business Case: South Shepard ASP – (Hopewell/Melcor)



Summary				
# Communities	2			
Sector	Southeast			
Current Sector Supply (Single/Semi units)	4,320 units (Jan 2018)			
Business Case Area (Ha)	155			
Residential (units)	2,104 Single 1,141 Multi			
Jobs	5,650 direct construction jobs 600 permanent jobs			
Industrial (Ha)	0			
Commercial (Ha)	0			
Retail (Ha)	5			
Years to Completion	10			

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

New Community Criteria Considerations	Technical Evaluation of Business Case		
Prosperous Economy			

- Proponent proposes 5,650 direct construction jobs and 600 permanent jobs
- Proposes to invest \$54M in land servicing costs and \$7.3M in show homes in 2018/2019.

Compact City

- The business case is considered to be contiguous across Stoney Tr SE to the community of Copperfield.
- The business case area is logically serviceable.
- The proponents have provided an intensity of 79 people and jobs per hectare, which meets the minimum standard of 60.

Great Communities

- The business case is for 155 hectares total. Of that, 96ha is for Hopewell, and 59ha for Melcor. It would require multiple neighbourhoods and proposes 2 Neighbourhood Activity Centres.
- The business case proposes non-residential development through employment uses.
- It is connected to regional facilities via a ~10 minute drive to Seton Recreation Centre

Good Urban Design

• The proponents have indicated the community design meets MDP goals, featuring pedestrian and cycle integration on and off street within the development.

Connecting the City

- The business case is currently isolated from walking and cycling networks. Future development in the ASP beyond the business case will enable connections to the Shepard Wetlands, Ralph Klein Park and Rotary/Mattamy Greenway.
- Local transit would travel to the closest BRT station in the sector.

Greening the City

• Open space and environmental reserve provided, including retention and naturalization of biologically significant wetlands.

Growth and Change

- The business case proposes Low Impact Development and green infrastructure.
- None of the area achieves the long term city-wide fire/emergency response policy. A
 practical strategy that allows for incremental achievement of the policy is estimated to
 include a Fire Hall by the time development commences.
 - The proponents' position is that the business case area should not include a Fire Hall.
- A transportation capacity limit has been agreed to with the proponents, under which no City capital costs are triggered for the business case area. Beyond this limit, City transportation investments would be necessary to support further growth in the ASP. These investments would have benefit beyond the business case.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

- 3 communities in the Southeast sector are finishing single residential development in the next 3 years.
- Supports the fastest growing sector in the city.

New Community Criteria Considerations	Technical Evaluation of Business Case
Project Readiness	

- All required studies have been completed. Proponent has applied to purchase crown claimed wetlands from the Province, is seeking confirmation from Province.
- Significant investment has been made in development approvals. Hopewell's and Melcor's Board of Directors have signaled the willingness to invest if development approvals have been given.

Market

- The Southeast sector has 4-5 years of serviced land supply that is considered moderate level among the actively developing City Planning Sectors, but of the serviced lands are concentrated in one community, Mahogany (61%). Over the last five years, the sector captured 33% of the single/semi market share. The proposed development will help to disperse the serviced land supply and that could help to maintain the market share.
- By 2022, the Southeast sector will have just 2 actively developing communities without additional City investment. The proposed development will help to maintain the number of actively developing communities in the planning sector.

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Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s) 12

Operating	One Calgary (2019- 2022)				Total	Total	Incremental Addition
(\$000s)	2019	2020	2021	2022	2019-2022	Final Year	(2023+)
Direct Incremental Operating Cost	0	0	3,403	3,429	6,832	7,607	4,177
Community-based Revenue Share	0	0	111	278	390	4,490	4,211
Revenue (Shortfall)	0	0	(3,292)	(3,151)	(6,442)	(3,117)	

Administration anticipates an operating shortfall in 2019-2022 that would need to be funded through a 0.25 per cent indicative rate increase in One Calgary (2019-2022), due to the inclusion of a Fire Hall. As the community develops and more services come online, tax rate coverage for operating shortfalls may be required.

Capital (\$Ms) 13

Capital (\$Ms)		One Calgary (2019-2022)			
		Funding Source			
	Total Capital			Property	
	Cost	Total Cost	Developer Levy	Tax	Utility Rate
Total	\$174.0	\$2.0	\$2.0	\$0.0	\$0.0
		2023+ Budgets			
		Funding Source			
				Property	
		Total Cost	Developer Levy	Tax	Utility Rate
		\$172.0	\$110.1	\$61.9	TBD

Total Off-Site Levies Collected	\$60,978,944

The capital costs identified above will benefit areas beyond the business case area. The levies collected is for the business case area.

Administration anticipates that capital investments in One Calgary (2019-2022) are 100 per cent allocated to growth, and will be funded by off-site levies. The City's share of anticipated future capital investments will be funded through the property tax.

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All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.
 All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Capital Investment Projects Required

One Calgary		2023+	
Temporary Fire Station	\$2,000,000	Stoney Tr/130 AV I/C	\$40,000,000
		130 AV SE widening	\$16,000,000
		Marquis of Lorne/120	
		ST I/C	\$70,000,000
		Marquis of Lorne/104	
		ST Overpass	\$30,000,000
		Permanent Fire Station	\$15,988,545

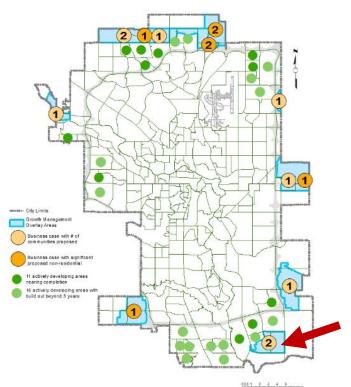
No City transportation costs will be incurred for development up to the agreed upon transportation capacity limit. The transportation costs identified for 2023+ will benefit areas beyond the business case.

Capital projects also required but costs attributed to other business cases or actively developing communities

None

PFC2018-0678 Att 3 ISC: Unrestricted

Business Case: Rangeview ASP - (Brookfield/Genstar/Section23/Others)



Summary					
# Communities	2				
Sector	Southeast				
Current Sector Supply (Single/Semi units)	4,320 units (Jan 2018)				
Business Case Area (Ha)	652*				
Residential (units)	9,978 Single 5,927 Multi				
	18,000 direct construction jobs over 25 years 4,500 permanent				
Jobs	jobs				
Industrial (Ha)	0.9				
Commercial (Ha)	42.9				
Retail (Ha)	0				
Years to Completion	10				

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

For details on criteria questions, see Attachment 3, Business Case Evaluation Criteria.

New Community Criteria Considerations	Technical Evaluation of Business Case
Prosperous Economy	

- Proponent indicated 18,000 direct construction jobs over 25 years. Administration is in agreement with this estimate.
- Proponent has indicated 4,500 permanent jobs (in addition to the 13,500 jobs in the Seton Urban District).
- (Further) leveraging the South Health Campus and Seton Urban District offers health care related diversification.

^{*}some or all of the in development Ricardo Ranch ASP will benefit from the infrastructure proposed in this business case. This will be updated when the ASP is complete.

Compact City

- The business case area is contiguous. It is connected to the north through Seton, Auburn Bay and Mahogany.
- It will be logically serviceable. Multiple transportation access points will be available.
 Development will start from the southwest to feed into the ultimate sanitary servicing solution,
 Administration is in discussion with some proponents about interim solutions that may allow utility servicing and contiguous development south of Mahogany.
- Not including the Seton Urban District, the expected intensity is 68.6 people and jobs/ha which meets the minimum requirement.

Great Communities

- Rangeview 652 ha. 10 neighbourhoods in Rangeview. Infrastructure investment will also benefit the Ricardo Ranch ASP. As this ASP is under development, full population and area calculations have not been confirmed.
- Leverages Seton Urban District. 3 commercial retail centres; mixed use gateway area in Rangeview.
- 4 local retail centres. Leverages Seton Major Activity Centre. Neighbourhood Activity Centre
 in each neighbourhood. Activity Centre Street with 150,000 square feet of commercial.
- Leverages Seton Recreation Centre, Library, Fire Hall. Would leverage current BRT / Future Green Line and 212 Ave/Deerfoot interchange.

Good Urban Design

 Section23's agricultural urbanism, first in Alberta to introduce growing spaces. Brookfield's Seton Gateway is LEED certified; Seton Professional Centre is LEED Silver. Genstar's community introduces non-conventional lot depths.

Connecting the City

- Connects to Seton Urban District. East West green network.
- Seton is planned termination of Green Line. Currently serviced by BRT.

Greening the City

• Rangeview introduces a continuous open space view corridor. Section23's agricultural urbanism includes 4 hectares of private agricultural space.

Growth and Change

- Leverages \$4B of public and private infrastructure, plus Green Line.
- A portion of this area achieves the long term city-wide fire/emergency response policy, allowing for development to proceed in this portion. A practical strategy that allows for incremental achievement of the policy is estimated to include a Fire Hall by the 2027-2030 business cycle.
- Indicated infrastructure and servicing (particularly utilities and emergency response) will ultimately service an area larger than the business case area.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

- 3 communities in the SE are finishing single residential development in the next 3 years.
- Introduces 2 or more new developers and competition to this sector; would disperse supply over more communities.
- Supports the fastest growing sector in the city.

New Community Criteria Considerations	Technical Evaluation of Business Case
Project Readiness	

- All background studies are complete for outline plan submission, Brookfield has had 3 outline plans approved. Two other outline plans are under review. Master Drainage Plan is completed and approved, but currently undergoing an amendment.
- Province indicated no crown claimed wetlands.
- Rangeview developers have a proven track record together have developed 50% of Calgary communities

Market

- Large introduction of citywide supply 652 ha in Rangeview alone. Provides significant growth capacity for city. The Southeast sector has around 4-5 years of serviced land supply, but much of the serviced lands are concentrated in one community, Mahogany (61%). The proposal could help dispersion of supply and help to maintain the 33% market share.
- Supports fastest growth sector. By 2022, the planning is expected to have only one or two actively developing communities in this sector. The proposal development will help to maintain market share and completion within the sector. New investment supports 2-3 communities in Rangeview and Ricardo Ranch.

Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s)¹⁴

Operating	One Calgary (2019-2022)			Total	Total	Incremental Addition	
(\$000s)	2019	2020	2021	2022	2019-2022	Final Year	(2023+)
Direct Incremental Operating Cost	0	0	9	208	217	17,744	17,535
Community-based Revenue Share	0	0	1,728	1,925	3,653	27,457	25,532
Revenue (Shortfall)	0	0	1,719	1,717	3,436	9,714	

Administration does not anticipate an operating shortfall in 2019-2022 that would need to be funded through an indicative rate increase in One Calgary (2019-2022).

Portions of the Growth Management Overlay were removed for Rangeview in 2017 and 2018. Development generating property taxes and levies payable has started within the business case area in the community of Seton, using interim servicing.

ISC: Unrestricted

¹⁴ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Capital (\$Ms) 15

Capital (\$Ms)		One Calgary (2019-2022)			
		Funding Source			
	Total Capital			Property	
	Cost	Total Cost	Developer Levy	Tax	Utility Rate
Total	\$145.9	\$127.5	\$94.6	\$6.7	\$26.1
		2023+ Budgets			
			Funding Source		
				Property	
		Total Cost	Developer Levy	Tax	Utility Rate
		\$18.0	\$18.0	\$0.0	TBD

\$285,607,524

Administration anticipates that a base tax rate increase of 0.15 per cent in 2019 is required to cover the City's share of the capital investment in One Calgary (2019-2022). Administration anticipates that future capital investments are 100 per cent allocated to growth, and will be funded by off-site levies.

Capital Investment Projects Required

One Calgary*		2023+	
		Temporary Fire	
88 ST SE extension**	\$17,000,000	Station**	\$2,000,000
Water Linear, Pump		Permanent Fire	
Station**	\$36,707,000	Station**	\$15,988,545
Sanitary Linear**	\$57,200,000		
Storm Linear	\$17,000,000		

^{*}Discussions with proponents regarding efficient phasing of this infrastructure are ongoing.

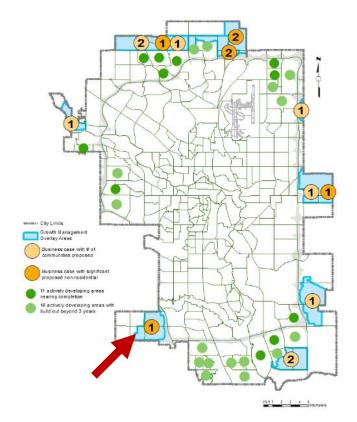
Capital projects also required but costs attributed to other business cases or actively developing communities

None

^{**}Capital costs will ultimately service an area larger than the business case area.

¹⁵ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Business Case: Providence ASP – (Dream/Qualico)



Summary						
# Communities	1					
Sector	South					
Current Sector Supply (Single/Semi units)	3,041 units (Jan 2018)					
Business Case Area (Ha)	223					
Residential (units)	2,048 Single 1,152 Multi					
	10,400 direct construction jobs in person years					
Jobs	4000 permanent jobs					
Industrial (Ha)	0.0					
Commercial (Ha)	26.8					
Retail (Ha)	9.7					
Years to Completion	11					

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

For details on criteria questions, see Attachment 3, Business Case Evaluation Criteria.

New Community Criteria Considerations Technical Evaluation of Business Case Prosperous Economy

- Proponent has indicated 10,400 direct jobs and 17,160 combined direct and indirect in person years. Administration is in agreement with these estimates.
- Proponent has indicated at least 4000 permanent jobs.
- Dream owns 100% of the near and long term employment lands in the ASP. Dream is a
 large company with global reach, including through its Global REIT, which has significant
 assets and tenant connections throughout Europe. Dream intends to commit significant
 resources and work with partners including Calgary Economic Development to attract jobs
 and help diversify Calgary's economy. Dream builds and operates all classes of real estate
 including office, industrial, retail, commercial, residential, and renewable energy.

Compact City

- The business case is considered contiguous. Primary connections are via personal vehicle.
- The area is logically serviceable. Servicing can be extended from the east and permanent infrastructure can be constructed.
- Business case anticipates between 70 and 77 people and jobs per hectare which is above the minimum standard of 60.

Great Communities

- At 223 ha, the business case includes three of four neighbourhoods in community A and proposes three Neighbourhood Activity Centres and one Community Activity Centre.
- It includes commercial areas for employment uses. 53 ha of employment focused lands and 5 ha of neighbourhood retail.
- The facilities at Cardel South and the Shawnessy Library will be highly accessible by transit for residents of Providence. A future recreation centre and library are also planned in the West Macleod ASP to help serve the growth within the south part of the city. About 11-12 minutes (6-7km) drive to Shawnessy multi civic centre and future Macleod Rec/Library.

Good Urban Design

To transform suburban housing and community development patterns, the business case proposes:

- Street oriented housing, with reduced front setbacks
- Attractive, varied architecture, flexible lotting, and a wide array of housing types
- A higher percentage of land product, separated walk treed boulevards (Dream: 85%) enabling exceptional tree canopy
- Higher density, compact development, but also highly livable and socially connected and inclusive
- Highly connected grid network, but respectful of environmental features
- Highly integrated commercial and community amenities in a pedestrian-focused form
- Enables efficient automobile use, without allowing cars to dominate the environment
- Fully integrating open spaces into the community, including direct frontage (Qualico is also introducing park-fronting product types)
- Convenience of attached garage product but in a less dominate location relative to the street that enables better streetscapes
- Eliminating the distinction of land as less desirable "starter" and front attached as more desirable "move up". Housing variety distinguished mostly by overall lot size and home size, not lot configuration
- Renewable energy projects in solar and wind, integral to the community development.

Connecting the City

- The interchanges at 146th Avenue and 162nd Ave SW currently under construction as part of the Southwest Ring Road provide dedicated pedestrian and cycling space to traverse the TUC and connect to the city as a whole. Direct connections will exist to Fish Creek Provincial Park, which enables movement on regional pathways East toward Macleod Trail and Fish Creek Lacombe LRT, as well as North on the Rotary-Mattamy Greenway toward the Weaselhead, Glenmore Reservoir and Elbow River pathway networks and into pathways and bikeways in the Woodbine/Woodlands neighbourhoods.
- Established routes 11 & 12 can be easily extended into the business case area. These routes will connect directly to the South Red Line LRT at Fish Creek Lacombe Station. The 162nd Avenue Transitway will form a part of the Primary Transit Network. It is the only planned Greenfield Transitway (and is included in the Transportation Levy) in the city.

Greening the City

 A 13 acre park will retain existing trees and will anchor the community. Other open spaces provided

Growth and Change

- The business case area leverages an existing Fire/Emergency services station in Evergreen. It also utilizes existing sanitary infrastructure/capacity, and existing water reservoir and pressure pump stations. The project leverages new public transportation infrastructure from the \$1.4 billion Southwest Ring Road. Sanitary servicing down 162 Ave to Fish Creek WWTP is in place.
- A portion of this area achieves the long term city-wide fire/emergency response policy, allowing for development to proceed in this portion. A practical strategy that allows for incremental achievement of the policy is estimated to include a Fire Hall by the 2027-2030 business cycle.
 - The proponent's practical strategy proposes to allow development in the business case to proceed up to 53 St SE, and for a Fire Hall to be built outside of 20 years. Proponent acknowledges a small portion would be outside the city-wide policy target, proposes to be managed incrementally before a new station is triggered when development crosses 53 St SE.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

- Adds a new developer to this sector.
- Significant capacity has yet to be brought on in the West Macleod ASP.

New Community Criteria Considerations	Technical Evaluation of Business Case
Project Readiness	

- A Master Drainage Plan is not yet completed, but anticipated to be approved with conditions in Q2 2018. The Transportation Impact Assessments (submitted Dec/Jan), concurrent with the first Outline Plans are complete and awaiting final sign off.
- Right-of-ways and TUC crossings have been agreed to with Alberta Transportation and the ring road contractor.
- Dream is a large, diverse, well capitalized publicly traded Canadian real estate company with over \$14B in assets and large financing facility for all its operations.

Market

- The South sector has 5-6 years of serviced land supply. After Yorkville, Belmont, and Pine Creek are serviced, this sector will have a high amount of vacant serviced lands and seven actively developing communities the South sector.
- This business case introduces significant commercial/industrial development. There is currently no serviced industrial land in the Southwest industrial sector.
- Providence is geographically separated from the other actively developing communities in the South sector, may also compete with West sector development.

Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s)¹⁶

Operating	One Calgary (2019-2022)			Total 2019-	Total	Incremental Addition	
(\$000s)	2019	2020	2021	2022	2022	Final Year	(2023+)
Direct							
Incremental							
Operating Cost	0	0	12	32	44	7,631	7,599
Community-based							
Revenue Share	0	0	117	292	409	8,857	8,565
Revenue							
(Shortfall)	0	0	105	261	365	1,226	

Administration does not anticipate an operating shortfall in 2019-2022 that would need to be funded through an indicative rate increase in One Calgary (2019-2022).

Capital (\$Ms) 17

Capital (\$000s)		One Calgar	y (2019-2022)		
			Funding Source		
	Total Capital			Property	
	Cost	Total Cost	Developer Levy	Tax	Utility Rate
Total	\$56.8	\$38.8	\$38.8	\$0.0	\$0.0
		2023+ Budg	gets		
			Funding Source		
				Property	
		Total Cost	Developer Levy	Tax	Utility Rate
		\$18.0	\$18.0	\$0.0	TBD

Total Off-Site Levies Collected	
	\$74,964,246

Administration anticipates that capital investments in One Calgary (2019-2022) are 100 per cent allocated to growth, and will be funded by off-site levies.

Capital Investment Projects Required

One Calgary		2023+	
Water Linear, Pump		Temporary Fire Station	
Station, Reservoir	\$31,079,000		\$2,000,000

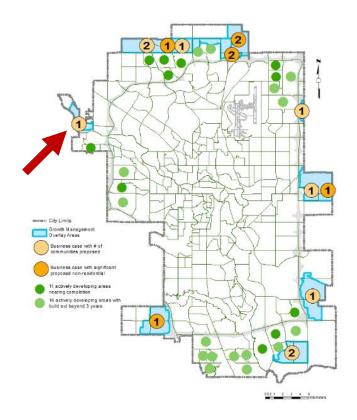
All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.
 All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

One Calgary		2023+	
Storm Linear	\$7,750,000	Permanent Fire Station	\$15,988,545

Capital projects also required but costs attributed to other business cases or actively developing communities

None

Business Case: Haskayne ASP – (Brookfield/Marquis)



Summary					
# Communities	1				
Sector	Northwest				
Current Sector Supply (Single/Semi units)	None				
Business Case Area (Ha)	219				
Residential (units)	2,269 Single 1,864 Multi				
Jobs	1,500 Construction/year 800 permanent				
Industrial (Ha)	0				
Commercial (Ha)	3.5				
Retail (Ha)	6.7				
Years to Completion	10				

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

For details on criteria questions, see Attachment 3, Business Case Evaluation Criteria.

New Community Criteria Considerations Technical Evaluation of Business Case Prosperous Economy

- Proponent has indicated 12,000 in person years, 1,500 per year. Administration is in agreement with this estimate.
- Proponent has indicated over 800 part-time and full-time. Administration has indicated this is reasonable.
- Development and construction of innovative, new housing product that maximizes the value of the RG zoning. Brownfield redevelopment site with focus on re-use and recycling of onsite gravel materials for use in major site infrastructure, park spaces, pathways, etc.

Compact City

- The area is considered contiguous. Connections would be required through City of Calgary lands.
- The area can be logically serviceable. Permanent servicing would be extended to the site from lands to the east.
- 62.8 people and jobs per hectare meets the minimum standard of 60.

Great Communities

- At 219 hectares total, the area would include 3 neighbourhoods and includes 2 proposed NACs
- The proposal is mainly for residential development. Employment uses are limited in this area, and not particularly diverse.
- Supports adjacent non-residential developments in the area including:
 - Commercial (Tuscany Market, Tuscany Hill, Crowfoot Crossing)
 - Schools (Tuscany, Scenic Acres, Rocky Ridge, Royal Oak, Silver Springs)
 - Recreation (Rocky Ridge, Melcor YMCA's, Shouldice Park, COP)
 - Library (Rocky Ridge and Crowfoot)
- 2 hectares of anticipated future commercial development within the Haskayne ASP area
- Haskayne Park (future)
- About 10-15 minutes' drive (7-8km) to Rocky Ridge YMCA; 15 minutes' drive to Crowfoot Library; 20 minutes to Shouldice Arena.

Good Urban Design

 Proposal features Trail Oriented Design (TrOD), commercial buildings will likely be to a LEED standard.

Connecting the City

- Will connect to the Bow river regional pathway network and the Rotary Mattamy Greenway.
- Local bus service will connect to the Tuscany and Crowfoot LRT stations.

Greening the City

• It includes open space networks with connections to the river and trails

Growth and Change

- The development leverages significant major municipal infrastructure currently in place or underway, as well as both public and private investment in the area. This includes:
 - Stoney Trail/Nose Hill Drive Interchange
 - 16th Avenue and Bowfort Road Interchange
 - Crowfoot and Tuscany LRT stations
 - West Memorial Sanitary Trunk upgrade
 - Shane Homes Rocky Ridge and Melcor YMCA's
 - Rocky Ridge and Crowfoot Public Libraries
 - Tuscany Fire Hall & Scenic Acres Fire Hall
 - Haskayne Park (underway)
 - Existing CBE and CCSD school capacity in the area
 - City river parks and pathways, including The Great Trail (TransCanada Trail)
- A portion of this area achieves the long term city-wide fire/emergency response policy, allowing for development to proceed in this portion. A practical strategy that allows for incremental achievement of the policy is estimated to include a Fire Hall by the 2023-2026 business cycle.
- Servicing solutions for water, sanitary and storm are currently under discussion. Solutions
 may be developer sized/funded or City sized funded. If these solutions are determined to be
 City sized/funded, and if this business case be recommended, the solutions should be
 included in the Off-site Levy Bylaw calculation.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

PFC2018-0678 Att 3

 There is no current supply in NW sector, business case addresses supply in sector, adds choice to market.

New Community Criteria Considerations	Technical Evaluation of Business Case
Project Readiness	

- All required reports have either been approved, or submitted for approval. Master Drainage Plan completed and approved.
- Require cooperation with City of Calgary.
- To date, Brookfield and its joint venture partner CalSTRS, have invested over \$75 million dollars in the Rowan Park lands. This includes land costs, planning and consultant costs to date, as well as onsite environmental remediation costs.

Market

• The Northwest sector does not have any actively developing community with vacant serviced lands. The proposed development will open up a new actively developing planning sector that will provide more choice for home buyers.

Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s) 18

Operating	One Calgary 2022)	y (2019-			Total	Total	Incremental Addition
(\$000s)	2019	2020	2021	2022	2019-2022	Final Year	(2023+)
Direct Incremental							
Operating Cost	0	0	21	231	252	8,551	8,320
Community-based							
Revenue Share	0	0	160	399	558	6,946	6,547
Revenue							
(Shortfall)	0	0	139	168	307	(1,606)	

Administration does not anticipate an operating shortfall in 2019-2022 that would need to be funded through an indicative rate increase in One Calgary (2019-2022). As the community develops and more services come online, tax rate coverage for operating shortfalls may be required.

¹⁸ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Capital (\$Ms)19

Capital (\$Ms)		One Calgary (2019-2022)				
		Funding Source				
	Total Capital			Property		
	Cost	Total Cost	Developer Levy	Tax	Utility Rate	
Total	\$35.2	\$17.2	\$17.2	\$0.0	\$0.0	
		2023+ Budgets				
			Funding Source			
				Property		
		Total Cost	Developer Levy	Tax	Utility Rate	
		\$18.0	\$18.0	\$0.0	TBD	

Total Off-Site Levies Collected	\$77,292,169
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Administration anticipates that capital investments in One Calgary (2019-2022) are 100 per cent allocated to growth, and will be funded by off-site levies.

Capital Investment Projects Required

One Calgary		2023+	
Water Linear	\$11,300,000	Temporary Fire Station	\$2,000,000
Sanitary Linear	\$3,900,000	Permanent Fire Station	\$15,988,545
Storm Linear	\$2,000,000		

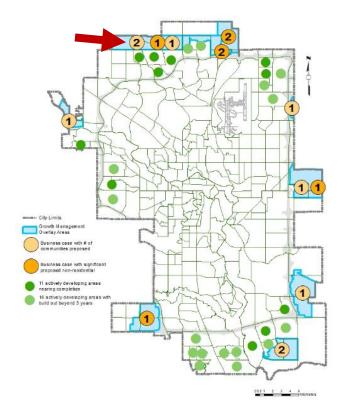
The City and proponents are continuing to review the servicing infrastructure required for the development and Haskayne ASP. The proponents' position is that all utility infrastructure (water, sanitary, storm) is a developer responsibility and therefore does not require City capital funding. For any infrastructure that may require City funding, the proponents have proposed to fund it at their cost with some recovery through the Developer Funded Infrastructure Stabilization Fund ("oversize" fund) for any eligible portion, and no recovery for any ineligible portion. Administration has not finalized a position on whether or not the utility infrastructure requires City capital funding, but Administration does hold the position that if it is determined to be City funded, it should be funded through addition of the infrastructure to the Off-site Levy Bylaw calculation.

Capital projects also required but costs attributed to other business cases or actively developing communities

None

¹⁹ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Business Case: Glacier Ridge ASP – (Ronmor/Wenzel)



Summary					
# Communities	2				
Sector	North				
Current Sector Supply (Single/Semi units)	1,301 units (Jan 2018)				
Business Case Area (Ha)	374				
Residential (units)	2,961 Single 1,674 Multi (at Year 10 of build out)				
Jobs	7,300 direct construction jobs 1,800 permanent jobs				
Industrial (Ha)	0				
Commercial (Ha)	1				
Retail (Ha)	5				
Years to Completion	15-20				

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan

For details on criteria questions, see Attachment 3, Business Case Evaluation Criteria.

New Community Criteria Considerations	Technical Evaluation of Business Case
Prosperous Economy	
· ·	

The business case proposes:

- 7,300 direct, and 11,000 indirect temporary/construction jobs
- 1,800 permanent jobs
- Totals approximately \$500M in private land investment and ~\$1.2B in building construction

Compact City

- It is contiguous with existing communities south of 144 Ave NW
- It can be logically serviced as it has existing street networks abutting the business case area, and utility services can be extended from lands immediately to the south
- The outline plan anticipates 62.9 people and jobs per hectare, meeting The City's intensity target of 60 people and jobs per gross developable hectare

Great Communities

- The business case proposes to develop approximately 374 hectares, bringing on 5 neighbourhoods
- The business case proposes a Community Activity Centre and 4 Neighbourhood Activity Centres
- It would support the private investment of \$100M in the Sage Hill Shopping Centre
- It would support the planned Symons Valley civic center which includes a library

Good Urban Design

 The business case does not provide plans for innovation or a new approach for development in Calgary (e.g. LEED, BREEAM)

Connecting the City

- Pedestrian and bicycle connectivity is noted within the proposed development and connecting with the existing active network on the southern side of 144 Ave NW. A significant pathway system on north side of plan would connect the overall area.
- Primary Transit has not been identified in the Municipal Development Plan north of the
 activity centre in Sage Hill. The Glacier Ridge ASP identifies Primary Transit running along
 144 Avenue NW at the boundary of the business case area

Greening the City

• The business case proposes a well-connected open space system with connections to Symons Valley and West Nose Creek through the coulee. The outline plan proposes approximately 90 ha of open space in playgrounds, sports fields, and natural areas.

Growth and Change

- Transportation network improvements are required in One Calgary for full development of the business case.
 - The proponent's position is existing transportation infrastructure can accommodate up to 3,100 units.
- Significant investment in water servicing for the north has already been committed (North Ridge Feedermain Phase 1), is under construction and expected to be operational in Q4 2019. The West Leg of the North Ridge Feedermain may be triggered, depending on population build out in the Spy Hill East pressure zone. A capital-funded sanitary and stormwater trunk is required.
- A portion of this area achieves the long term city-wide fire/emergency response policy, allowing for development to proceed in this portion. A practical strategy that allows for incremental achievement of the policy is estimated to include a Fire Hall by the 2023-2026 business cycle.
- Should this business case be supported, the status of transportation capacity and fire/emergency service provision may result in a staged Growth Management Overlay removal approach or staged development managed through a transportation capacity tool.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

 Addresses single residential market need by introducing new communities and competition; this business case adds new developers to the sector.

- Many existing communities are completing single residential development; the North sector may only have 2 actively developing communities at the end of 3 years without additional added capacity.
- The North sector is one of the fastest growing market sectors.
- Significant capacity beyond initial approvals has yet to be brought on in the Keystone Hills ASP.

New Community Criteria Considerations	Technical Evaluation of Business Case
Project Readiness	

Business case has demonstrated relative market readiness:

- A Master Drainage Plan has been completed and approved for the business case area, although an amendment may be required
- Public land claims have been addressed, no third party right-of-ways are required
- Provided a letter demonstrating financing, and have submitted a complete outline plan
- Significant investment has been made in the acquisition of land as well as planning costs. Ronmor
 was the lead funder for the Glacier Ridge ASP and has continued substantial investment through
 the Outline Plan and supporting engineering reports.

Market

- The North sector has around 2 years of serviced land supply considering single/semi development that is one of the lowest among the actively developing City Planning Sectors. Over the last five years, the sector captured 29% of the single/semi market share. The sector would require more serviced lands to maintain the market share, and the proposed development in Glacier Ridge ASP area will be helpful to maintain the market share.
- The North sector currently has five actively developing communities considering single/semi development, but over the next five year the sector will only have two actively developing communities considering single/semi development. Introducing more communities in North sector will provide more choice for home buyers. At the same time, the proposal will open up new area in this sector that will create more competition in the market.

Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s)20

Operating	One Calgary (2019-2022)			Total	Total	Incremental Addition	
(\$000s)	2019	2020	2021	2022	2019-2022	Final Year	(2023+)
Direct Incremental							
Operating Cost	0	0	18	204	222	11,017	10,813
Community-based							
Revenue Share	0	0	264	659	922	10,108	9,449
Revenue							
(Shortfall)	0	0	246	455	701	(909)	

²⁰ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Administration does not anticipate an operating shortfall in 2019-2022 that would need to be funded through an indicative rate increase in One Calgary (2019-2022). As the community develops and more services come online, tax rate coverage for operating shortfalls may be required.

Capital (\$Ms)21

Capital (\$Ms)		One Calgary (2019-2022)			
		Funding Source			
	Total Capital			Property	
	Cost	Total Cost	Developer Levy	Tax	Utility Rate
Total	\$161.5*	\$118.5	\$86.6	\$19.9	\$12.0
		2023+ Budgets			
		Funding Source			
		Property			
		Total Cost	Developer Levy	Tax	Utility Rate
		\$43.0	\$33.1	\$9.9	TBD

Iotal Off-Site Levies Collected \$146,604,534	Total Off-Site Levies Collected	\$146,604,534
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Administration anticipates that a base tax rate increase of 0.40 per cent in 2019 is required to cover the City's share of the capital investment in One Calgary (2019-2022). The City's share of future capital investments will be funded through the property tax.

*Glacier Ridge ASP (Ronmor/Wenzel) includes the costs for all of the North Ridge Pressure Zone utility infrastructure. The benefitting area for this infrastructure (approximately \$72M) is much larger than the Glacier Ridge ASP (Ronmor/Wenzel) communities, and is required if any community within the benefitting area proceeds.

Capital Investment Projects Required

One Calgary		2023+	
144 AV/West Nose		160 AV/West Nose	
Creek Bridge	\$25,000,000	Creek Bridge	\$25,000,000
Shaganappi Tr widening	\$10,000,000	Temporary Fire Station	\$2,000,000
GRASP Sanitary - West			
Basin	\$8,170,000	Permanent Fire Station	\$15,988,545
GRASP Stormwater			
Servicing	\$3,800,000		
Northridge Feedermain	\$18,498,000		
Phase 1			
Northridge Feedermain	\$17,000,000		
Phase 2			
Northridge West Leg	\$20,800,000		
Feedermain			
Northridge Reservoir	\$15,239,000		

²¹ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

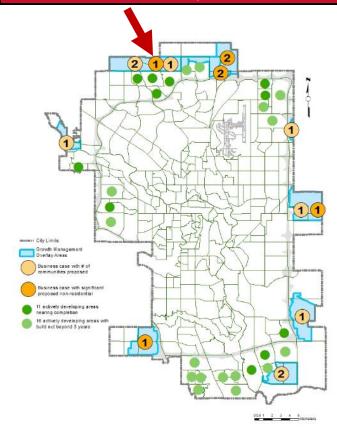
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The costs identified above are for the infrastructure required to service the entire North Sector. This covers a much larger catchment area than the Ronmor/Wenzel business case.

Capital projects also required but costs attributed to other business cases or actively developing communities

• Shaganappi Trail/Stoney Trail interchange upgrade

Business Case: Glacier Ridge ASP – (Capexco Inc., Symons Valley Ranch)



Summary					
# Communities	1 CAC*				
Sector	North				
Current Sector Supply (Single/Semi units)	1,301 units (Jan 2018)				
Business Case Area (Ha)	12.6				
Residential (units)	961 Multi				
	~1,254 Permanent				
	2,400 Construction				
Jobs	580 Induced				
Industrial (Ha)	0				
Commercial (Ha)	5.8				
Retail (Ha)	6.2				
Years to Completion	10				

*This business case, at 12.6 ha, is proposed as a Community Activity Centre for surrounding communities. The Glacier Ridge ASP identifies 4 communities throughout the 1,355 ha ASP area, which will be brought on by other land owners.

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

For details on criteria questions, see Attachment 3, Business Case Evaluation Criteria.

New Community Criteria Considerations	Technical Evaluation of Business Case
Prosperous Economy	

The business case proposes:

- Approximately 2,400 construction jobs and 580 induced jobs over the duration of the project.
- Proponent estimated 1,254 permanent jobs will be created at full build out.
 - The jobs are comprised of a blend of employment categories from merchants in the Farmer's Market, managers and clerks in future retail stores and technology and research based jobs in AgTech businesses and post-secondary institutions, respectively. The AgTech innovation centre would attract new jobs to Calgary and further diversify the employment base (innovation hub related to food awareness, food production, nutrition and overall health and wellness).

Compact City

- The business case area is contiguous with existing communities south of 144 Av NW.
- It has been identified as logically serviceable for sanitary, water and fire. For storm, the proponent can propose an interim servicing solution until a final storm pond location is confirmed (proposed on Ronmor land). Transportation extensions can also be facilitated.
- The proposal exceeds the Community Activity Centre intensity target (150 people and jobs per gross hectare) with the estimated 300 jobs and people per hectare at full build out.

Great Communities

- At 12.6 hectares the area is planned as the Community Activity Centre (CAC) for the Glacier Ridge ASP and is positioned to serve the future communities to the west and east, as well as existing communities to the south.
- The proposal is for mixed-use, commercial, office /institutional and residential development referred to as the "Sustainable Economic Evolution District" or SEED. The employment uses in this business case area are expected to leverage the residential development in the business case and broader area.
- In terms of supporting City facilities, such as libraries and recreation centres, the proposal may leverage the new library being constructed in Sage Hill which is ~2.6 km away from the Market site. It is also about 11 minutes (10km) drive (google maps) to VIVO recreation centre which recently completed a 2-story addition to accommodate a new aquatic centre, an expanded fitness centre, indoor park, and space for Canadian Healthier living Academy.

Good Urban Design

 The proposal represents a unique urban design approach within a conventional greenfield development area. The SEED vision for the community activity centre includes a culinary hub, agricultural technology research and development, STEM, academic institution mini-campus, food network cluster.

Connecting the City

- Integration to the surrounding road and pathway network, both existing and proposed, is noted
 in the master plan and intended to feature a variety of options either along pedestrian friendly
 streetscapes or non-vehicle zones.
- The Glacier Ridge ASP identifies Primary Transit running along 144 Avenue NW at the boundary of the business case area.

Greening the City

 The business case proposes two municipal parks, one programmed for residents and visitors, the other more passive with local natural landscape assets.

Growth and Change

- Investment in this area can leverage sanitary infrastructure that is already in place. The water network will be reinforced with the Northridge Feedermain Phase 1 project (estimated to be completed in Q4 2019).
- Proponent is working with Water Resources on a Water Network Analysis. The business case
 area is within the Spy Hill East pressure zone, and local-distribution tie-ins would be required
 to service the proposed full build-out of the development through the Northridge Feedermain
 Phase 1 project. Local sanitary extensions can be made to the existing system to connect to
 the Beddington Creek II East Leg Trunk.
- The area is fully within the long term city-wide fire/emergency response policy, allowing for development to proceed.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

- This proposed CAC is envisioned to support the larger area that would serve actively
 developing communities such as Sage Hill, Nolan Hill, Evanston and proposed future
 communities in the Glacier Ridge ASP.
- The proposal is for 100% of residential to be multi-residential. The North sector has 7 years of serviced land supply remaining for multi-residential. As such, there is some concern around timing of absorption given the current supply of multi-residential units in the sector.

New Community Criteria Considerations	Technical Evaluation of Business Case
Project Readiness	

- An Outline Plan has been submitted for this business case area and studies are completed or underway.
 - A Master Drainage Plan is completed and approved; an amendment may be required.
 - Transportation Impact Assessment (TIA) was submitted and is awaiting acceptance.
 The proponent is working collaboratively with Transportation to finalize it.
- Location of final stormwater pond is proposed on adjacent landowner's land (Ronmor). The
 proponent notes that they are working collaboratively with Ronmor and have an informal
 agreement to place the pond on adjacent land.
- Proponent is motivated to move forward with rebuilding of the Market and has been working closely with the operator and associated merchants to plan for their location in the Market.
- Calgary Economic Development (CED) has been engaged in creating an AgTech, Life
 Sciences and Food Innovation District. The proponent notes that in collaboration with CED that
 they are engaging companies and organizations in these sectors and have received strong
 support and interest.
 - Although letters of intent or other documentation is not yet provided, the proponent notes that a global firm has authorized the proponent to represent the firm's support and desire to locate their North American headquarters in SEED.

Market

• The proposal is for non-residential and multi residential development. All the actively developing communities, including in the North, have significant supply of multi residential product. The proposed development would have to compete for multi residential share.

Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s)²²

Operating	One Calgary (2019-2022)			Total 2019-	Total	Incremental Addition	
(\$000s)	2019	2020	2021	2022	2022	Final Year	(2023+)
Direct							
Incremental							
Operating Cost ²³	0	0	0	0	0	2,199	2,199
Community-based							
Revenue Share	0	0	189	265	454	2,359	2,094
Revenue							
(Shortfall)	0	0	189	265	454	160	

Administration does not anticipate an operating shortfall in 2019-2022 that would need to be funded through an indicative rate increase in One Calgary (2019-2022).

Capital (\$Ms)²⁴

Capital (\$Ms)		One Calgary (2019-2022)			
		Funding Source			
	Total Capital			Property	
	Cost	Total Cost	Developer Levy	Tax	Utility Rate
Total	\$2.8*	\$2.8	\$0.0	\$2.8	\$0.0
		2023+ Budgets			
			Funding Source		
				Property	
		Total Cost	Developer Levy	Tax	Utility Rate
		\$0.0	\$0.0	\$0.0	TBD

Administration anticipates that a base tax rate increase of 0.05 per cent in 2019 is required to cover the City's share of the capital investment in One Calgary (2019-2022).

*Glacier Ridge ASP (Symons Valley Ranch) is within the benefitting area for the North Ridge Pressure Zone infrastructure investment (approximately \$72M). These capital investments are addressed elsewhere, but are required if any community within the benefitting area proceeds.

²² All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process. ²³ The initial direct operating costs are tied to residential development; no residential development is anticipated is 2021 or 2022.

²⁴ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

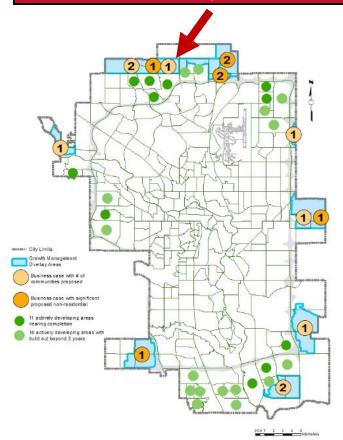
Capital Investment Projects Required

One Calgary		2023+	
144 AV NW, 3 lanes (37		Regional	
ST to SV RD NW)	\$2,150,000	transportation needs	
Symons Valley RD NW,			
2 lanes (144 AV to			
subdivision property line)	\$600,000		

Capital projects also required but costs attributed to other business cases or actively developing communities

- 144 Avenue/West Nose Creek Bridge
- 160 Avenue/West Nose Creek Bridge
- Shaganappi Trail widening
- Interchange at Shaganappi Tr NW at Stoney Tr NW & Sarcee Tr NW at Stoney Tr NW
- Northridge Feedermain Phase 1
- Northridge Feedermain Phase 2
- Northridge West Leg Feedermain
- Northridge Reservoir

Business Case: Glacier Ridge ASP – (Qualico)



Summary					
1					
North					
1,301 units (Jan 2018)					
64.7					
929 Single 328 Multi					
*136 Permanent (excluding high school) 6,164 Construction					
0					
0.5					
0.5					
10					

*Important to recognize the school site, but the timing of its development will be based on broader population considerations than solely the proponent's land. As such, permanent jobs for the site would have a regional trigger, not a local one.

MDP/CTP Alignment

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

For details on criteria questions, see Attachment 3, Business Case Evaluation Criteria.

New Community Criteria	Technical Evaluation of Business Case	
Considerations		
Prosperous Economy		

- Administration estimates 3,740 jobs over the duration of the project. These are lower than the proponent's estimates of 6,164 construction jobs (4,482 direct jobs, and 1,682 indirect).
- Proponent estimates of 1,626 permanent jobs; Administration has some concerns around the feasibility of reaching these estimates for an area with a population of approximately 3,000 residents.
- On innovative economic diversification opportunities for Calgary, the proponent notes that unique (smaller) housing typologies would increase affordability in the housing market.

Compact City

- The business case area is contiguous with existing communities south of 144 Ave NW. It represents an extension of the Evanston (Qualico) community that is located directly south of the business case area.
- It is mostly logically serviceable. A sanitary connection is required from the east to service the lands. Proponent engaged adjacent landowner to discuss the provision of an easement to facilitate this connection however a formal agreement has not been reached.
- The area also requires an interchange connection on 14th St NW at Stoney Trail NW, and the proponent outlined their intention to develop initial phases in alignment with the construction of the interchange.
- At an estimated 83.5 people and jobs per gross developable hectare, the proposal meets the MDP intensity target of 60 people and jobs per gross developable hectare.

Great Communities

- At 64.7 ha (61.9 developable), the business case meets the minimum development size of 40 hectares.
- Responding to a forecasted supply need for single-residential product, the proposal is focused on delivering a single residential product. It does not propose a mixed-use development. Proponent notes that the proposed residential development will support existing adjacent non-residential development in Evanston.
- One Neighbourhood Activity Centre (2.59 ha) is planned for the community. It is designed to
 integrate with the adjacent MR and pond to create a focal point for the community
- In terms of supporting City facilities, such as libraries and recreation centres, the proposal may leverage the new library being constructed in Sage Hill which is ~3 4 km away. A future recreation centre is planned to the north of the business case area, and as outlined in the ASP, it will help to facilitate the development of an 8.72 ha high school site.

Good Urban Design

- The business case proposes housing typologies that increase affordability, and enhance the streetscape through street oriented housing, with reduced front yard setbacks.
- Attractive, varied architecture, flexible lotting, and a wide array of housing types.
- The community design is proposed to be a highly connected grid network, but respectful of environmental features.
- It integrates parkland with environmental reserve and the storm pond that will be a focal
 feature of the NAC. It integrates parkland with environmental reserve and the storm pond
 that will be a focal feature of the NAC and integrated with proposed commercial and
 community services.
- The proponent also outlines a commitment to reduce impacts on the environment by installing low flow fixtures, faucets, and appliances; providing trees for each new homeowner's yard and offering increased use of loam throughout the development.

Connecting the City

- Pedestrian and bicycle connectivity is noted within the proposal with connections to the existing active network on the southern side of 144 Ave NW.
- In terms of primary transit connectivity, the business case area may be able to leverage transit route 420 that circulates through Evanston along Evanston Dr. NW. Proponent also notes that the development is located 1.5 km drive from Stoney Trail NW and that initial development phases will be aligned with the construction of the 14 Street NW interchange off Stoney Trail NW.

Greening the City

• Proposes that natural features are retained and enhanced with the stormwater pond as a focal feature in the NAC. 25% of the business case area is proposed as reserve/open space (including PULs and other lands not suitable for residential construction).

Growth and Change

- Development in this area can leverage the 14 Street NW interchange off Stoney Trail NW.
- The area is fully within the long term city-wide fire/emergency response policy, allowing for development to proceed.

Market Demand

Enabling a growth pattern that aligns with market demand, inspires competition, and allows developers to interpret and pursue investment opportunities.

- The proposal is mainly for single residential supply flanked with multi-residential.
- Many existing communities are completing single residential development; the North sector will only have 2 actively developing communities at the end of 3 years.
- Significant capacity beyond initial approvals has yet to be brought on in the Keystone Hills ASP.

New Community Criteria Considerations	Technical Evaluation of Business Case
Project Readiness	

- An Outline Plan has been submitted for this business case area and studies are completed or underway
 - A Master Drainage Plan was submitted in early 2018 and has received comments from the City's review.
 - A Transportation Impact Assessment (TIA) has recently been submitted.
 - There are also outstanding Water Act/EPEA Applications that still need to be submitted.
- Proponent requires a right-of-way easement with the landowner to the east in order to facilitate the required sanitary connection.
- Proponent noted that they received confirmation of no public land claims for the site on February 8, 2017.
- Proponent holds a Tier 3 Status and note that they are nearing completing of several of their communities in the south and are not at risk of over-extension with the addition of this business case.

Market

- The North sector has around 2 years of serviced land supply considering single/semi
 development that is one of the lowest among the actively developing City Planning Sectors.
 Over the last five years, the sector captured 29% of the single/semi market share. The sector
 would require more serviced lands to maintain the market share, and the proposed
 development in Glacier Ridge ASP area will be helpful to maintain the market share.
- The North sector currently has five actively developing communities considering single/semi development, but 3 are anticipating completion within 3 years. Introducing more communities in North sector will provide more choice for home buyers. At the same time, the proposal will open up a new area in this sector that will create more competition in the market.

Financial Capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial risks.

Operating Costs (\$000s)²⁵

Operating	One Calgary 2022)	/ (2019-			Total	Total	Incremental Addition
(\$000s)	2019	2020	2021	2022	2019-2022	Final Year	(2023+)
Direct Incremental Operating Cost	0	0	9	22	31	2,627	2,605
Community-based Revenue Share	0	0	136	340	476	2,133	1,793
Revenue (Shortfall)	0	0	127	318	445	(495)	

Administration does not anticipate an operating shortfall in 2019-2022 that would need to be funded through an indicative rate increase in One Calgary (2019-2022). As the community develops and more services come online, tax rate coverage for operating shortfalls may be required.

Capital (\$Ms)²⁶

Capital (\$Ms)		One Calgary	One Calgary (2019-2022)				
		Funding Source					
	Total Capital			Property			
	Cost	Total Cost	Developer Levy	Tax	Utility Rate		
Total	\$4.0*	\$4.0	\$4.0	\$0.0	\$0.0		
		2023+ Budg	gets				
			Funding Source				
				Property			
		Total Cost	Developer Levy	Tax	Utility Rate		
		\$0.0	\$0.0	\$0.0	TBD		

Total Off-Site Levies Collected

\$15,149,456

Administration anticipates that capital investments in One Calgary (2019-2022) are 100 per cent allocated to growth, and will be funded by off-site levies.

*Glacier Ridge ASP (Qualico) is within the benefitting area for the North Ridge Pressure Zone infrastructure investment (approximately \$72M). These capital investments are addressed elsewhere but are required to allow the build-out of any community in the benefitting area.

²⁵ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process. ²⁶ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Capital Investment Projects Required

One Calgary		2023+	
Sanitary Linear	\$4,010,000		

Capital projects also required but costs attributed to other business cases or actively developing communities

- 14 St NW at Stoney Tr interchange
- 144 Avenue/West Nose Creek Bridge
- 160 Avenue/West Nose Creek Bridge
- Shaganappi Trail widening
- Northridge Feedermain Phase 1
- Northridge Feedermain Phase 2
- Northridge West Leg Feedermain
- Northridge Reservoir

New Community Capacity Analysis

The City of Calgary monitors both capacity and demand for housing in the Calgary market. This monitoring supports The City in its efforts to ensure that capacity does not fall too low (and risk pushing housing prices up while reducing affordability), or become too high (and risk inefficiency in delivering City services and/or overinvestment in City infrastructure). Furthermore, a balanced capacity scenario can increase competition and innovation, while encouraging communities to build out in order to support public and private amenities.

As part of the New Community Growth Strategy, this attachment explores how the new communities recommended for investment in Attachment 1 for inclusions in the One Calgary Service Plan and Budget help facilitate market demand over the next (2019-2022) and following (2023-2026) budget cycles. This information is presented for single residential (single detached and semi-detached) unit types, as well as multi-residential. It is also analyzes capacity impacts citywide and in The City's seven planning/market sectors.



With capacity for 18,864 single units by end 2022 in actively developing and new communities, the Recommended Portfolio will provide market support for 5.4 years of supply at 3500 units/year and 4.2 years at 4500 units/year. On top of this, an additional 14,829 single units will be ready for 2023-2026.

An important note – this is a scenario exercise that makes assumptions about future infrastructure investments. Should these assumptions not prove to be correct, due to Council decisions, financial impacts, or infrastructure delivery considerations, then the scenario analysis will also not be correct.

Notes

- "Serviced capacity" refers to lands that have capacity for transportation, water, sanitary, storm, and fire/emergency response. This land may or may not have approved land use.
- "Forecasted demand" is based on forecasting from The City regarding the expected share of citywide units that will be started in actively developing and new communities.
- "Additional available capacity from actively developing communities" includes capacity
 expected to become available via investment in actively developing communities. These
 investments have not been approved by Council and their status is subject to change.
- "Additional available capacity from New Community Growth Strategy" includes capacity proposed to become available through the New Community Growth Strategy. *These investments have not been approved by Council and their status is subject to change.*

Citywide

- Additional available capacity from actively developing communities includes capacity in Keystone Hills, Cornerstone and West Macleod ASPs.
- Additional available capacity from New Community Growth Strategy includes capacity from the Recommended Portfolio described in Attachment 1.

For Single Residential	2018	2019-2022	2023-2026
Serviced Capacity – Start of Period	14,880	14,694	18,864
Forecasted Demand – Entire Period	(3,282)	(13,901)	(17,120)
Additional Available Capacity from Actively Developing Communities	3,096	16,321	0
Serviced Capacity – Before New Community Growth Strategy	14,694	17,114	1,744
Additional Available Capacity from New Community Growth Strategy	0	1,750	14,829
Total Serviced Capacity – End of Period	14,694	18,864	16,573

For Multi-Residential	2018	2019-2022	2023-2026
Serviced Supply – Start of Period	33,881	33,138	37,050
Forecasted Demand – Entire Period	(1,923)	(6,346)	(9,340)
Additional Available Supply from Actively Developing Communities	1,180	10,258	0
Serviced Capacity – Before New Community Growth Strategy	33,138	37,050	27,710
Additional Available Capacity from New Community Growth Strategy	0	0	8,291
Total Serviced Capacity – End of Period	33,138	37,050	36,001

North Sector

- Additional available capacity from actively developing communities includes capacity from the Keystone Hills ASP.
- Additional available capacity from New Community Growth Strategy includes capacity from the Recommended Portfolio described in Attachment 1.

For Single Residential	2018	2019-2022	2023-2026
Serviced Capacity – Start of Period	1,301	2,738	9,226
Forecasted Demand – Entire Period	(809)	(3,062)	(3,800)
Additional Available Capacity from Actively Developing Communities	2,246	9,050	0
Serviced Capacity – Before New Community Growth Strategy	2,738	8,726	5,426
Additional Available Capacity from New Community Growth Strategy	0	500	981
Total Serviced Capacity – End of Period	2,738	9,226	6,407

For Multi-Residential	2018	2019-2022	2023-2026
Serviced Supply – Start of Period	8,700	8,371	12,108
Forecasted Demand – Entire Period	(559)	(1,695)	(2,250)
Additional Available Supply from Actively Developing Communities	230	5,432	0
Serviced Capacity – Before New Community Growth Strategy	8,371	12,108	9,858
Additional Available Capacity from New Community Growth Strategy	0	0	1,558
Total Serviced Capacity – End of Period	8,371	12,108	11,416

Northeast Sector

• Additional available capacity from actively developing communities includes capacity in the Cornerstone ASP.

For Single Residential	2018	2019-2022	2023-2026
Serviced Capacity – Start of Period	4,380	3,629	3,483
Forecasted Demand – Entire Period	(751)	(3,157)	(3,410)
Additional Available Capacity from Actively Developing Communities	0	3,011	0
Serviced Capacity – Before New Community Growth Strategy	3,629	3,483	73
Additional Available Capacity from New Community Growth Strategy	0	0	0
Total Serviced Capacity – End of Period	3,629	3,483	73

For Multi-Residential	2018	2019-2022	2023-2026
Serviced Supply – Start of Period	13,470	13,084	13,435
Forecasted Demand – Entire Period	(386)	(1,635)	(2,250)
Additional Available Supply from Actively Developing Communities	0	1,986	0
Serviced Capacity – Before New Community Growth Strategy	13,084	13,435	11,185
Additional Available Capacity from New Community Growth Strategy	0	0	0
Total Serviced Capacity – End of Period	13,084	13,435	11,185

East Sector

 Additional available capacity from New Community Growth Strategy includes capacity from the Recommended Portfolio described in Attachment 1.

For Single Residential	2018	2019-2022	2023-2026
Serviced Capacity – Start of Period	0	0	20
Forecasted Demand – Entire Period	0	(230)	(690)
Additional Available Capacity from Actively Developing Communities	0	0	0
Serviced Capacity – Before New Community Growth Strategy	0	(230)	(670)
Additional Available Capacity from New Community Growth Strategy	0	250	1,744
Total Serviced Capacity – End of Period	0	20	1,074

For Multi-Residential	2018	2019-2022	2023-2026
Serviced Supply – Start of Period	0	0	0
Forecasted Demand – Entire Period	0	0	0
Additional Available Supply from Actively Developing Communities	0	0	0
Serviced Capacity – Before New Community Growth Strategy	0	0	0
Additional Available Capacity from New Community Growth Strategy	0	0	1,631
Total Serviced Capacity – End of Period	0	0	1,631

Southeast Sector

- Additional available capacity from actively developing communities includes capacity in Seton.
- Additional available capacity from New Community Growth Strategy includes capacity from the Recommended Portfolio described in Attachment 1.

For Single Residential	2018	2019-2022	2023-2026
Serviced Capacity – Start of Period	4,320	4,274	825
Forecasted Demand – Entire Period	(896)	(3,949)	(3,930)
Additional Available Capacity from Actively Developing Communities	850	0	0
Serviced Capacity – Before New Community Growth Strategy	4,274	325	(3,105)
Additional Available Capacity from New Community Growth Strategy	0	500	8,386
Total Serviced Capacity – End of Period	4,274	825	5,281

For Multi-Residential	2018	2019-2022	2023-2026
Serviced Supply – Start of Period	7,468	7,967	6,542
Forecasted Demand – Entire Period	(451)	(1,425)	(2,780)
Additional Available Supply from Actively Developing Communities	950	0	0
Serviced Capacity – Before New Community Growth Strategy	7,967	6,542	3,762
Additional Available Capacity from New Community Growth Strategy	0	0	2,971
Total Serviced Capacity – End of Period	7,967	6,542	6,733

South Sector

- Additional available capacity from actively developing communities includes capacity in the West Macleod ASP.
- Additional available capacity from New Community Growth Strategy includes capacity from the Recommended Portfolio described in Attachment 1.

For Single Residential	2018	2019-2022	2023-2026
Serviced Capacity – Start of Period	3,041	2,421	4,303
Forecasted Demand – Entire Period	(620)	(2,628)	(4,700)
Additional Available Capacity from Actively Developing Communities	0	4,260	0
Serviced Capacity – Before New Community Growth Strategy	2,421	4,053	(397)
Additional Available Capacity from New Community Growth Strategy	0	250	1,798
Total Serviced Capacity – End of Period	2,421	4,303	1,401

For Multi-Residential	2018	2019-2022	2023-2026
Serviced Supply – Start of Period	1,996	1,528	3,117
Forecasted Demand – Entire Period	(468)	(1,251)	(1,670)
Additional Available Supply from Actively Developing Communities	0	2,840	0
Serviced Capacity – Before New Community Growth Strategy	1,528	3,117	1,447
Additional Available Capacity from New Community Growth Strategy	0	0	1,152
Total Serviced Capacity – End of Period	1,528	3,117	2,599

West Sector

For Single Residential	2018	2019-2022	2023-2026
Serviced Capacity – Start of Period	1,838	1,632	1,007
Forecasted Demand – Entire Period	(206)	(625)	(590)
Additional Available Capacity from Actively Developing Communities	0	0	0
Serviced Capacity – Before New Community Growth Strategy	1,632	1,007	417
Additional Available Capacity from New Community Growth Strategy	0	0	0
Total Serviced Capacity – End of Period	1,632	1,007	417

For Multi-Residential	2018	2019-2022	2023-2026
Serviced Supply – Start of Period	2,247	2,187	1,847
Forecasted Demand – Entire Period	(60)	(340)	(390)
Additional Available Supply from Actively Developing Communities	0	0	0
Serviced Capacity – Before New Community Growth Strategy	2,187	1,847	1,457
Additional Available Capacity from New Community Growth Strategy	0	0	0
Total Serviced Capacity – End of Period	2,187	1,847	1,457

Northwest Sector

• Additional available capacity from New Community Growth Strategy includes capacity from the Recommended Portfolio described in Attachment 1.

For Single Residential	2018	2019-2022	2023-2026
Serviced Capacity – Start of Period	0	0	0
Forecasted Demand – Entire Period	0	(250)	0
Additional Available Capacity from Actively Developing Communities	0	0	0
Surplus (Deficit) in Serviced Capacity – Before New Community Growth Strategy	0	(250)	0
Additional Available Capacity from New Community Growth Strategy	0	250	1,920
Surplus (Deficit) in Serviced Capacity – End of Period	0	0	1,920

For Multi-Residential	2018	2019-2022	2023-2026
Serviced Supply – Start of Period	0	0	0
Forecasted Demand – Entire Period	0	0	0
Additional Available Supply from Actively Developing Communities	0	0	0
Surplus (Deficit) in Serviced Capacity – Before New Community Growth Strategy	0	0	0
Additional Available Supply from New Community Growth Strategy	0	0	979
Surplus (Deficit) in Serviced Capacity – Before New Community Growth Strategy	0	0	979

PFC2018-0200 Att 4 ISC: Unrestricted

Letter from BILD Calgary Region



The City of Calgary PO Box 2100, Station M Calgary, AB T2P 2M5 June 25, 2018

Attention: Members of Standing Policy Committee on Priorities and Finance

Re: PFC2018-0678: New Community Growth Strategy Investment Recommendations

BILD Calgary Region would like to recognize the Growth Strategies team for its collaboration, and inclusion of BILD and industry members in getting to this decision point.

As you are aware, for almost 2 years the City of Calgary and BILD jointly explored alternative funding and financing mechanisms - until February of this year - and since then have been working on a growth framework and strategy. As presented by BILD and Administration during the Feb. 22, 2018 PFC meeting, efforts to advance an additional, alternate funding/financing framework to leverage developer investment was halted at that time, due to a clear gap between the City and developer perspective on cost/risk that could not be closed. BILD did not wish to see a 'two-tiered' approach that could create 'have' and 'have-not' communities across Calgary, and there was no agreement between the parties on the City's representation of costs and perception of risk. At the February PFC meeting, administration was directed to work on a growth framework utilizing the existing system, (City retains control over where, when and who gets to advance lands) and bring back a recommendation to PFC in June 2018, to advance 6-12 new communities for GMO removal.

We are at that PFC decision, and would like to thank Administration for its work in getting to this point. Extensive meetings were held between industry members, BILD, and the Growth Strategies team in establishing the criteria and the overall framework used to generate the list of recommendations in this report.

While BILD is recognizing the work done on the criteria, please note that we were NOT involved in:

- the selection process;
- the development, assessment or review of any business case;
- how the criteria was applied or used; or
- the final recommended portfolio of projects.

As such, we are not in any way endorsing the outcome of the criteria or the final list that is in front of Committee for decision.

BILD did feel that it was important to recognize the many hours of joint work and collaboration put forward by the Growth Strategies team: the efforts made and the time taken to collaborate, discuss issues, and work extensively with BILD and the industry throughout the process. A significant amount of trust and goodwill was established during our work, which we believe will benefit all parties in the future work that is before us.

Yours Truly

Guy Huntingford

CEO, BILD Calgary Region

c.c. Stuart Dalgleish, General Manager Planning & Development, City of Calgary

Matthias Tita, Director, Growth & Strategic Services, Planning & Development, City of Calgary

Kathy Davies Murphy, Manager, Growth & Strategic Services, Planning & Development, City of Calgary

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Deputy City Manager's Office Report to Priorities and Finance Committee 2018 June 28

Independent Review of Non-Residential Assessment and Appeal System

EXECUTIVE SUMMARY

On 11 September 2017, Council adopted a Notice of Motion (Attachment) directing Administration to engage a consultant to conduct an independent review of the non-residential assessment and assessment complaint processes, including recommendations for change, and to report back to the Priorities and Finance Committee (PFC) no later than Q2 2018.

In response to this direction, Heuristic Consulting was selected by a competitive process to perform this review, and will be presenting their interim findings to this (2018 June 28) meeting of PFC, to be followed by the submission of a final written report in the early fall, 2018.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee:

- 1. Receive this report and attachments for information; and
- 2. Direct that Administration return to PFC with the final, independent report and recommendations no later than Q4 2018.

PREVIOUS COUNCIL DIRECTION / POLICY

In addition to directing Administration to engage an external consultant to perform an independent review of the non-residential assessment and assessment appeal system, the September 2017 Notice of Motion further specifies that this review should:

- determine what changes can be implemented within the bounds of existing legislation to increase fairness, transparency and equity from the standpoint of all non-residential taxpayers, while taking into consideration associated financial risks to The City;
- determine whether changes could be implemented within the bounds of existing legislation to the way non-residential taxpayers can seek review of non-residential property assessments;
- review similar processes in Edmonton and other relevant jurisdictions to determine any changes that The City of Calgary could emulate to ensure greater fairness, transparency and equity; and
- identify related changes to the Municipal Government Act (i.e. outside the bounds of existing legislation) that Council could consider for advocacy with the Government of Alberta.

BACKGROUND

Over the past year, several non-residential taxpayers in Calgary expressed their concern to Members of Council about the fairness, transparency and equity of the City's annual non-residential assessment system. Concerns were also raised about both the predictability and timeliness of the process used to hear assessment complaints.

Deputy City Manager's Office Report to Priorities and Finance Committee 2018 June 28

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Independent Review of Non-Residential Assessment and Appeal System

The affected taxpayers pointed specifically to a recent rise in the number of non-residential assessment complaints before the Assessment Review Board (ARB), as well as the fact that in some cases, assessments that had been reduced by the ARB one year, were increased by The City in subsequent years. Affected taxpayers' have also raised related concerns about the ability to access important information about non-residential property assessments.

These concerns led Council to adopt the Notice of Motion referenced above, directing Administration to seek independent recommendations to improve both the non-residential assessment system, as well as the system governing non-residential assessment complaints. Recognizing that The City of Calgary is, in many ways, constrained by a legislative framework controlled by the province, the Notice of Motion sought recommendations for changes both within The City's immediate control, as well as changes that The City might consider as advocacy positions in future dealings with the Government of Alberta. In response, Administration issued a Request for Proposals, and from a short-list of highly qualified applicants, selected Heuristic Consulting based on the team's depth of experience as well as the objectivity of a BC-based organization.

Project-managed by Intergovernmental & Corporate Strategy to avoid any real or perceived conflicts of interest, the Heuristic team began their work in March 2018 with an extensive series of in-person interviews with external and internal stakeholders in Calgary and elsewhere (see below for list of stakeholders). The consultants also reviewed relevant legislation, spoke with senior representatives of other comparable jurisdictions, and established criteria and methodologies to measure fairness, transparency and predictability. During and after this research the consultants also organized two half-day workshops, well-attended by all internal and external stakeholders to validate and refine their findings, and to encourage collegiality and cooperation among the various parties.

Based on this work, Heuristic has:

- Identified and prioritized changes that could be made, within the existing legislative scheme and in a fiscally responsible manner, to increase taxpayers' levels of satisfaction with the fairness, transparency and predictability throughout the system
- Identified best practices from other jurisdictions, compatible with the existing legislative scheme and considering potential financial risks, to address the need for timely and equitable resolutions of assessment complaints
- Identified and prioritized areas of concern in the appeal process respecting that The City
 of Calgary might want to advocate for legislative change to the Province

INVESTIGATION: ALTERNATIVES AND ANALYSIS

At the June 28 meeting of PFC, representatives of Heuristic Consulting will present their preliminary findings and recommendations. Following input from PFC, they will continue to refine their recommendations, and return with a final, written report in the fall of 2018. Briefly, the preliminary findings can be organized around seven key issues.

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Deputy City Manager's Office Report to Priorities and Finance Committee 2018 June 28

Independent Review of Non-Residential Assessment and Appeal System

- 1. Capacity: Different parties, including the ARB and The City of Calgary might benefit from additional training and/or expertise.
- 2. Culture: All parties to the non-residential assessment and complaint system need to focus on practices and processes that foster improved collaboration.
- Mass Appraisal: The legislative requirement to use Mass Appraisal to find assessed value should be clarified to communicate assessors' authority and flexibility to adjust values.
- 4. Effective Communication: Different parties to the process should improve their communication strategies to better target timely messages to critical audiences.
- 5. Dispute Resolution: improvements should be made to improve the probability of resolving disputes prior to a formal appeal to the ARB.
- 6. The role of the Province: Clarity the oversight role of the province as well as reconvening the Stakeholders Advisory Committee active during the Municipal Government Act (MGA) Review could support improved trust among the parties.

Following the discussion of these preliminary findings at the June 28 meeting of PFC, the consultants will continue to refine their recommendations for presentation of a written report to Council in the fall of 2018.

Stakeholder Engagement, Research and Communication

Since beginning their review, the independent consultants (Heuristic Consulting) have engaged repeatedly with a wide range of stakeholders and experts, both individually as well as together in two-half day workshops. These stakeholders include:

- Internal City of Calgary Stakeholders, including the City Manager and other senior management as well as staff from the Assessment Business Unit, and Law and Finance Departments.
- The ARB, including the Board Chair, Board Members and staff from City Clerks that support the work of the ARB.
- Non-residential taxpayers and their agents, including individual taxpayers, tax agents such as Altus, and representative bodies including the Calgary Chamber of Commerce and Calgary Economic Development.
- The Mayor and Members of Council.
- Representatives from the Government of Alberta, primarily focused on senior officials within the Ministry of Municipal Affairs.
- Professional associations including the Alberta Assessors Association.

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Deputy City Manager's Office Report to Priorities and Finance Committee 2018 June 28

Independent Review of Non-Residential Assessment and Appeal System

 A range of similar stakeholders from other jurisdictions, including British Columbia, Ontario, and City of Winnipeg, but with a particular emphasis on staff from The City of Edmonton and the Edmonton ARB.

It is worth noting, that without exception, all of the stakeholders that have been approached and engaged have expressed their satisfaction with the choice of Heuristic Consulting to undertake this work. This buy-in to the review process has been important to developing useful analysis and recommendations, but also helps demonstrate a willingness of parties to work collaboratively to improve the system.

Strategic Alignment

This exercise aligns with the 2019-2022 Council Directive for A Well-Run City. This directive instructs both Council and Administration to improve communication with Calgarians, improve the value of municipal services by simplifying and streamlining processes, and seizing opportunities for innovative management and service delivery.

The exercise also aligns with Council's 2019-2022 Guidelines to Administration, including the building of strategically important relationships that promote community and city building.

Social, Environmental, Economic (External)

N/A

Financial Capacity

Current and Future Operating Budget:

In responding to the concerns raised in the Notice of Motion, many of the preliminary recommendations are concerned with improving transparency, fairness and equity. But in so doing, they also recommend service level enhancements and organizational transformation that can achieve operating efficiency gains. However, these gains may also require an initial investment, in the form, for instance, of enhanced training. Greater detail on the expected gains will come with the final report, but might be expected to achieve overall cost-savings within 3-5 years and further savings over time.

Current and Future Capital Budget:

N/A

Risk Assessment

Some of the recommendations require action from the Government of Alberta. Following the lengthy MGA Review and ongoing city charter processes, there is a very real risk that the Government of Alberta may be unwilling to entertain further changes to the assessment system in The City of Calgary, particularly in the lead-up to a provincial election. If any changes are

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Independent Review of Non-Residential Assessment and Appeal System

sought in the near-term, it may therefore require a concerted advocacy campaign. One strategy may involve demonstrating the broader value of any changes to other parties, including the City of Edmonton and the Alberta Urban Municipalities Association, enlisting their support for future advocacy.

Furthermore, several of the preliminary recommendations focus on improved relationships. While all of the parties have demonstrated a willingness to improve communication and collaboration within this context of this review, there is a risk that any momentum could be lost once the review process is complete. Effective transformation and change managementrequire coordination and leadership on the part of The City to ensure that all of the stakeholders, both internal and external, continue to build on the successes so far.

Finally, there is some risk that the recommendations coming from this report could be construed as a response to, or solution for, some of the other issues that have been raised regarding The City's assessment and taxation practices (e.g. the shifting tax burden resulting from low downtown occupancy). While related, it will be important to ensure that the scope of this exercise is made clear in the final report and any associated communications.

REASON(S) FOR RECOMMENDATION(S):

Receiving this report and attachments for information provides an opportunity for Members of Council to hear and provide feedback on the preliminary findings and recommendations. Directing the Administration to work with the consultants to provide a final report no later than Q3 2018 will ensure that Council's feedback can be incorporated, while still providing an opportunity to implement certain recommendations prior to the next assessment year.

ATTACHMENT

- 1. Notice of Motion
- 2. PowerPoint Presentation



NOTICE OF MOTION

NM 2017, September 11 Combined Meeting of Council

RE: INDEPENDENT REVIEW OF NON-RESIDENTIAL ASSESSMENT AND COMPLAINTS

MAYOR Nenshi

WHEREAS there were 2,386 assessment complaints for non-residential properties filed in 2017, up from 2,159 in 2016 and 1,889 in 2015 and about 40% of those that proceeded to a hearing before the Composite Assessment Review Board in 2016 were successful for the complainant;

AND WHEREAS the Municipal Government Act and Regulations legislate that assessments are to be prepared each year to reflect market value and Provincial standards;

AND WHEREAS some assessments reduced by a Composite Assessment Review Board are increased by The City of Calgary in subsequent years, as "every year is a new year," resulting in further and recurring assessment complaints;

AND WHEREAS many businesses and individuals, as well as the Calgary Chamber of Commerce and Calgary Economic Development have raised significant, reasonable and persuasive concerns about the fairness, transparency and predictability of The City of Calgary's non-residential assessment process;

AND WHEREAS these concerns highlight the need to review the non-residential assessment and complaint process for potential improvements and reforms;

NOW THEREFORE BE IT RESOLVED that Council directs Administration to engage a consultant to conduct an independent review of the non-residential assessment process to determine if changes could be implemented within the bounds of the legislation to increase fairness, transparency and equity from the standpoint of all non-residential taxpayers, while taking into consideration associated financial risks to The City.

AND BE IT FURTHER RESOLVED that Council directs Administration to engage a consultant to conduct an independent review of the non-residential complaint process to determine if changes could be implemented within the bounds of the legislation to the manner in which non-residential taxpayers can seek review of non-residential property assessments.

AND BE IT FURTHER RESOLVED that the independent review include an examination of the non-residential assessment complaint processes in The City of Edmonton and other relevant jurisdictions to determine what practices, if any, The City of Calgary could emulate to ensure greater fairness, transparency and predictability.

AND BE IT FURTHER RESOLVED that the independent review examine non-residential assessment complaint best practices, associated financial risks and applicable legislation from other jurisdictions, for the timely and equitable resolution of assessment complaints.

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AND BE IT FURTHER RESOLVED that the independent review identify and recommend potential changes to the assessment complaint process in the Municipal Government Act for Council to consider adopting as an advocacy position to the province.

AND BE IT FURTHER RESOLVED that a report return to the Priorities and Finance Committee no later that Q2 2018.

andri

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Review of Non-Residential Assessment and Assessment Appeals System

Attachment 2 – PFC2018-0798

Priorities & Finance Committee

June 28, 2018

Attachment 2 PFC2018-0798 V05



Calgary City Council Motion

Calgary City Council, passed a Notice of Motion on September 11, 2017, approving an independent review of the non-residential assessment and complaint system to obtain recommendations to improve stakeholder satisfaction with the non-residential property assessment and complaint system.



- Determine if changes could be implemented to increase fairness, transparency and equity
- Determine if changes could be implemented to the manner in which taxpayers can seek review of nonresidential property assessments
- Review the complaint processes from other relevant jurisdictions
- Consider best practices, associated financial risks and applicable legislation from other jurisdictions
- Identify and recommend potential changes to the assessment complaint process in the MGA.



Purpose of Today's Presentation

The Consultants will be providing a full report with final recommendations for Council in the early fall, 2018. The findings to date should be considered preliminary

Today's presentation is meant to:

- To provide an overview of the process of consultation and research
- Provide an overview of preliminary findings and draft recommendations
- Offer Members of Council an opportunity for additional feedback the consultants may consider as they prepare final recommendations

Attachment 2 PFC2018-0798 V05



Key Review Activities

- <u>Interviews, meetings</u> and <u>innovation</u> <u>workshops</u> outreach to primary stakeholders themed on <u>redefining WIN for community well-being</u>. Toward <u>practical</u> solutions to improve transparency, predictability, fairness & equity while recognizing financial risk.
- Reviewed the assessment legislation applicable to Calgary and Edmonton, and to other Canadian jurisdictions
- Interjurisdictional and leading practice: researched <u>alternative approaches to assessment</u> and complaint/appeal systems





Stakeholder Engagement & Interjurisdiction Review

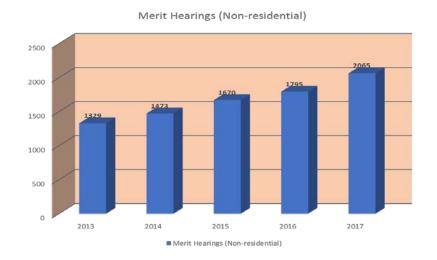
- Tax agents
- Property Owners & Industry Roundtable
- Calgary Chamber of Commerce
- Calgary Economic Development
- BOMA (Building Owners & Managers Assn)
- Calgary Assessment Business Unit
- Calgary Assessment Review Board
- Calgary City Staff

- Edmonton Assessment Business Unit
- Edmonton Assessment Review Board
- Ministry of Municipal Affairs
- Alberta Municipal Government Board
- Alberta Assessors Association
- City of Winnipeg
- Province of BC
- Province of Ontario

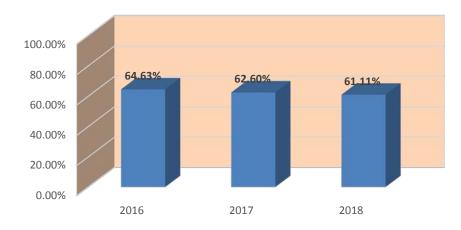
Attachment 2 PFC2018-0798 V05



Non-Residential Assessment System *Findings*



- Current system has many strengths
- Challenges, but improvements already under way (e.g., ACP)
- System capacity strained responding to appeals limits resources available for property assessment
- Percentage of Properties With ARB Decreases that were Increased in Subsequent Years



- Culture of defensiveness: lack of trust; adversarial relationships focused on 'win-lose'
- Lack of effective communication between the parties
- Unclear Provincial leadership/oversight role from elevating standards to systemic performance management & forward-looking audit / QM

Attachment 2 PFC2018-0798 V05





Calgary Preliminary Recommendations -> Key Issues

Key Issue 1 - Capacity

- Use <u>short-term external expertise</u>; <u>enhance training</u> in valuation of complex, high value, properties
- Skills training in dispute negotiation and media/external communications
- Enhance annual performance reporting for both ABU and ARB (clientcentric; capacity linked)
- Cooperatively streamline workloads and schedules associated with roll preparation and dispute resolution





Calgary Preliminary Recommendations - Key Issues

Key Issue 2 - Culture

- Clarify / describe roles of key players in Non-Res Assessment system
- Set basic ground rules for working relationships between ABU and principal tax agents through Memorandum of Understanding (MOU):
 - Roles and common goals
 - Professional conduct
 - <u>Information sharing</u> and <u>communications</u> expectations
 - Process agreed statements of facts and/or agreed recommendations to ARB for scheduling hearings
 - Pre-Roll and post Pre-Roll negotiations





Calgary Preliminary Recommendations -> Key Issues

Key Issue 2 - Culture

- ARB support cooperative practices between the parties to provide maximum flexibility for scheduling and pre-hearing dispute resolution, while respecting principles of administrative law
- Throughout the transformation period, provide for coordinating leadership role by the <u>City</u> - to monitor, advocate and sustain continuous improvement





Coordinated Leadership; Clear Roles & Collaboration



Policy **Leading Practice Assmt Methodology Elevate Standards Effective Audit Reporting Alternative Dispute Resolution Emerging Issues/Risks**

Provincial Role

- Policy & Regulation
- Governance / Oversight
- •Relationship & Information Management (e.g., SVC AB)
- Communication / Collaboration
- Elevating STANDARDS / Leading Practice
- •Risk Oversight & Forward-looking Audit &QM

City of Calgary Role

- · Change Leadership / Advocacy
- ·Tax / Assessment Policy
- •Relationship & Information Management
- Communication / Engagement
- Quality Management (STDS based)
- Service Management (SVC level @ lowest cost)
- ·Risk (financial) management

Stakeholders Advisory Committee (SAC)

(ABU; ARB; Agents; AAA; CPTA, UDI, BOMA, etc.)

- ·Leading Practice (identify, evaluate, peer review)
- · Assessment methodology (evaluate for adoption; possible benchmarking)
- · Elevate Standards (raise the bar)
- Continuing Professional Development / Training
- Professional forums for developing / evaluating emerging issues / risks







Key Issue 3 – the requirement to use Mass Appraisal to find assessed value

- Clarify that market value, consistently determined, is the target
 - Recognize mass appraisal as a tool; not a solution
 - Assessment quality, at lowest cost: mass appraisal is necessary to cost efficiency, but requires balance with appraisal judgment for valuing thinly traded, complex properties
 - Clarify & communicate assessors' authority to adjust values ; accounting for individual property / market variations
- Provincial ratio studies: develop & report metrics (beyond ASR, COD) to recognize property strata & assessment methodology distinctions

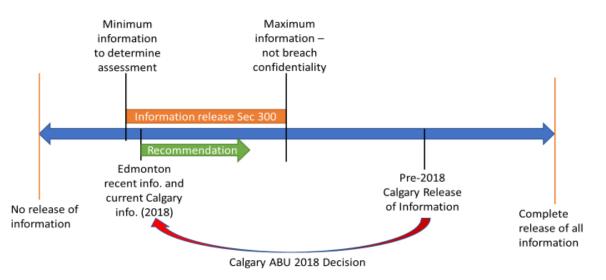




Key Issue 4 - Effective communications

- ABU enhance communications strategy to better target timely messages to critical audiences
- Provide optimal (not minimal) amount of information for taxpayers' acceptance / understanding of their assessments, while protecting privacy

Information Sharing Issue



- Engage Stakeholders (e.g., reenergize an effective Stakeholders Advisory Committee) to:
 - Aid identification & adaption of leading practice / continuous improvement, and
- Provide early information to inform financial risk assessment regarding tax base shifts due to complex market dynamics.





Key Issue 5 - Dispute resolution improvements

- Focus on improving the efficacy of the ACP (Pre-Roll), by
 - Prioritizing resolution of <u>high value/common issue/principle setting properties</u>
 - Supporting <u>"without prejudice"</u> settlement opportunities



- Expanding <u>awareness of the ACP kickoff</u> market analysis meeting
- Adjusting ABU resourcing to assign a single team leader/manager to administer and report out on the ACP





Key Issue 6 - Dispute resolution improvements

- ARB protocols to facilitate pre-hearing dispute resolution
- ABU and ARB to report on appeal costs and performance
- Improve the efficacy of the ARB system by
 - enhancing the <u>member performance review process</u>
 - considering resourcing board officer positions and/or transferring administrative responsibilities to the City Clerk's office
 - adopting the use of <u>case management</u> by Board members to narrow issues and encourage pre- hearing resolution of cases
 - publicizing the one year "cooling off" policy of the MGB and ARBs before hiring assessment staff as panel members





Key Issue 6 - Dispute resolution improvements

- In the mid-long term,
 - Investigate for adoption: ARB Rules of Practice & Procedure to incorporate active appeal management, alternate dispute resolution and settlement conferencing.
 - Advocate for legislative change to introduce dispute resolution alternatives (e.g., structured appeal management and mediation, single member adjudication either through hearing or written submissions) adapting experience of BC, Winnipeg and Ontario





Key Issue 6 - Dispute resolution improvements

- In the long term,
 - advocate for legislative change to model dispute resolution alternatives (e.g., structured appeal management and mediation, single member adjudication either through hearing or written submissions) adapting experience of BC, Winnipeg and Ontario
 - evaluate the <u>advantages and disadvantages</u> of a <u>2-3-year roll cycle</u>.
- **Key Issue 7 the Role of the Province**
 - Clarify the oversight role of the Ministry of Municipal Affairs
 - Re-energize and support the <u>use of the Stakeholders Advisory Committee</u>, that was active during the MGA revision process, (to assist with the setting of professional standards, advancement of professional and leading practices and to provide support to assessment practitioners).





Key Issue 7 – the Role of the Province

- Clarify the oversight role of the Ministry of Municipal Affairs
- Re-energize and support use of the Stakeholders Advisory Committee - active during the MGA revision process -
- Setting of / elevating professional standards,
- Advancing professional and leading practices
- Introducing / evaluating alternate dispute resolution
- Evaluate the advantages and disadvantages of a 2-3-year roll cycle to address capacity issues and potential service improvement.



Recommended Actions

Priority 1 – ASAP

- Establish a City leadership team to oversee implementation of recommendations
- Secure commentary/responses on recommendations; <u>develop & implement action</u> <u>plan.</u>
- Engage short-term external expertise to address valuation challenges and capacity
- Develop, implement and monitor MOUs.
- Revisit 2018 appeals in progress toward pre-hearing resolution where possible.
- ABU and City Staff, in consultation with appellants, develop recommended hearing schedule and present to ARB.
- Support ABU's Pre-Roll (nee ACP) and relationship building change initiatives

Attachment 2 PFC2018-0798 V05







Leading Practice
Assmt Methodology
Elevate Standards
Effective Audit Reporting
Alternative Dispute Resolution
Emerging Issues/Risks

Questions Discussion

Attachment 2 PFC2018-0798 V05 1



Positive News

As a result of the actions taken to date, and reinvigorated leadership at ABU, we are observing early successes:

- Greater collaboration between all parties
- Positive reactions to early recommendations
- Advancements in ACP initiatives
- A strong desire to address new ideas

Attachment 2 PFC2018-0798 V05

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Bus Rapid Transit Network Marketing Strategy

EXECUTIVE SUMMARY

The City is building four Bus Rapid Transit (BRT) routes that will fill important gaps in the rapid transit network, and provide efficient, reliable and convenient transit service for Calgarians. The new network will serve key travel destinations and enhance cross-town transit connections, supporting a diversity of trip types and providing major improvements in the speed, reliability, convenience and customer experience of travel options. These routes will provide enhanced public transportation to 53 Calgary communities with a combined population of 320,000 people. As part of the implementation, Calgary Transit is also reviewing 25% of existing bus routes to develop a more effective bus network that makes efficient use of the BRT infrastructure investments.

Given the significant investments in improved transit service and infrastructure across the city, and the large number of current and potential new customers that will have new/revised transit options as part of BRT implementation, it will be important to effectively communicate the scope of the network changes to Calgarians, as well as promote the enhanced service to increase awareness and attract new customers. Transit industry best practices and case studies have demonstrated unique branding and targeted marketing are beneficial to effectively communicate the higher value of BRT service options and attributes, and attract more new users and retain existing riders.

Administration evaluated multiple options in the development of the BRT network marketing strategy. The marketing and communications tactics outlined in the recommended Option 2 support existing customers through significant route changes, while also increasing awareness of the BRT service, promoting the brand and important value dimensions, using industry best practices and expanding audience reach. This option provides a balanced approach to meeting the overall marketing strategy goals and maximizing return on investment given current financial constraints.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommend that Council approve funding option 2 and allocate \$366,000 to Calgary Transit Program 110 from the Fiscal Stability Reserve for the Bus Rapid Transit Network Marketing Strategy.

PREVIOUS COUNCIL DIRECTION / POLICY

At the 2013 January 14 Combined Meeting of Council, report TT2012-0833, RouteAhead; A Strategic Plan for Transit in Calgary, was approved containing the Bus Rapid Transit (BRT) network as a short-term priority for expansion of the rapid transit network.

Action Plan 2015-2018 allocated capital funding to the commencement of the BRT network through Program 566.

BACKGROUND

The City is building four Bus Rapid Transit (BRT) routes that will fill important gaps in the rapid transit network, and provide efficient, reliable and convenient transit service for Calgarians. As outlined in RouteAhead – A Strategic Plan for Transit in Calgary, the BRT network is an important part of The City's overall transportation plan and will provide Calgarians with significantly improved options to travel across the city using public transit. The service is an

Transportation Report to Priorities and Finance Committee 2017 June 28

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Bus Rapid Transit Network Marketing Strategy

important investment to accommodate the evolving travel needs of Calgarians, as well as the city's current and future growth. The 17 Avenue S.E., North and South Crosstown BRT routes will begin service in fall 2018, and Southwest BRT will begin service in 2019.

BRT is a fast, reliable bus service achieved through infrastructure improvements such as dedicated bus lanes, transitways and transit priority at traffic signals (queue jumps, signal priority). It is a cost-effective and flexible approach to providing a high quality rapid transit service, at a lower construction cost than Light Rail Transit. BRT routes have fewer stops than a regular bus route, allowing them to travel farther in a shorter amount of time while still directly connecting customers with major destinations.

The City of Calgary's BRT network includes both enhanced service and infrastructure. There has been significant planning and engagement work conducted on the BRT projects, and the network has been adapted to suit the needs of the communities and the customers it will serve. The new network will serve key travel destinations and enhance cross-town transit connections, supporting a diversity of trip types and providing major improvements in the speed, reliability and convenience of travel options. In addition to improved service attributes, there have been significant enhancements in customer experience amenities such as larger platforms and shelters (BRT stations), heated shelters, improved lighting, and next bus arrival time information. The four BRT routes will provide an enhanced level of service to 53 communities containing 320,000 people. Ridership on these BRT routes is expected to grow to over 30,000 passenger trips per day by 2024.

As part of the BRT network implementation, Calgary Transit is reviewing 25% of existing bus routes to develop a more effective bus network that makes efficient use of the BRT infrastructure investments. The 2018 Transit Service Review is ongoing and focused on the catchment areas around 17 Avenue SE, North and South Crosstown BRT. In total, these existing routes serve over 70,000 passenger trips per day across 99 communities.

Given the significant investments in improved transit service and infrastructure across the city, and the large number of current and potential new customers that will have new/revised transit options as part of BRT implementation, it will be important to effectively communicate the scope of the network changes to Calgarians, as well as promote the improved connectivity, convenience, reliability and customer experience amenities to attract new customers. Industry best practices and case studies have demonstrated that enhanced marketing approaches are required to most effectively communicate the higher value of BRT service options and attributes, and consequently attract more new users and retain existing riders. This includes unique branding for the rapid transit service and stations, as well as targeted marketing strategies to distinguish the enhanced service. These efforts seek to create positive awareness and perceptions, and promote user (e.g. cost, convenience, efficiency) and societal (e.g. environmental, social) benefits.

Overall, the goals of the marketing strategy for Calgary's new BRT network are:

- 1. To inform existing Calgary Transit customers about the significant changes to their current bus route network, and which revised transit options are best for them.
- 2. To inform existing Calgary Transit customers about the enhanced BRT service and customer experience amenities that are being implemented.
- 3. To increase ridership by attracting new customers and increasing usage from occasional transit customers, through improved awareness of the enhanced value of the BRT service among Calgarians.

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Bus Rapid Transit Network Marketing Strategy

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Marketing Calgary's BRT

The City of Calgary is looking to build awareness around the benefits and improvements offered by the new BRT routes and supporting route changes, in order to encourage more Calgarians to try out the new service. Marketing Calgary's BRT will include the following:

- Naming the BRT service
- Branding campaign
 - Tactical deployment
 - Success measurements and feedback

The following provides a summary of key BRT rider benefits and attributes, which also directly relate to the most important value dimensions for public transit service noted from Calgary Transit Customer Satisfaction and Non-User surveys, and One Calgary citizen and business engagement (reliability, safety, value for money/quality, convenience):

- 1. Convenience Fewer stops, signal priority, queue jumps, dedicated lanes, next bus arrival time displays.
- 2. Travel Time and Reliability Use of Transit Priority infrastructure gets customers to destinations faster and more reliably.
- 3. Comfort and Safety Enhanced CCTV, enhanced lighting, heated shelters, larger platforms.
- 4. Connections Access to more major destinations, fewer transfers to get to final destinations.

Naming the BRT service

Research was conducted to evaluate other municipalities' BRT implementations along with best practices for transit. Municipalities across the country have launched BRT service to meet transit challenges. Transport Canada's (Urban Transportation Showcase program, 2008) evaluation of BRT program launches and services included the following best practices:

- Create a separate identity: It is important to clearly delineate the enhanced service as a signature offering that is different from regular bus service. This helps to establish or brand the service as a premium transit offering and has been shown to help attract nontransit users. A distinctive name, logo and colour scheme or graphics is recommended for stations, printed materials, and potentially vehicles..
- 2. Focus on the positive and unique features of the service: Communications and marketing should emphasize the unique and higher value features of the service such as speed, reliability, service frequency and span, and comfort. Common features that are marketed on many U.S. BRT systems include:
 - a. faster or more efficient than traditional bus service:
 - b. more convenient:
 - c. less expensive than driving and parking;
 - d. alleviates traffic congestion; and,
 - e. better for the environment.

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Bus Rapid Transit Network Marketing Strategy

- The Waterloo region's BRT was launched as iXpress, and the marketing and branding component cost \$500,000 over two years, or five percent of the project's \$9.25 million dollar budget.
- 4. Viva BRT service in the York region has spent up to \$300,000 on annual marketing and communications consulting (please note full cost figures are not available).

Embarq, an international organization consulting with municipalities, analyzed BRT networks and the communications and marketing campaigns associated with each of the service launches in multiple cities. Focusing on Canada, the report found:

"Another way of avoiding the stigma often associated with traditional bus transport is to not use the term bus in the new systems name. In York Region, the majority of residents did not hold the public bus service in high regard. As a result, the city made an explicit decision to differentiate its new VIVA BRT service from existing bus services and position VIVA as a new, high-quality alternative... once VIVA was successfully positioned and received positive feedback from the public, York Region rebranded all other bus services under the new VIVA brand."

In summary, launching a dedicated brand for Calgary's new BRT network will:

- 1. Help citizens/customers easily differentiate the new BRT service from other existing bus routes, and understand its improved value dimensions and customer experience ameneties.
- 2. Differentiate services through improved way finding and signage systems which will help citizens navigate the transit system better.
- 3. Give the marketing and communications efforts alignment, identification and differentiation to build awareness.
- 4. Personify the service for increased adoption and acceptance.

The Name

MAX will be the name of Calgary's new BRT service that forms the newest addition to the rapid transit network. MAX sets the service apart from the current BRT and other bus service offered today with a simple and memorable name that expresses the maximum level of service available for Calgary Transit bus customers. The MAX service provides riders with maximum convenience, maximum reliability, maximum comfort, and maximum efficiency to get transit riders where they need to go.

MAX service will begin in the fall of 2018, and service implementation will also include over 40 route changes to local bus service across three quadrants of the city. In order to support educating customers about local route changes, introduce the MAX service, and promote MAX's benefits to Calgarians, three options to reach customers were evaluated.

Marketing Options, Evaluation and Recommendation

Option 1 – Baseline service communications

This option is an information campaign focusing on existing Calgary Transit customers whose routes will be changed in conjunction with BRT implementation (70,000 daily passenger trips), in order to effectively inform them of route changes and the introduction of the MAX service. This option is a minimum baseline to take care of our existing customers if one of the other two options are not approved.

This option targets regular and heavy transit users along the affected routes that are changing as part of BRT implementation. It leverages City-owned low cost digital channels such as web,

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Bus Rapid Transit Network Marketing Strategy

social media, transit app and online promotions with a greater portion of the funding allocated to strategic user group communications and utilizing transit assets to educated affected riders. Tactical elements are detailed in Attachment 1.

Objective:

• Educate only affected, existing transit bus customers whose routes will be changing (70,000 daily passenger trips) about route changes and additions along the MAX lines

Investment: \$168,000

Option 2 – Service communications and modest promotion

This option includes all of the tactics in Option 1 plus increases the reach and amplifies the promotion tactics of the campaign. It creates more opportunities for Calgary Transit customers, non-users and Calgarians in general to be aware of the MAX service and its benefits and enhanced value dimensions, as well as encourage ridership. This option positions MAX as part of Calgary Transit's rapid transit network, highlighting the reliability, connections, convenience and comfort that customers and potential customers can expect when they take MAX. It will use strong branding and copy to set MAX apart from a typical bus or LRT service, as well as position its fit with the overall transit network.

This option targets regular, heavy, occasional and potential transit users along affected route lines. It also focuses on improvements to the transit website and app to encourage usage of lower cost digital channels for wider promotion, while balancing the need to leverage transit assets via print in the form of posters, bus wraps and signage. Tactical elements are detailed in Attachment 1.

Objectives:

- Educate affected, existing transit bus customers whose routes will be changing (70,000 daily passenger trips) about route changes and additions along the MAX lines
- Increase awareness among all Calgary Transit customers (336,000 daily passenger trips) about MAX, and the route changes that support MAX.
- Raise awareness of the MAX service among Calgarians near the BRT routes (approximately 320,000 in 53 communities) to attract further ridership for the MAX service.
- Introduce colour scheme to support branding.
- Update website to reflect branding and promote MAX features and customer-focused benefits.

Investment: \$366,0000

Option 3 - Large scale communication and service marketing

This option includes all the tactics in Options 1 and 2 plus further increases the reach, promotion and campaign scale to more customers and Calgarians. This robust option includes a full website overhaul including implementing video, customized templates and route plan features, which will also serve Calgary Transit's needs in the future.

This option targets regular, heavy, occasional and potential transit users across the city. A significant increase in digital advertising, app development and bus print assets extends the reach and exposure across the city versus targeting only along the MAX routes. It also further

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Bus Rapid Transit Network Marketing Strategy

enhances the website by updating the content management system for better functionality and user experience. Tactical elements are detailed in Attachment 1.

Objectives:

- Educate affected, existing transit bus customers whose routes will be changing (70,000 daily passenger trips) about route changes and additions along the MAX lines.
- Increase awareness among all Calgary Transit customers (336,000 daily passenger trips) about MAX, and the route changes that support MAX.
- Raise awareness of the MAX service among half of Calgarians (623,000) to further attract ridership for the MAX service.
- Update Calgary Transit website user experience and functionality enhancements.

Investment: \$677,000

Recommendation

Administration recommends Option 2 for the BRT network marketing strategy. This choice leverages the minimum baseline Option one funding to support existing customers through significant route changes, while also increasing awareness of MAX service, promoting the brand and important value dimensions, using industry best practices and expanding audience reach. Option 2 provides a balanced approach to meeting the overall marketing strategy goals and maximizing return on investment given current financial constraints. Success measures and feedback loops for this option include:

- 80 per cent of affected Calgary Transit riders understand the route changes, and what bus they need to take including MAX. Measurement via Calgary Transit rider intercept surveys.
- Monitoring and analysis of Calgary Transit service line calls, 311, social and traditional media monitoring, and online analytics.
- 311 data comparative to the last major service review change done by Calgary Transit in the northwest and centre city.
- 50 per cent of all Calgary Transit riders understand the route changes, and what bus they need to take including MAX. Measurement via Calgary Transit customer satisfaction survey.
- 25 per cent of all non-transit riders are aware of the MAX service. Measurement via Calgary Transit customer satisfaction and non-user surveys.
- Ongoing evaluation of MAX and overall transit ridership.

This option also aligns with how Viva and iXpress (York and Waterloo comparisons) promoted BRT offerings by branding an enhanced bus service.

Stakeholder Engagement, Research and Communication

Public feedback on the marketing of new transit services was collected as part of engagement conducted during the development of RouteAhead – A Strategic Plan for Transit in Calgary. The Calgary Transit Customer Advisory Group has also been previously consulted on marketing initiatives for new transit service. Through this engagement our Customer Advisory Group found value in providing a unique visual identity for enhanced services such as the BRT, which provide greater awareness in the quality of service to be provided. Significant customer and community engagement has also been conducted over 2018 on the BRT network and associated route changes.

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Bus Rapid Transit Network Marketing Strategy

Strategic Alignment

The BRT network was identified as a key short-term priority for the development of the primary transit network in the Calgary Transportation Plan, RouteAhead, and Investing in Mobility.

RouteAhead provides direction to enhance the marketing and promotion of existing and new transit services and customer experience improvements, in order to increase customer awareness and attract greater ridership. Particular emphasis is placed on pursuing enhanced branding and marketing of the rapid transit network, to showcase the convenience, value and improved amenities to customers and all Calgarians.

Social, Environmental, Economic (External)

Public transit options allow citizens to take part in a variety of economic and social activities. The Canadian Urban Transit Association has outlined the public health benefits of public transit to include improved urban air quality and increased physical activity, which can lower the risk for many diseases.

The appropriate quantity and quality of transit service and complete communities attract higher levels of ridership, decreasing the economic and environmental impacts associated with urban travel. Providing rapid transit service plays a key role in Calgary's overall mobility plan. In addition to the direct transit customer benefits, investment in public transit benefits the broader community by:

- helping revitalize corridors and main streets,
- providing mobility choice,
- connecting employers to an expanded workforce
- supporting Greenhouse Gas reduction, and
- supporting redevelopment, particularly at Transit Oriented Developments (TOD).

Public transit provides choice, expanded opportunity to move and connect with the community, with a more convenient and socially inclusive mode of travel. Marketing the value and benefits of new rapid transit service options will increase customer awareness of the services and attract new riders to transit.

An effective marketing and communications strategy needs to focus on all allowing access to all Calgarians through multiple channels and various languages. Given the diversity of Calgarians, a variety of tactics will be required to be successful.

Financial Capacity

Current and Future Operating Budget:

Approval of Option 2 will add \$366,000 to Program 110 in the 2018 Calgary Transit Operating Budget.

Current and Future Capital Budget:

There are no capital budget implications associated with the recommendations in this report.

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Bus Rapid Transit Network Marketing Strategy

Risk Assessment

Information is a key element of Calgary Transit's Customer Commitment. Existing communications resources and channels will be used to inform current customers about the network changes; however, it will not be possible to communicate the significant scope of the changes as effectively, and promote the value and benefits of the new BRT service and amenities to a wider audience without the requested additional funding for enhanced marketing and communications. Given the major capital and operating investments that have been made in the BRT network, there will be a significant missed opportunity to improve awareness of the higher-quality service and build new ridership across Calgary if funding is not allocated. An additional risk is potential negative citizen perception of spending additional funding to market the BRT service; however, minimum baseline funding is required to communicate operational changes and support existing customers through changes to their route network.

REASON(S) FOR RECOMMENDATION(S):

The implementation of the BRT network is a major step forward in expanding the rapid transit network in Calgary. In addition to the introduction of new BRT routes, there will be revisions to dozens of existing bus routes across the city to improve transit connectivity and make efficient use of the BRT infrastructure investments. The recommended Option 2 will allow for effective communication of the scope of the network changes to existing Calgary Transit customers, as well as wider promotion of the enhanced connectivity, convenience and customer experience amenities to attract new customers and build ridership.

ATTACHMENT(S)

1. Attachment 1 – Calgary Bus Rapid Transit Network Communications & Marketing Options

Calgary Bus Rapid Transit Network Communications & Marketing Options

Option 1 – Baseline service communications

Information campaign focusing on existing Calgary Transit customers whose routes will be changed in conjunction with BRT implementation, in order to effectively inform them of route changes and the introduction of the MAX service. Purely informative campaign with no creative/branding elements.

Objective:

Educate only affected, existing transit bus customers whose routes will be changing (70,000 daily passenger trips) about route changes and additions along the MAX lines.

Tactic	Description	Investment
Digital Channels (owned)	Promote and inform utilizing existing digital channels (app, social media, web)	\$0
Transit Assets	Limited reach using existing resources and assets to help educate all transit riders (bus shelters, LRT Platforms)	\$61,000
TV	Report to Calgarians which has a wide reach and helps drive traffic to the website	\$4,000
Print	Targets select areas with high ridership and specific groups where digital access is not viable- for example seniors (Calgary Transit Riders Guide)	\$68,000
Information Sessions	Follow up to prior engagement sessions	\$20,000
Contingency – 10%		\$15,000
TOTAL:		\$168,000

^{**}Funding allocations above or subject change based on prioritization or strategic direction.

Measures & Feedback:

- 50 per cent of affected Calgary Transit riders understand the route changes, and what bus they need to take including MAX. Measurement via Calgary Transit rider intercept surveys.
- Monitoring and analysis of Calgary Transit service line calls, 311, social and traditional media monitoring and online analytics.
- 311 data comparatives to the last major service review change done by Calgary Transit in the northwest and centre city.

Calgary Bus Rapid Transit Network Communications & Marketing Options

Option 2 - Service communications and modest promotion

This option expands on the information campaign (Option 1) plus adds a brand creative to promote and educate Calgary Transit customers about the MAX service, its benefits and enhanced value dimensions, and the connections it provides across the city. Increasing the reach of the campaign creates more opportunities to promote a branded premium bus offering and encourage ridership.

Objectives:

- Educate affected, existing transit bus customers whose routes will be changing (70,000 daily passenger trips) additions along the MAX lines.
- Increase awareness among all Calgary Transit customers (336,000 daily passenger trips) about MAX, and the route changes that support MAX.
- Raise awareness of the MAX service among Calgarians near the BRT routes (approximately 320,000 in 53 communities) to attract further ridership for the MAX service.
- Introduce creative and branding elements.
- Update website to reflect branding and promote MAX features and customer-focused benefits.

Tactic	Description	Investment
Digital Channels	Option 1 plus additional spend to build out branded elements	\$30,000
(owned)	and enhance interaction	
Transit Assets	Option 1 plus enhanced branding on signage	\$66,000
TV & Radio	Option 1 plus increased reach through radio and multicultural	\$69,000
	stations	
Print	Option 1 plus bus wraps	\$93,000
Information Sessions &	Option 1 plus service launch and promotion event	\$45,000
Event		
Design	MAX creative campaign development	\$30,000
Contingency – 10%		\$33,000
TOTAL:		\$366,000

^{**}Funding allocations above or subject change based on prioritization or strategic direction

Measures & Feedback:

- 80 per cent of affected Calgary Transit riders understand the route changes, and what bus they need to take including MAX. Measurement via Calgary Transit rider intercept surveys.
- Monitoring and analysis of Calgary Transit service line calls, 311, social and traditional media monitoring, and online analytics.
- 311 data comparative to the last major service review change done by Calgary Transit in the northwest and centre city.
- 50 per cent of all Calgary Transit riders understand the route changes, and what bus they need to take including MAX. Measurement via Calgary Transit customer satisfaction survey.
- 25 per cent of all non-transit riders are aware of the MAX service. Measurement via Calgary Transit customer satisfaction and non-user surveys.
- Ongoing evaluation of MAX and overall transit ridership.

Calgary Bus Rapid Transit Network Communications & Marketing Options

Option 3 - Large scale communication and service marketing

This option expands on the information and branding campaign from Option 2 plus increases promotion of the MAX service across the city, to increase the reach, promotion and campaign scale to more customers and Calgarians.

Objectives:

- Educate affected, existing transit bus customers whose routes will be changing (70,000 daily passenger trips) about route changes and additions along the MAX lines.
- Increase awareness among all Calgary Transit customers (336,000 daily passenger trips) about MAX, and the route changes that support MAX.
- Raise awareness of the MAX service among half of Calgarians (623,000) to further attract ridership for the MAX service.
- Update Calgary Transit website user experience and functionality enhancements.

Tactic	Description	Investment
Digital Channels (owned	Option 2 plus advertising on non-owned mobile apps as well	\$94,000
& non-owned)	as improved user experience on Calgary Transit website app	
Transit Assets	Same as Option 2	\$66,000
TV & Radio	Option 2 with increased radio advertising on multilingual	\$94,000
	stations.	
Print	Option 2 plus banners on additional lines and targeted	\$276,000
	advertising in highly visible areas.	
Information Session &	Option 2 plus additional online advertising for service launch	\$55,000
Events	and promotion event	
Design	Same as Option 2	\$30,000
Contingency – 10%		\$62,000
TOTAL:		\$677,000

^{**}Funding allocations above or subject change based on prioritization or strategic direction.

Measures & Feedback:

- 90 per cent of affected Calgary Transit riders understand the route changes, and what bus they need to take including MAX. Measurement via Calgary Transit rider intercept surveys.
- Monitoring and analysis of Calgary Transit service line calls, 311, social and traditional media monitoring and online analytics.
- 311 data comparative to the last major service review change done by Calgary Transit in the northwest.
- 35 per cent of all non-transit riders are aware of the MAX service. Measurement via Calgary Transit customer satisfaction survey.

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Chief Financial Officer's Report to Priorities and Finance Committee 2018 June 28

Electronic Notices for Property Assessment and the Assessment Review Board

EXECUTIVE SUMMARY

Administration has reviewed the feasibility of implementing paperless notices under the *Municipal Government Act* ("MGA") and the *City of Calgary Charter, 2018 Regulation* (the "Calgary Charter") and recommends that Calgary property owners be provided the option to receive their respective property assessment notices and Calgary Assessment Review Board ("ARB") documents electronically. Providing property owners with a paperless option for their property assessment notices and ARB documents would better serve our citizens, save money, and preserve the environment. This report seeks Council approval to establish a bylaw to enable these electronic processes.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee:

- Direct Administration to
 - a. Forward Report PFC2018-0753 to the 2018 July 23 Public Hearing Council Meeting;
 - b. Publish a notice of the 2018 July 23 Public Hearing of the proposed bylaw under Report PFC2018-0753 (Attachment 3) in two issues of a newspaper, with each issue being in consecutive weeks and no later than 2018 July 13;
 - c. Publish banner advertisements on Calgary.ca, from 2018 July 3 to 2018 July 22, advertising the 2018 July 23 Public Hearing of the proposed bylaw under Report PFC2018-0753, and;
- 2. Recommend that Council:
 - a. Hold a Public Hearing and give three readings to the proposed bylaw (Attachment 3).

PREVIOUS COUNCIL DIRECTION / POLICY

None

BACKGROUND

The City of Calgary Assessment business unit and the City Clerk's office, in their delegated capacity as ARB Clerks, must send certain notices and documents prescribed under the MGA. The key notices are (a) property assessment notices and (b) ARB notices of hearing for complaints against property assessments by property owners. The mailing cost associated with 2018 property assessment notices alone was approximately \$500,000, inclusive of paper, printing, packaging and postage expenses.

In the last decade, both private and public-sector organizations have been increasing providing paperless options to their customers. In 2008, Council inquired about the possibility of implementing electronic assessment notices. After review, Administration responded to Council that, given legislative uncertainty with emailing assessment notices, it was not feasible to provide electronic assessment notices.

In 2012, Administration developed the myID user login process for citizens accessing personalized information through the calgary.ca website. The Assessment business unit was the first adopter of myID by integrating a user login to its online customer service portal

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("Assessment Search"), allowing owners, through their secure user account, to check their property's factual details and compare its market value with any other property in the city. This feature has been well received by property owners. Since its launch in 2012, approximately 110,000 myID users have linked their property on Assessment Search.

While the technology infrastructure was in place to securely allow an owner to view property details through Assessment Search, there was no clear legislative direction provided as to sending notices, so all assessment notices remained in paper form.

In 2013, the City Clerk's Office developed a user log-in process for filing assessment complaints on the ARB's independent calgaryarb.ca website, and started emailing notices of hearing to any complainant who provided their email address with their ARB complaint filing and subscribed to receiving email communication from the ARB.

Since MGA and City Charter stakeholder engagement began in 2014, Administration has advocated for amendments to address the legislative barriers to sending assessment notices electronically. In 2018, amendments were made through the MGA and Calgary Charter. Section 4(29) of the Calgary Charter adds to the MGA whereby a municipal council may now, by bylaw, establish a process for electronically sending notices and documents, under Parts 9, 10 or 11 of the MGA; the parts of the MGA that govern property assessment notices, municipal taxation notices, and ARB documents.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Section 608.1 of the MGA (as modified by the Calgary Charter) specifies that a council may through a bylaw establish a process for sending the documents by electronic means provided: (a) the council is satisfied the bylaw includes appropriate measures to ensure the security and confidentiality of the information being sent; and, (b) the council gives notice of the proposed bylaw in a manner the council considers is likely to bring the proposed bylaw to the attention of substantially all persons that would be affected by it (see Attachment 1 – Relevant MGA and Charter Provisions for Communications by Electronic Means). The proposed bylaw speaks to enabling electronic assessment notices (sent under MGA Part 9) and ARB hearing related documents (sent under MGA Part 11).

1. Electronic Assessment Notices

Delivery of electronic assessment notices through a secure login web portal

The Assessment business unit's individual password protected log-in web portal, called Assessment Search, currently provides assessment information about an individual's own property and summary details about other properties that can be accessed by its respective owner(s) or their agents.

Assessment Search was built upon The City's Identity Management (IDM) protocols developed by the Information Technology business unit and Corporate Security business unit. For these IDM protocols, The City's myID customer interface maintains individual user log-in security for various City services. Each individual myID account includes a required e-mail address.

Through the Assessment business unit, there is an additional identity security measure for property owners whereby, for each property, a unique "access code" is printed on every paper assessment notice sent by mail. Within Assessment Search, a user can enter the access code to link the respective property to their myID user account. When this added security of linking a

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Electronic Notices for Property Assessment and the Assessment Review Board

property using a unique access code is completed, a user will have the option of subscribing to a paperless option for future assessment notices.

If a user subscribes to paperless, then an email will be sent to the myID account's registered email address whenever a future assessment notice is issued. The email will not send the actual notice, it will only notify that, as of the date of the email, the notice is delivered and available to be viewed in Assessment Search using the respective myID account (akin to the paperless notice option provided by the Canada Revenue Agency or through other commercial institutions such as banks). The email address used to send the notification is that which each user provides when completing their myID account registration.

At any time, a property owner can unsubscribe to paperless notices and revert to receiving paper notices by mail. The option of paper or paperless is always at the election of the individual property owner, and not The City.

As customers increasingly prefer digital communications, property owners will be seeking paperless assessment notices that: (a) are immediately "viewable" by the individual customer from anywhere in the world from the day it is made available; (b) can be printed at any time from the secure web portal; and, (c) can be downloaded and digitally stored by the customer on any technology device of their choosing. To meet this demand, it is recommended that the proposed bylaw enable a process for the electronic delivery of assessment notices through the encrypted and secure Assessment Search web portal given that it best integrates with existing paper mailing process, while assuring customer confidentiality and document security. (see Attachment 2: Proposed process and information security for assessment notices).

Administration also is currently working on an enhancement project for myID. The vision of this project is to provide a singular user myID and dashboard to access a host of City services. Currently, while many City services are available on-line, one individual may have to "log into" multiple systems in order to transact business with the City. The paperless notice option proposed through this report is aligned with this vision, and ultimately will be just one of the many services that will be offered under the enhanced myID "umbrella". The City adding an option for citizens to receive their assessment notice electronically to conserve tax dollars will increase citizen convenience and preserve the environment.

With Council approval of the report and Bylaw, detailed development work on the paperless option will proceed. All 2019 annual assessment notices will be mailed in paper form in early January 2019. Once software development is complete, it is projected that paperless assessment notices will only be available from Q3 2019 forward. However, property owners will be able to subscribe for the paperless option as of January 2019 (to receive paperless assessment notices after Q3 2019).

2. Electronic ARB Notices of Hearing and Disclosure of Evidence

The City Clerk's Office maintains a customer web portal, known as ePortal", whereby any property owner can file a complaint electronically to have their assessment adjudicated by the ARB. The ePortal system also allows users, at any time and from anywhere, to view the status of their assessment complaints, submit evidence disclosures, request postponements, submit withdrawals, and access any ARB decision.

Under the MGA, the ARB must notify parties to a complaint of the date, time and location of the respective hearing by sending them a "notice of hearing." Currently, where the complainant has provided an email address and chosen to receive communication from the ARB by email, the

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ARB Clerk will send the notice of hearing to the complainant by email. Where no email address has been provided, the ARB Clerk sends the notice of hearing by postal service to the mailing address on file. In 2017, 98 per cent of complainants chose email as their preferred method of communication with the ARB.

The proposed Bylaw would allow the ARB Clerks to continue to email notices of hearing to complainants who indicate a preference for email communication, and allow the ARB to presume that notices of hearing are received by complainants on the date that they are sent by email. This change is recommended because it will prevent unnecessary delays in communicating with complainants and in the scheduling of hearings, and support cost efficient delivery of customer service.

The proposed Bylaw would also allow for same-day presumption of receipt for the disclosure of evidence by electronic means by the parties to an ARB hearing (i.e. the property owner as complainant and The City as respondent). This bylaw provision is recommended because it will give the ARB, complainants (and their authorized agents) and the Assessment business unit a common understanding that when evidence for an ARB hearing is exchanged by email or other electronic means, it can generally be presumed to have been received on the same day it was sent.

Stakeholder Engagement, Research and Communication

Assessment

As part of its 2018 Assessment Customer Satisfaction Survey, Administration commissioned Léger and Associates to poll citizens to determine their support for The City adding an option for citizens to receive their assessment notice electronically to conserve tax dollars, increase citizen convenience and preserve the environment. Of the 700 customers in the survey asked "to what extent you are interested in getting your assessment notice online", 64 per cent were interested.

If the proposed bylaw is approved, Administration will bring the option of paperless assessment notices to the attention of Calgarians and encourage customer sign-up to the e-option through:

- a) dedicated inserts to be sent with 2019 annual, supplementary and amended assessments,
- b) advertisements in local newspapers, TV and radio, and
- c) banner ads notifications on Calgary.ca.

A particular focus of this communication campaign will be between January and March 2019, when the public interest in assessment notices is heightened with the mailing of 2019 annual notices.

Strategic Alignment

- A. Providing an option for Calgarians to receive their property assessment notices and ARB notices of hearing electronically will align with City of Calgary Digital Strategy which states:
- 1.1 We ensure services will be available digitally first if possible.
- 1.2 We facilitate self-service whenever possible.
- 1.3 We ensure service is available where users are.
- 1.4 We offer a reliable and consistent user experience

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- 2.1 We're one organization working together.
- B. In alignment with The City of Calgary Web Content Accessibility Guidelines (WCAG) 2.0, Administration will work to integrate accessibility features wherever possible into the design of electronic assessment notices and electronic ARB notices of hearing.
- C. In alignment with Council Priorities in Action Plan 2015-2018 and the vision of a *Well-Run City*, paperless communications and notices demonstrate that The City of Calgary is open, responsive, and transparent, with a modern and efficient municipal government that is focused on continuous improvement to make life better every day for Calgarians.

Social, Environmental, Economic (External)

Social

As customers increasingly prefer digital documents and communications, The City's initiatives supporting electronic notices will increase customer convenience through greater accessibility to City and ARB documents, and will ease storage requirements for these important documents.

Environmental

As customers are offered paperless alternatives by more organizations, such as The City, public awareness increases towards the environmental impacts of all aspects of paper manufacturing, transport, printing and delivery related to hardcopy documents.

Financial Capacity

Current and Future Operating Budget:

Electronic assessment notices will reduce The City's costs in the printing of assessment notices (with the related inserts and brochures), purchasing envelopes, packaging each envelope, and mailing through Canada Post.

In 2018, The City will mail approximately 550,000 property assessment notices, including annual notices, amended notices, supplementary notices, and amended supplementary notices. The mailing cost associated with these 2018 notices is approximately \$500,000, inclusive of paper, printing, packaging and postage expenses

Current and Future Capital Budget:

The systems development estimate for Assessment Search to allow myID users to subscribe/unsubscribe to electronic notices and for the paperless notices to be accessible through each linked myID account is \$135,000, inclusive of a 20 per cent contingency. Funding for this software development has been allocated through The City's Assessment and Taxation Committee as part of its capital budgeting for technology system changes arising through MGA changes.

Risk Assessment

Administration

A robust communication plan will be undertaken by Administration to optimize awareness of the paperless process by the public and stakeholders. This will ensure citizens are making informed decisions regarding their e-option.

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Electronic Notices for Property Assessment and the Assessment Review Board

<u>Assessment</u>

The capital budget allocation of \$135,000 for Assessment Search software development is a Class 3 estimate, prepared based on preliminary design information. At the Class 3 stage, project assumptions and constraints have been defined and detailed design is underway, but there may still be a budget variance of -20 per cent to +30 per cent as Administration proceeds with software development.

ARB

Implementing a bylaw under the City Charter would exempt the ARB from the presumption of seven days delivery as set out in section 608(2) of the MGA. In the absence of the proposed bylaw, the ARB would have to impose a seven-day delay on its annual hearing schedule, which would impact important business processes, require resources to track, and could impact the economic and legal interests of many public and municipal stakeholders. Finally, the proposed Bylaw should help reduce hearing delays and confusion when parties use email or other electronic means to disclose evidence in ARB cases.

REASON(S) FOR RECOMMENDATION(S):

A City bylaw enabling an option for citizens to receive their assessment and ARB notices electronically will serve to conserve tax dollars, increase citizen convenience (through greater accessibility to City and ARB documents and ease of storage of these important documents), and preserve the environment.

ATTACHMENT(S)

- 1. Attachment 1: MGA and Calgary Charter Provisions for Electronic Communications
- 2. Attachment 2: Proposed Process and Information Security for Assessment Notices
- 3. Attachment 3: Text for Discussion (Proposed Bylaw)

MGA and Calgary Charter Provisions for Electronic Communications

City of Calgary Charter, 2018 Regulation

4(29) The following is added after section 608 of the Act:

Bylaws for sending certain documents electronically

- **608.1 (1)** Despite section 608, the council may by bylaw establish a process for sending assessment notices, tax notices and other notices, documents and information under Part 9, 10 or 11 or the regulations under Part 9, 10 or 11 by electronic means.
 - (2) The council may by bylaw establish a process for sending forms of notice under section 156(8) of the *School Act* by electronic means.
 - **(3)** Before making a bylaw under this section, the council must be satisfied that the proposed bylaw includes appropriate measures to ensure the security and confidentiality of the documents and information being sent.
 - **(4)** Before making a bylaw under this section, the council must give notice of the proposed bylaw in a manner council considers is likely to bring the proposed bylaw to the attention of substantially all persons that would be affected by it.
 - **(5)** A bylaw under subsection (1) or (2) must provide for a method by which persons may opt to receive the notice, document or information by electronic means.
 - **(6)** The sending by electronic means of any notice, document or information referred to in subsection (1) or (2) is valid only if the person has opted under the bylaw to receive it by those means.

Municipal Government Act

Sending documents

- **(1)** Where this Act or a regulation or bylaw made under this Act requires a document to be sent to a person, the document may be sent by electronic means if
 - the recipient has consented to receive documents from the sender by those electronic means and has provided an e-mail address, website or other electronic address to the sender for that purpose, and
 - (b) it is possible to make a copy of the document from the electronic transmission.

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- (2) In the absence of evidence to the contrary, a document sent by electronic means in accordance with subsection (1) is presumed to have been received 7 days after it was sent unless the regulations under subsection (4) provide otherwise.
- (3) For greater certainty, a reference in this Act to a mailing address is to be interpreted as including an electronic address referred to in subsection (1)(a) if the requirements of subsection (1) are met.
- (4) The Minister may make regulations respecting the circumstances in which the presumption in subsection (2) does not apply.
- 1. MGA Part 9 provisions on Assessment Notices

Assessment notices

- 308 (1) Each municipality must annually
 - (a) prepare assessment notices for all assessed property, other than designated industrial property, shown on the assessment roll referred to in section 302(1), an
 - **(b)** send the assessment notices to the assessed persons in accordance with the regulations.
 - (2) The provincial assessor must annually
 - (a) prepare assessment notices for all assessed designated industrial property shown on the provincial assessment roll,
 - **(b)** send the assessment notices to the assessed persons in accordance with the regulations, and
 - (c) send the municipality copies of the assessment notices.
 - (3) Repealed 2016 c24 s39.
 - **(4)** The assessment notice and the tax notice relating to the same property may be sent together or may be combined on one notice.
 - (5) Repealed 2016 c24 s39.

Notice of assessment date

308.1 (1) An assessor must annually set a notice of assessment date, which must be no earlier than January 1 and no later than July 1.

(2) An assessor must set additional notice of assessment dates for amended and supplementary assessment notices, but none of those notice of assessment dates may be later than the date that tax notices are required to be sent under Part 10.

Contents of assessment notice

- **309 (1)** An assessment notice or an amended assessment notice must show the following:
 - (a) the same information that is required to be shown on the assessment roll;
 - (b) the notice of assessment date;
 - **(c)** a statement that the assessed person may file a complaint not later than the complaint deadline;
 - (d) information respecting filing a complaint in accordance with the regulations.
 - (2) An assessment notice may be in respect of a number of assessed properties if the same person is the assessed person for all of them.

Sending assessment notices

- **310 (1)** Subject to subsections (1.1) and (3), assessment notices must be sent no later than July 1 of each year.
 - **(1.1)** An amended assessment notice must be sent no later than the date the tax notices are required to be sent under Part 10.
 - (2) If the mailing address of an assessed person is unknown
 - (a) a copy of the assessment notice must be sent to the mailing address of the assessed property, and
 - **(b)** if the mailing address of the property is also unknown, the assessment notice must be retained by the municipality or the provincial assessor, as the case may be, and is deemed to have been sent to the assessed person.
 - (3) An assessment notice must be sent at least 7 days prior to the notice of assessment date.
 - (4) A designated officer must certify the date on which the assessment notice is sent.
 - (5) The certification of the date referred to in subsection (4) is evidence that the assessment notice has been sent

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2. MGA Part 11 provisions on ARB Notices of Hearing and Evidence Disclosure

Notice of assessment review board hearing

- **462** (1) If a complaint is to be heard by a local assessment review board, the clerk must
 - (a) within 30 days after receiving the complaint, provide the municipality with a copy of the complaint, an
 - **(b)** within the time prescribed by the regulations, notify the municipality, the complainant and any assessed person other than the complainant who is directly affected by the complaint of the date, time and location of the hearing.
 - (2) If a complaint is to be heard by a composite assessment review board, the clerk must
 - (a) within 30 days after receiving the complaint, provide the municipality with a copy of the complaint, and
 - **(b)** within the time prescribed by the regulations, notify the Minister, the municipality, the complainant and any assessed person other than the complainant who is directly affected by the complaint of the date, time and location of the hearing.

Absence from hearing

- **463** If any person who is given notice of the hearing does not attend, the assessment review board must proceed to deal with the complaint if
 - (a) all persons required to be notified were given notice of the hearing, and
 - **(b)** no request for a postponement or an adjournment was received by the board or, if a request was received, no postponement or adjournment was granted by the board.

Hearings open to public

- **464.1 (1)** Subject to subsections (2) and (3), all hearings by an assessment review board are open to the public.
 - (2) If an assessment review board considers it necessary to prevent the disclosure of intimate personal, financial or commercial matters or other matters because, in the circumstances, the need to protect the confidentiality of those matters outweighs the desirability of an open hearing, the assessment review board may conduct all or part of the hearing in private.
 - (3) If all or any part of a hearing is to be held in private, no party may attend the hearing unless the party files an undertaking stating that the party will hold in confidence any evidence heard in private.

- (4) Subject to subsection (5), all documents filed in respect of a matter before an assessment review board must be placed on the public record.
- (5) An assessment review board may exclude a document from the public record
 - (a) if the assessment review board is of the opinion that disclosure of the document could reasonably be expected to disclose intimate personal, financial or commercial matters or other matters, and
 - **(b)** the assessment review board considers that a person's interest in confidentiality outweighs the public interest in the disclosure of the document.
- **(6)** Nothing in this section limits the operation of any statutory provision that protects the confidentiality of information or documents.

Notice of decision

The clerk must, within 7 days after an assessment review board renders a decision, send the board's written decision and reasons, including any dissenting reasons, to the persons notified of the hearing under section 462(1)(b) or (2)(b), as the case may be

Matters Related to Assessment Complaints Regulation, 2018

Hearing before Local Assessment Review Board Panel

Scheduling and notice of hearing

- 4 If a complaint is to be heard by a local assessment review board panel, the clerk must
 - (a) provide, no later than the date the notice of hearing is provided to the complainant, written acknowledgement to the complainant that the complaint has been received,
 - (b) schedule a hearing date, and
 - (c) after a copy of the complaint form has been provided to the municipality in accordance with section 462(1) of the Act, notify the municipality, the complainant and any assessed person or taxpayer other than the complainant who is affected by the complaint of the date, time and location of the hearing and the requirements and timelines for disclosure of evidence not less than 35 days before the hearing date.

Disclosure of evidence

- 5 (1) In this section, "complainant" includes an assessed person or taxpayer who is affected by a complaint who wishes to be heard at the hearing.
 - (2) If a complaint is to be heard by a local assessment review board panel, the following rules apply with respect to the disclosure of evidence:

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- (a) the complainant must, at least 21 days before the hearing date,
 - (i) disclose to the respondent and the local assessment review board the documentary evidence, a summary of the testimonial evidence, including any signed witness reports, and any written argument that the complainant intends to present at the hearing in sufficient detail to allow the respondent to respond to or rebut the evidence at the hearing, and
 - (ii) provide to the respondent and the local assessment review board an estimate of the amount of time necessary to present the complainant's evidence;
- **(b)** the respondent must, at least 7 days before the hearing date,
 - (i) disclose to the complainant and the local assessment review board the documentary evidence, a summary of the testimonial evidence, including any signed witness reports, and any written argument that the respondent intends to present at the hearing in sufficient detail to allow the complainant to respond to or rebut the evidence at the hearing, and
 - (ii) provide to the complainant and the local assessment review board an estimate of the amount of time necessary to present the respondent's evidence;
- (c) the complainant must, at least 3 days before the hearing date, disclose to the respondent and the local assessment review board the documentary evidence, a summary of the testimonial evidence, including any signed witness reports, and any written argument that the complainant intends to present at the hearing in rebuttal to the disclosure made under clause (b) in sufficient detail to allow the respondent to respond to or rebut the evidence at the hearing.

Hearing before Composite Assessment Review Board Panel

Scheduling and notice of hearing

- 8 If a complaint is to be heard by a composite assessment review board panel, the clerk must
 - (a) provide, no later than the date the notice of hearing is provided to the complainant, written acknowledgement to the complainant that the complaint has been received,
 - **(b)** provide the Minister with a copy of the complaint form at the same time that the municipality is provided with a copy,
 - (c) schedule a hearing date, and
 - (d) after a copy of the complaint form has been provided to the municipality in accordance with section 462(2) of the Act and to the Minister in accordance with clause (b), notify the municipality, the complainant and any assessed person other than the complainant who is affected by the complaint of the date, time and location of the hearing and the requirements and timelines for disclosure of evidence not less than 70 days before the hearing date.

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Disclosure of evidence

- **9 (1)** In this section, "complainant" includes an assessed person who is affected by a complaint who wishes to be heard at the hearing.
 - **(2)** If a complaint is to be heard by a composite assessment review board panel, the following rules apply with respect to the disclosure of evidence:
 - (a) the complainant must, at least 42 days before the hearing date,
 - (i) disclose to the respondent and the composite assessment review board the documentary evidence, a summary of the testimonial evidence, including a signed witness report for each witness, and any written argument that the complainant intends to present at the hearing in sufficient detail to allow the respondent to respond to or rebut the evidence at the hearing, and
 - (ii) provide to the respondent and the composite assessment review board an estimate of the amount of time necessary to present the complainant's evidence;
 - (b) the respondent must, at least 14 days before the hearing date,
 - (i) disclose to the complainant and the composite assessment review board the documentary evidence, a summary of the testimonial evidence, including a signed witness report for each witness, and any written argument that the respondent intends to present at the hearing in sufficient detail to allow the complainant to respond to or rebut the evidence at the hearing, and
 - (ii) provide to the complainant and the composite assessment review board an estimate of the amount of time necessary to present the respondent's evidence;
 - (c) the complainant must, at least 7 days before the hearing date, disclose to the respondent and the composite assessment review board the documentary evidence, a summary of the testimonial evidence, including a signed witness report for each witness, and any written argument that the complainant intends to present at the hearing in rebuttal to the disclosure made under clause (b) in sufficient detail to allow the respondent to respond to or rebut the evidence at the hearing.

I. <u>Proposed electronic property assessment notices</u>

(A) Information Security

In 2012, the Assessment business unit launched a secure web environment, known as Assessment Search, where assessment information (including personal information) about an individual property can be assessed by its respective owner(s) through a secure login process. Concurrent to the development of Assessment Search, the Information Technology business unit and the Corporate Security business unit developed The City's Identity Management (IDM) protocols, which were integrated into The City's myID customer interface, allowing for individual user log-in security across various City services, including a required e-mail address for each myID account.

In 2012, Assessment Search adopted The City's IDM protocols through myID in the implementation of its identity security measures. At that time, the privacy protection measures within Assessment Search were approved by The City's Freedom of Information and Protection of Privacy ("FOIP") Office through a Privacy Impact Assessment ("PIA") submitted for the development project.

To enable access to email addresses of individual myID accounts for the purpose of sending notification of assessment documents under this bylaw, the Assessment business unit will be submitting a PIA, for FOIP Office approval, towards fully integrating the enhanced myID to its Assessment Search secure web portal. Only upon approval of this PIA by the FOIP Office will Assessment Search be permitted access, by the IT business unit, to myID's customer email addresses to send notifications to assessed persons of their assessment notices being available online through Assessment Search. The Assessment business unit PIA to enable access to an individual's email address (within myID) will supplement the PIA already approved in 2012 for the personal information currently managed through Assessment Search, as well as the PIA approved for myID's IDM system.

(B) Subscribing to electronic property assessment notices within Assessment Search

By default, property owners will receive their property assessment notices in hardcopy form by mail. Only if an owner expressly, through their Assessment Search mylD account, subscribes to receive paperless notices will the hardcopy notices be discontinued for their property.

Since the launch of Assessment Search in 2012, on each property assessment notice is a unique access code for the property owner to link their specific property, through the Assessment Search secure portal, to their unique myID account. Once a property is linked through the access code, that user's myID account provides access to their property's factual details (including personal information related to their property) and factual details of other Calgary properties (with all personal information of the other owners removed).

With the proposed electronic notice process, for any property linked to an Assessment Search myID account using the unique access code on the hardcopy assessment notice, the myID user will have the option on the Assessment Search dashboard to subscribe to receiving future assessment notices electronically. If the myID user subscribes to electronic notices then, with any future assessment notice mailing, an email will be sent to the email address registered to that myID account stating that a property assessment is available to be viewed as of that mailing date through Assessment Search. The sending of this email will replace the mailing of the hardcopy assessment notice for that property.

If an Assessment Search myID user elects for electronic notices, all properties linked to that user's account will be selected for electronic notices on the Assessment Search dashboard. The user can however unselect any individual property if they wish to have paper assessment notices mailed for that property.

For any property with multiple owners, if any owner elects for electronic notices, then any and all properties of the joint owners will receive notices electronically. Assessment Search will allow the multiple owners to independently access assessment information and electronic notices through their respective IDM accounts.

For added security, in any email notification of a paperless notice, no actual assessment notice will be attached to the email; rather the email will merely state that the PDF assessment notice is available for viewing within the Assessment Search portal using their myID account.

Any property owner receiving an electronic notice will also have available, via their secure access to Assessment Search, electronic versions of any property assessment insert and/or brochure that were otherwise included with hardcopies notices for that year. In this regard, a property assessment notice package will be identical, whether received in hardcopy or electronic form.

Similar to hardcopy notices, a property owner's deadline to file an ARB complaint for a property receiving an electronic notice will be 60-days following the Notice of Assessment date; which, pursuant to the MGA, is seven days after the notice is mailed, whether by postal mail or email.

(C) Unsubscribing from electronic property assessment notices

Unsubscribing to electronic notices can occur in one of three ways,

- 1. Within Assessment Search using their myID account, a user can at any time can unsubscribe to receiving emails from the Assessment business unit and thereby have the account revert to receiving hardcopy assessment notices by postal mail. For any property with multiple owners, if one owner unsubscribes, then any and all other owners receiving electronic notice emails for that property will be unsubscribed, and future notices will be sent to the owner mailing address as registered at the Land Titles Office.
- 2. By calling the Assessment business unit, an owner can unsubscribe to electronic notices. This added customer service feature is needed for exceptional circumstances where (a) a myID user for the property that subscribed to electronic notices is unable to unsubscribe through Assessment Search or (b) a joint property owner that is not an myID user disagrees with another owner electing for electronic notices.
- 3. If a property is sold, then the account will revert to paper form for future assessment notices, to be mailed to the mailing address of the new owner(s) as registered at the Land Titles Office. This will ensure that the property's vendor will not receive any future assessment notice electronically (containing personal information of the purchaser) for that property, and the property's purchaser will not be able to see any past electronic assessment notice (containing personal information of the vendor) on Assessment Search when linking their new property to their respective myID account. A new owner of a sold property will have to, with their respective myID account, subscribe for electronic notices through Assessment Search after they receive their first assessment notice in paper form with a corresponding unique access code to link that new property to a myID account.

(D) Development and launch of electronic assessment notices

The software development enabling paperless notices will enhance the Assessment Search dashboard to (a) add subscribe buttons for paperless notices as well as terms and conditions to an electronic notice agreement for the myID user to opt-in (b) add unsubscribe buttons for the myID user to opt-out, at their discretion, if paperless notices are not to their liking, and (c) make available PDF versions of notices to the user, through their myID account, after they have elected for paperless notices.

Assessment Search electronic notice software development will take approximately 12 weeks, excluding user acceptance testing. The enhanced Assessment Search dashboard is planned for launch in Q3 2019, whereby customers will be able to elect for 2019 Supplementary Property Assessment notices and 2019 Amended Property Assessment Notices to be paperless. With the 2020 Annual Property Assessment Notice mailings in January, paperless notices will be available to customers for the first time, for a full calendar year.

PROPOSED TEXT FOR A CHARTER BYLAW TO ESTABLISH A PROCESS TO SEND ASSESSMENT, TAXATION AND ASSESSMENT REVIEW BOARD NOTICES AND OTHER DOCUMENTS BY ELECTRONIC MEANS

Short Title

1. This Bylaw may be cited as the "Electronic Transmission of Assessment, Taxation and Assessment Review Board Notices Charter Bylaw".

Definitions

- 2. In this Bylaw:
 - (a) "Act" means the Municipal Government Act, R.S.A. 2000, c. M-26;
 - (b) "assessed person" means an assessed person as defined in section 284(1)(a) of the Act or a person acting on behalf of an assessed person;
 - (c) "Assessment Review Board" means the Local Assessment Review Board and the Composite Assessment Review Board established pursuant to Bylaw 15M2018;
 - (d) "City" means the municipal corporation of The City of Calgary;
 - (e) "Clerk" means clerk of the Assessment Review Board pursuant to Bylaw 15M2018:
 - (f) "complainant" means an assessed person who has filed a complaint to the Assessment Review Board in accordance with section 460 of the Act, or the agent of such a person;
 - (g) "electronic means" means:
 - (i) electronic mail (email);
 - (ii) another electronic form of communication which can be addressed to:
 - (a) a person, or
 - (b) an electronic account to which a person has access and to which notices, documents and other information may be uploaded and downloaded;
 - (h) "Municipal Assessor" means the person designated as the Municipal Assessor pursuant to Bylaw 49M2007;
 - (i) "Regulation" means the Matters Relating to Assessment Complaints Regulation, 2018, AR 201/2017.

Scope of Bylaw

- 3. (1) Only the following may be sent by *electronic means* pursuant to this Bylaw:
 - (a) notices as set out in section 4;
 - (b) notices, documents and information as set out in section 7;
 - (c) evidence for use in an Assessment Review Board hearing as set out in sections 11 and 12.
 - (2) Notices, documents and other information not specified in this Bylaw may be sent by electronic means in accordance with section 608 of the *Act*.

Part 9 Notices

- 4. The *City* may send the following property assessment notices pursuant to Part 9 of the *Act* to an assessed person by electronic means:
 - (a) assessment notices pursuant to section 308(1) of the Act,
 - (b) supplementary assessment notices pursuant to section 316(1) of the Act, and
 - (c) amended assessment notices and amended supplementary assessment notices pursuant to section 312 of the *Act*.
- 5. A notice set out in section 4 may be sent by *electronic means* if the *assessed person*:
 - (a) has set up a password-protected user account on an encrypted and secure *City* website;
 - (b) has linked a property to his or her user account using the unique access code assigned to that property; and
 - (c) has opted to receive notices by *electronic means* by indicating his or her consent through his or her user account.
- 6. (1) An assessed person who has opted to receive notices by electronic means in accordance with section 5 will be sent an email whenever a notice set out in section 4 is issued by the *City*. The email will notify the assessed person that the notice has been issued and is available for review and download through his or her user account on the *City* website.
 - (2) An assessed person is presumed to have received the notice referred to in the email at the time the email is sent.

Part 11 Notices, Documents and Information

7. The *Clerk* may send the following notices, documents and information pursuant to Part 11 and the associated regulations by *electronic means*:

- (a) notices of hearing pursuant to section 462 of the *Act* and sections 4(c), 8(d), 36 and 42 of the *Regulation*;
- (b) procedural rulings of the Assessment Review Board made prior to a hearing; and
- (c) any other documents or communication relating to a hearing of the Assessment Review Board.
- 8. The *Clerk* may send the notices, documents and information set out in section 7 to the *Municipal Assessor* by *electronic means*.
- 9. The *Clerk* may send the notices, documents and information set out in section 7 to a *complainant* by *electronic means* if the *complainant*:
 - (a) has set up a password-protected user account on an encrypted and secure Assessment Review Board website; and
 - (b) has opted to receive notices, documents and information relating to his or her complaint by *electronic means* by:
 - (i) indicating consent through his or her account on an Assessment Review Board website; or
 - (ii) indicating his or her consent in writing to the *Clerk*.
- 10. A *complainant* who has opted to receive notices, documents and information relating to his or her complaint in accordance with section 9 will be sent the notices, documents and information set out in section 7 by *electronic means*.

Disclosure of Evidence

- 11. A complainant may disclose evidence for use in an Assessment Review Board hearing to the Municipal Assessor pursuant to sections 5 or 9 of the Regulation by electronic means.
- 12. The *Municipal Assessor* may disclose evidence for use in an *Assessment Review Board* hearing to *a complainant* pursuant to sections 5 and 9 of the *Regulation* by *electronic means* if the *complainant*:
 - (a) has:
 - (i) opted to receive notices, documents and information from the *Clerk* by *electronic means* through his or her account on an *Assessment Review Board* website in accordance with section 9; and
 - (ii) has disclosed evidence to the *Municipal Assessor* by *electronic means* pursuant to section 11; or
 - (b) has otherwise expressed his or her consent to the *Municipal Assessor* in writing.

Presumption of Receipt

13. In the absence of evidence to the contrary, a notice, document or information sent by *electronic means* pursuant to this Bylaw is presumed to be received the same day as it was sent.

Revocation of Consent

- 14. A person who has opted to receive notices from the *Municipal Assessor* by *electronic means* pursuant to section 5 may opt out by revoking his or her consent through the *City*'s website, or by contacting the *Municipal Assessor*.
- 15. A *complainant* who has opted to receive notices, documents and information from the *Clerk* by *electronic means* pursuant to section 9 may opt out by revoking his or her consent through the *Assessment Review Board's* website, or in writing to the *Clerk*.

Coming into force

16. This Bylaw comes into force upon being published on the *City's* website in accordance with section 10 of the City of Calgary Charter, 2018 Regulation, AR 40/2018.

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Delegation Bylaw to support the Compassionate Tax Penalty Relief Program

EXECUTIVE SUMMARY

On 2018 June 05, Administration presented to the Priorities and Finance Committee a proposal for a program to offer Compassionate Property Tax Penalty Relief to property owners who have experienced a significant life issue which impacts their ability to meet property tax payment timelines. A fundamental concept of ensuring that the program functions as intended is a Bylaw to delegate the Council authority necessary to allow Administration to adjust property tax penalties in accordance with the terms of the program.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommend that Council:

- 1. Give three readings to the proposed bylaw to delegate the authority to reduce, refund or cancel taxes;
- 2. Forward report PFC2018-0761 to the 2018 July 23 Public Hearing Council Meeting; and
- 3. Direct that Administration publish a notice of the 2018 July 23 Public Hearing of the proposed bylaw under Report PFC2018-0761 in two issues of a newspaper, with each issue being in consecutive weeks and no later than 2018 July 13.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2002 February 25, Council approved Bylaw Number 8M2002 A Bylaw of the City of Calgary to Fix the Penalty on Unpaid Taxes.

On 2017 September 11, Council approved Notice of Motion NM2017-30, directing Administration to:

- Investigate the current tax forgiveness programs and legislation within large Canadian municipalities and provincial and federal governments;
- Review the impact to the City's tax revenues and legal ramifications of cancelling taxes and penalties due to extraordinary circumstances.

And return to Council with recommendations, through Priorities and Finance Committee, no later than Q2 2018.

BACKGROUND

Under sections 344, 345, and 346 of the Municipal Government Act, a Council may impose penalties for unpaid taxes in the current year and in other years. On 2002 February 25, Council approved Bylaw 8M2002 to establish the penalties for unpaid taxes.

Under section 346 of the Municipal Government Act, a penalty becomes part of the tax on which it was applied.

Under section 347 of the Municipal Government Act a Council, if it considers it equitable to do so, may generally or with respect to a particular taxable property or class of taxable properties:

- cancel or reduce tax arrears;
- · cancel or refund all or part of a tax;
- defer the collection of a tax.

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Delegation Bylaw to support the Compassionate Tax Penalty Relief Program

Under section 203(2)(d) of the *Municipal Government Act* (the "MGA") as modified by *The City of Calgary Charter*, 2018 Regulation (the "Charter"), the Council may by bylaw delegate its power with respect to taxes under section 347 if the total amount to be cancelled, reduced, refunded or deferred under section 347 by the City in a taxation year does not exceed \$500,000. Prior to the Calgary City Charter, Council's ability to delegate its power with respect to taxes under section 347 was prohibited.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

On 2018 June 05, Administration presented a proposal to the Priorities and Finance Committee for a program to offer compassionate property tax penalty relief to citizens experiencing a critical life issue.

In order to deliver a nimble and responsive tax penalty relief program that meets the needs of citizens, and is administratively efficient, Administration believes it is important that the ability to adjust tax penalties resides with Administration. Administration is requesting that Council, pursuant to section 203(2)(d) of the MGA as modified by the Charter, delegate the necessary authority under section 347 of the MGA to adjust property tax penalties to Administration. This will ensure that compassionate property tax penalty relief will be delivered in a timely, efficient and responsive manner to Calgarians when they need it.

Administration has identified that a delegated authority to adjust penalties up to a cumulative amount of \$25,000 should be sufficient to adjust penalties over the initial 15 month term of the program between 2018 July 01 and 2019 September 30 (two full tax seasons). A report back to Council will be provided in 2019 Q4 on the results of the program, including cost and number of participants.

Stakeholder Engagement, Research and Communication

In developing the Compassionate Property Tax Penalty Relief Program, Administration has engaged municipalities across Canada, and conducted online research on relevant provincial and federal programs. In addition, the proposed program has been developed in consultation with Law, Calgary Neighbourhoods and Finance.

Notice of the Public Hearing for the proposed delegation bylaw will be advertised in the newspaper, as required by the Charter and section 606 of the MGA.

Strategic Alignment

This report requests the delegated authority necessary to provide compassionate property tax penalty relief to property owners who have experienced a significant life issue that impacts their ability to meet their obligations to pay their property taxes within prescribed timelines as presented in Report PFC2018-0325. This program aligns with direction in Council's priorities, including:

- Continue to transform the organization to be more citizen-focused in its approach and delivery of service;
- Be as efficient and effective as possible, reducing costs and focusing on value for money;
- Respond to the needs of an aging population.

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Delegation Bylaw to support the Compassionate Tax Penalty Relief Program

Social, Environmental, Economic (External)

Financial Capacity

Current and Future Operating Budget:

As presented in Report PFC2018-0325, the proposed program will be administered within the existing operating budget using existing staff resources. Further, the amount of \$25,000 should provide sufficient room to adjust property tax penalties for requests anticipated to be received over the course of the preliminary fifteen month program.

Current and Future Capital Budget:

There is no impact to the capital budget.

Risk Assessment

Anecdotal evidence suggests that the requested amount of \$25,000 in delegated authority will be adequate to cover anticipated requests for compassionate property tax penalty relief over the preliminary fifteen month duration identified. However, if program uptake is greater than anticipated this amount may not be sufficient and may need to be revisited to allow the continued operation of the proposed program.

REASON(S) FOR RECOMMENDATION(S):

This Delegation Bylaw will enable Administration to offer timely adjustments to property tax penalties for those property taxpayers who were unable to pay their property taxes in accordance with prescribed timelines due to a significant life event, as set out within the terms of the Compassionate Property Tax Penalty Relief program.

ATTACHMENT(S)

Attachment 1 – Charter Bylaw of The City of Calgary To Delegate the Authority to Cancel, Reduce or Refund Taxes

PROPOSED TEXT FOR A CHARTER BYLAW TO DELEGATE THE AUTHORITY TO CANCEL, REDUCE OR REFUND TAXES

Short Title

1. This Bylaw may be cited as the "Tax Penalty Cancellation Delegation Charter Bylaw".

Definitions

- 2. In this Bylaw:
 - (a) "Act" means the Municipal Government Act, R.S.A. 2000, c. M-26;
 - (b) "Charter" means the City of Calgary Charter, 2018 Regulation, AR 40/2018.

Delegation

- Pursuant to section 203(2)(d) of the Act, as modified by section 4(5) of the Charter,
 Council hereby delegates to the Chief Financial Officer the power under section 347 of the Act to:
 - (a) cancel or reduce tax arrears;
 - (b) cancel or refund all or part of a tax; or
 - (c) defer the collection of a tax;

up to a cumulative amount of \$25,000 in a taxation year.

4. The power delegated to the Chief Financial Officer in section 3 shall only be exercised in accordance with the Compassionate Property Tax Penalty Relief Program as approved by Council.

Coming into force

5. This Bylaw comes into force upon being published on the *City's* website in accordance with section 10 of the City of Calgary Charter, 2018 Regulation, AR 40/2018

PFC2018-0761 Attachment 1 ISC: UNRESTRICTED