Prior Council Direction – Funding and Financing

A 2019 July 29 Combined Meeting of Council, Council approved recommendations with respect to Report TT2019-0811: Green Line Q2 2019 Update, as follows:

“That Council:

- Direct Administration to split the procurement of the Green Line Stage 1 project into multiple contracts from 16 Avenue North to 126 Avenue Southeast; and
- Direct Administration not to proceed with construction of the Green Line Light Rail Transit Project – Contract #1 (4th Street SE to Shepard SE) until the alignment review from 16th Ave North to 4th Street SE has been completed and any potential changes have been approved by council; and
- Direct Administration to conduct a feasibility review of potentially including the North Pointe to 16th Ave corridor along Centre Street in Stage 1 if the 16th Ave to 4th Street corridor is not resolved by January 2020 to be included only once confirmed with our funding partners; and
- Direct Administration to have the Green Line Technical Risk Committee carry out an independent peer review of the following:
  1. Overall project budget and scope;
  2. Sufficiency of funding for the Project;
  3. Suitability of the proposed technical solution with respect to Contract 2;
  4. Deliverability of the Project;
  5. Risk identification, quantification and mitigation process; and
  6. Suitability and adequacy of the governance and resourcing of the Project;
- Direct Administration not to release the Request for Qualifications (RFQ) to the market for Contract #1 (4th Street SE to Shepard SE) until the RFQ has been reviewed by the Green Line Technical and Risk Committee;
- Direct Administration to have the Green Line Technical and Risk Committee report to the SPC on Transportation & Transit Committee as part of the Green Line quarterly updates with respect to their independent peer review over the previous quarter;
- Direct Administration to work with our funding partners to obtain agreement that any capital cost savings from the Green Line Stage 1 (16 Ave N to 126 Ave SE) project will be applied to the required land assembly, corridor preparation, and design and construction of extensions north and south (outside the Stage 1 project), with sequencing of the extensions to be determined utilizing the RouteAhead Project Prioritization Framework;
- Direct Administration to initiate land assembly on an opportunity basis north of 16 Ave North, for Green Line future stages utilizing the Transportation Future Land Fund or the Revolving Fund for General Land Purchases, as a funding source; and
- Direct Administration to develop a scoping study to examine opportunities for improvements to interim rapid transit services from North Pointe south along the Centre Street corridor and report back to the SPC on Transportation and Transit by Q1 2020. The scoping study will identify the next steps required to deliver functional planning, preliminary and detailed designs; and
- Continue advocacy efforts with our funding partners to secure funding to complete the full Green Line LRT; and
- Direct Administration to undertake a review of risks associated with any potential alignment decisions that affect downtown real estate development values, and City Assessment values.”

At the **2019 January 28** Strategic Meeting of Council, that with respect to **Report C2019-0135**, the following Recommendation be adopted, as follows:

That Council:

1. Direct Administration to return with an update to Council no later than April 2019 with further refined options to optimize funding, financing and schedules for all four Unfunded Long Term Projects, considering the following conditions but not limited to:
   - Maximize uncommitted cash reserves available for project funding and financing
   - Minimize of financing costs
   - Prioritize the use of restricted funding sources where possible
   - Maximizing partner funding contributions
   - Maximizing the number of projects that can be completed
   - Minimizing the overall credit rating impact
   - Refine project scope to reduce project costs where possible
   - Sequencing the projects to reduce overall costs
   - Maximizing value from our asset portfolio

At the **2019 January 22** Priorities and Finance Committee meeting of Council approved recommendations in **Report PFC2019-0040**: Green Line – Funding and Financing Update, as follows:

“That the Priorities and Finance Committee recommend that Council:

- To optimize the Green Line cash flow commitments over the term of the project, reconsider, in part, its decision as contained in the minutes of the Regular Meeting of 2017 November 27 with respect to Recommendation 1 of Report C2017-1123 as follows: by deleting the words “the financing” after “fund” and before “costs” to result in the following motion: Direct that the 2017 tax room ($23.7 million) be retained in 2018 and future years and used to fund costs for Green Line for 27 years until 2044.”

- Direct that Attachment 1 and the closed meeting discussion remain confidential until construction completion of the Stage 1 Green Line project, pursuant to sections 23, 24, 25, and 27 of the Freedom of Information and Protection of Privacy Act (Alberta).

At the **2018 December 04** Priorities and Finance Committee meeting of Council, the Deferral request, **Report PFC2018-1105**: Green Line Budget and Funding Confirmation was moved by Councillor Keating and approved as follows:

“That with respect to Report PFC2018-1105, the following be approved:
That the Priorities and Finance Committee recommends that Council approve Administration’s request to defer the report on the Green Line LRT – Budget and Funding Confirmation to a Priorities and Finance Committee meeting to occur by no later than the end of Q1 2019.”

At the 2018 March 19 Combined meeting of Council, Report PFC2018-0207: Green Line Light Rail Transit Project Delivery Model Recommendation, was approved as follows:

“That Council:

- Approve Design-Build-Finance (“DBF”) as the delivery model for the Green Line LRT project from 16 Avenue North to 126 Avenue Southeast;
- Authorize the General Manager, Transportation, to negotiate all funding agreements with the federal and provincial governments, and the General Manager, Transportation, and the City Clerk to execute the funding agreements and any other agreements necessary to advance the procurement process. The General Manager, Transportation, and the City Solicitor will also sign off on the funding agreements as to content and form, respectively;
- Direct that Attachment 4 and the Closed Meeting discussions remain confidential pursuant to section 23, 24, 25 and 27 of the Freedom of Information and Protection of Privacy (FOIP) Act (Alberta) until the agreements for the Project considered in this Report are awarded and financial close is achieved, with the exception, of information Administration needs to share with funding partners, which will be shared in confidence; and
- Direct Administration to report back no later than Q4 2018 to the Priorities and Finance Committee of Council with the recommended budgets for approval including financing and confirmation of funding from the other orders of government for the Project.”

At the 2017 November 27 Regular Meeting of Council, Report C2017-1123 (Green Line LRT Council Presentation) was approved as follows:

REFER, Moved by Councillor Keating Seconded by Councillor Carra that with respect to Report C2017-1123 Recommendation 1, the following be adopted, after amendment:

“That Council: 1. Direct that the 2017 tax room ($23.7 million) be retained in 2018 and future years and used to fund the financing costs for Green Line for 27 years until 2044.”

At the 2017 May 15 Strategic Meeting of Council, Report C2017-0467 (Green Line LRT: Building the Core) was approved as follows:

“ADOPT, AS AMENDED, Moved by Councillor Keating, Seconded by Councillor Stevenson, that Recommendation 1 be adopted, as amended, as follows:

That Council:

- Proceed with Stage 1 Project based on: 16 Avenue N (Crescent Heights) to 126 Avenue SE (Shepard) subject to Council’s final approval of the alignment, station locations, and transit oriented development concept plans based on the Class 3 capital estimate of $4.65 Billion construction cost contingent on securing funding as per #2 and #3 below;
- Prepare the required business case(s) for submission to the Government of Canada to support a request of $1.53 Billion plus financing to support the Stage 1 Project;
- Prepare the required business case(s) for submission to the Government of Alberta to support a request of $1.56 Billion plus financing to support the Stage 1 Project;
- Request the Mayor to work with administration in the beginning making the case for funding of the rest of the line, beginning as soon as possible;
- Direct Administration to bring a revised financial strategy, pending confirmation of federal and provincial funding, and including capital, financing and operating cost models, to Council as part of the 2018 Business Plan and Budget deliberations; and
- Direct that Attachment 2 and Distribution #3 remain confidential pursuant to Sections 24(1)(a), 24(1)(b) and 25(1)(b) of the Freedom of Information and Protection of Privacy Act, until the Green Line construction has been completed.

At the 2017 May 08 Combined Meeting of Council, that the Priorities and Finance Committee Recommendations contained in Report PFC2017-0354 be adopted as follows:

That Council:

- Approve Administration’s 2017 capital budget recast, as identified in Attachment 1;
- Approve 2017 January 1 to 2017 March 31 revisions exceeding $200,000 to budget amounts in the current capital budget, as identified in Attachment 2;
- Receive for information:
  - Attachment 3 - Capital Budget Revisions – Previously approved by Council or Administration;
  - Attachment 4 - Capital Budget Revision Summary;
  - Attachment 5 - 2016 Operating Net Budget Changes;
  - Attachment 6 - Council Decisions/Referrals Having Actual or Potential Future Year Budget Impacts; and
  - Attachment 7 – 2017

At the 2017 May 02 Priorities and Finance Committee, that the Administration Recommendations contained in Report PFC2017-0354 be approved, after amendment, as follows:

That Council:

- Approve Administration’s 2017 capital budget recast, as identified in Attachment 1;
- Approve 2017 January 1 to 2017 March 31 revisions exceeding $200,000 to budget amounts in the current capital budget, as identified in Attachment 2;
- Receive for information:
  a. Attachment 3 - Capital Budget Revisions – Previously approved by Council or Administration;
  b. Attachment 4 - Capital Budget Revision Summary;
  c. Attachment 5 - 2016 Operating Net Budget Changes;
  d. Attachment 6 - Council Decisions/Referrals Having Actual or Potential Future Year Budget Impacts; and
  e. Attachment 7 - 2017 and 2018 Operating Budget Revisions Approved by Administration.
And further, that Report PFC2017-0354 be forwarded, as an item of Urgent Business, to the 2017 May 08 Combined Meeting of Council.

Approval of $258,878 total per attachment 2 (2017 $68,666; 2018 $190,212) for Green Line Transitway

The 2015 December 02 Council Notice of Motion 2015-33 stated:

ADOPT, Moved by Councillor Keating, Seconded by Councillor Carra, that Councillors Keating, Carra, Woolley, Farrell, Chu, Stevenson, Demong, Colley-Urquhart, Pincott and Mayor Nenshi’s Motion, NM2015-33 be adopted, as follows:

NOW THEREFORE BE IT RESOLVED that Council's current Green Line funding commitment of $52 million annually for a ten year period be extended to a period of thirty years to create a total funding commitment of $1.56 billion;

AND FURTHER BE IT RESOLVED that the commitment of City of Calgary funding take effect once the Government of Alberta confirms their support for the Green Line LRT.

On 2014 December 17, Report TT2014-0917 it was stated that:

During budget deliberations in 2013 November Council approved $520 million (over ten years) for the planning, design and construction of the Green Line Transitway. This funding will allow Calgary Transit to deliver faster and more reliable transit services to Calgarians in southeast and north central communities. An application for a Building Canada Fund (BCF) grant has been sent to the Federal government for extensions to the Green Line. This application was made possible by the use of the $520 million as matching funds for this grant. In addition, Council approved Municipal Sustainability Initiative (MSI) funding be used as matching funds for a GreenTRIP proposal that includes the following projects:

- 17 Avenue Southeast Transitway
- LRT Traction Power: Four-car Train Upgrades
- North Crosstown BRT
- South Crosstown BRT
- Southwest Transitway
- West LRT Land

At the 2014 November 24 Special Meeting of Council, that with respect to Recommendation 1 contained in Report C2014-0863, the Transportation Department: Transportation Infrastructure Business Unit 2015 – 2018 Capital Budget contained on Page 200 of Attachment 1, be adopted, as follows, subject to further amendments adopted by Council at this meeting:

Capital Budget: – Pages 190 - 199

Program 869: Green Line Transitway
Project 869-000: Green Line Transitway
New budget request of $520 million. The Green Line Program combines the Centre Street Transitway and Southeast Transitway projects into a single transit corridor connecting through downtown Calgary. The program will include segments of dedicated bus-only lanes and transit priority between 78 Avenue N and Douglas Glen. This is the initial phase of the line with bus-based infrastructure which will be upgraded to provide LRT service when demand warrants and sufficient capital funding becomes available. Program funding from Lifecycle Maintenance and Upgrade Reserve. Additional funding has been requested from the Federal Building Canada Fund and status will be available for Council at budget hearings.

Operating impact of capital: This project requires $24.5 million in operating costs for 2021-2024.

At the 2014 September 16 Priorities and Finance Committee that the Administration Recommendations contained in Report PFC2014-0625, C2014-0774 be adopted, as follows:

That Council:

1. Approve a net $117.247 million decrease to the currently approved 2012-2014 Capital Budget, as identified in Attachment 2, Schedules A & B - “Capital Budget Revisions Requiring Council Approval”; and

2. Receive for information Attachment 1 – “Summary of Capital and Operating Budget Revisions,” and Attachment 3 - “Capital and Operating Budget Revisions Previously Approved by Council or Approved by Administration.”

3. Approve all Provincial Disaster Recovery Program reimbursement of 2013 flood operating costs received, to be transferred into the Reserve for Future Capital. These funds will be used as the City’s share in cost share resiliency funding programs to fund future resiliency capital projects

CAPITAL AND OPERATING BUDGET REVISIONS REPORT FOR THE PERIOD 2014 JANUARY 1 TO JUNE 30 (PFC2014-0625), C2014-0774

- $13M Transfer to Program 869 from Program(s) 715, 681, and 830.

At the 2014 July 21 Combined Meeting of Council that Councillor Keating’s Revised Motion, NM2014-34, be adopted, as amended and by friendly amendment, as follows:

WHEREAS Council accepted and passed report PFC2014-0509 at the 2014 June 23 Regular Meeting of Council where the Green Line Transitway Program (“Green Line Transitway”) was identified as a priority capital infrastructure project for application to the Federal government's New Building Canada Fund;

AND WHEREAS at the 2014 January 31 Special Strategic Planning Meeting of Council, Council agreed to rank the Green Line Transitway as the highest transportation priority for potential Building Canada Fund funding;
AND WHEREAS the current direction from Council to Administration is to seek an additional $150 million of Federal funding for the Green Line Transitway from the Federal government’s National Infrastructure Component (“NIC”) as this funding is needed to complete the Green Line Transitway from 78 Ave. N to Douglas Glen;

AND WHEREAS there is a potential for a future additional Provincial contribution to the Green Line Transitway, either matching an approved federal contribution or providing a similar funding arrangement that supported Edmonton’s Southeast LRT project, funding not anticipated in the current Green Line Transitway application to the Building Canada Fund’s NIC;

AND WHEREAS it would benefit the City of Calgary (“The City”) and its citizens to extend the Green Line Transitway further north and south should additional resources become available;

AND WHEREAS it is in The City’s interest to leverage as much as possible The City’s $520 million contribution to the Green Line Transitway and it would be valuable for Administration to prepare scenarios where the Province participates in funding the Green Line Transitway;

NOW THEREFORE BE IT RESOLVED THAT Administration develop a preliminary cost benefit analysis for the following three items:
1) Extend the Green Line Transitway from Douglas Glen to Mckenzie Towne,
2) Extend the Green Line Transitway from 78th Ave N to Northpoint,
3) Extend the Green Line Transitway from Mckenzie Towne to the South Seton Hospital.

AND FURTHER BE IT RESOLVED THAT in addition to the already approved Green Line Transitway application to the Federal Building Canada Fund’s NIC, that the following four items be packaged to the Building Canada Fund’s NIC as additional options for funding should the Province decide to make a matching contribution towards the Green Line Transitway:
1) Extend the Green Line Transitway from Douglas Glen to Mckenzie Towne,
2) Extend the Green Line Transitway from 78th Ave N to Northpoint,
3) Extend the Green Line Transitway from Mckenzie Towne to the South Seton Hospital,
4) Construction of the Green Line Transitway Bus Maintenance Facility,

AND FURTHER BE IT RESOLVED THAT the Mayor be requested to write a letter to the Province asking for their financial support towards the Green Line Transitway.

AND FURTHER BE IT RESOLVED THAT the cost benefit analysis come forward to the SPC on Transportation and Transit as soon as possible.

At the 2013 September 3 Priorities and Finance Committee that Administration Recommendations 1, 2, 4 and 5 contained in Report PFC2013-0634 be approved, after amendment, as follows:

1. Approve a net $41.749 million decrease to the currently approved 2013-2014 Capital Budget as identified in Attachment 1 - Capital Budget Revisions Requiring Council Approval (excludes flood related revisions);
2. Receive for information Attachment 2 – Capital and Operating Budget Revisions Previously Approved by Council or Approved by Administration (excludes flood related revisions);
4. Receive for information the non-highlighted information in Revised Attachment 3 – Capital Budget Revisions Approved by Calgary Emergency Management Agency (CEMA) during the State of Local Emergency (SOLE) or approved by administration under The City’s Municipal Emergency Plan (flood related revisions), Columns ‘A’, ‘B’ and ‘D’.

5. Approve $650 thousand in one-time operating expenditure budget for City Manager’s Office (Program 775) for 2013 and $1.3 million for 2014 to be funded by the Fiscal Stability Reserve via General Revenue (Program 860) to support the Flood Recovery Task Force.

That the Administration Recommendation 3 contained in Report PFC2013-0634 be approved, after amendment, as follows:

That the Priorities and Finance Committee recommend that Council:

3. Approve a net $95.6 million increase to the currently approved 2013-2014 Capital Budget, as highlighted in Revised Attachment 3 - Capital Budget Revisions Requiring Council Approval (flood related revisions), Column ‘C’.

CAPITAL AND OPERATING BUDGET REVISIONS REPORT FOR THE PERIOD 2013 JANUARY 1 TO JUNE 30 PFC2013-0634

- $12M Transfer to Program 869 from Program 832.