

**FUNDING SOURCE FOR OUTSTANDING ACREAGE ASSESSMENTS FOR CALGARY
WINTER LACROSSE ASSOCIATION MUNICIPAL RESERVE SITE IN OGDEN**

EXECUTIVE SUMMARY

Council directed Administration to identify a funding source for covering the outstanding acreage assessments for the Municipal Reserve parcel in Ogden (shown on Attachment #3) where the Calgary Winter Lacrosse Association has proposed constructing an indoor recreation facility, and to report back to SPC on Planning and Urban Development no later than 2015 Q1.

Although there are no specific funding sources for this purpose, Administration has identified that payment of these acreage assessments could be funded through the use of either the Reserve for Future Capital (RFC) or through the Fiscal Stability Reserve (FSR) at the discretion of Council.

ADMINISTRATION RECOMMENDATION(S)

That the Planning and Urban Development Committee consider the potential funding options outlined in this report and recommend to Council approval of the preferred funding source to cover the required acreage assessments for the Ogden Parcel located at 2720 80 Avenue SE on behalf of the Calgary Winter Lacrosse Association (CWLA).

**RECOMMENDATION OF THE SPC ON PLANNING AND URBAN DEVELOPMENT, DATED
2015 MARCH 11:**

That Council **approve the following:**

- a) A one-time funding expenditure of up to \$1.3 Million to cover the cost of the acreage assessment from the Reserve for Future Capital (RFC); and**
- b) Subject to a successful due diligence review of the project and compliance with all City requirements, including Green Line South East LRT Transit Oriented Development Planning, by no later than 2016 December;**

in order to cover the required acreage assessments for the Ogden Parcel located at 2720 80 Avenue SE on behalf of the Calgary Winter Lacrosse Association (CWLA).

Opposition to Recommendation a):

Opposed: A. Chabot

PREVIOUS COUNCIL DIRECTION / POLICY

At its 2014 February 10 meeting, Council tabled Councillor Keating's NM2014-15, Acreage Assessment Levies, directing Administration to explore options that would waive the acreage assessment levy if the applicant is an incorporated not-for-profit organized for the purpose of sports and recreation, the applicant adheres to the Public Use Policy and is in a Lease or Licence agreement on MR lands. Council requested that Administration waive the acreage assessment levy for the Municipal Reserve Parcel in the Shepard Industrial Area Structure Plan if the applicant meets the above criterion.

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At its 2014 February 24 meeting, Council adopted Councillor Keating's revised NM2014-15, Acreage Assessment Levies, directing Administration to explore options that would establish a reimbursement program that would provide certain types of incorporated not-for-profit organizations in a Lease or Leasing Licence with an acreage assessment levy reimbursement.

Administration was directed to Report back to Council no later than 2014 October 31. See Attachment #1.

At its 2014 October 31 meeting, Council approved Councillor Keating's motion to refer Report PUD2014-0771 to Administration to identify the most appropriate funding source for covering the outstanding acreage assessments for the Municipal Reserve parcel in Ogden, located at 2720 80 Avenue SE, at the Calgary Winter Lacrosse Association proposed facility, and to report back to SPC on Planning and Urban Development no later than 2015 Q1.

BACKGROUND

The Calgary Winter Lacrosse Association (CWLA) is planning to develop an indoor recreation facility on a vacant Municipal Reserve (MR) parcel in Ogden. The payment of acreage assessments is required for development of this site. On many MR parcels the acreage assessments have been paid but due to the age of this particular MR parcel they had not yet been paid. The acreage assessments are cost prohibitive to the CWLA who is covering the cost of development primarily through grants and fundraising efforts. Therefore this organization is seeking financial assistance to offset the acreage assessments.

The actual amount of the acreage assessment levy will be determined once the applicant enters into the development approval process. Therefore, Administration cannot provide the exact amount owed at this time because the rates may change. The rates may also change as a result of the new Off-site Levy Bylaw which is currently under review and expected to be complete by the end of 2015. CWLA does not anticipate entering into the development process in 2015. Based on today's acreage assessment levy rates the amount would be approximately \$1.3 million.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Council directed Administration through a referral motion to identify the most appropriate funding source for covering the acreage assessment levies specifically for the Calgary Winter Lacrosse Association (CWLA) on the Ogden parcel noted in this report.

Since the PUD meeting 2014, October 31, Administration has met to discuss funding sources. In these circumstances there are no funding sources available or appropriate for the specific purpose of paying acreage assessments and no precedent established. However, in consultation with Community Services and Protective Services, and the Finance department, two potential funding sources have been identified for Council's consideration.

The first funding option would be to draw from the Fiscal Stability Reserve (FSR) fund for one-time funding. The general purpose of the FSR is to provide a contingency fund to cover

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significant emergencies or revenue shortfalls and a source of funding for one-time operating projects. The second funding option would be the Reserve for Future Capital (RFC). The RFC is used as a contingency fund for capital projects that have no other funding source. Acreage Assessment levies are a funding mechanism for the purposes of paying for capital projects, they are not capital projects unto themselves.

Administration could fund the reimbursement through Council direction.

Stakeholder Engagement, Research and Communication

Engagement was limited to internal departments. The recommendation in this report was discussed with the Calgary Winter Lacrosse Association and they have stated that they are in support. See Attachment #2.

Strategic Alignment

The analysis and conclusions presented in this report are in alignment with the following:

Council's Fiscal Plan for Calgary (2012-2014) - Investing in great communities and a vibrant urban fabric.

2020 Sustainability Direction – Calgary has a natural and built system that contributes to physical, social and mental well-being and personal development.

The City of Calgary Municipal Development Plan – the recommendation contributes to complete communities by providing community services and facilities, parks, open spaces and outdoor recreation which creates an attractive City.

Recreation Master Plan 2010-2020 – the recommendation recognizes the importance of recreation facilities as community hubs.

Social, Environmental, Economic (External)

The City of Calgary seeks to promote and maintain a high quality of life through the provision and support of opportunities for cultural and recreation activities, which are essential elements of a complete community.

A strong social infrastructure is integral to a strong economy. The City supports cultural and recreational activities through investments in infrastructure and programs, and by leveraging partnerships that result in facility development opportunities.

Financial Capacity

Funding could be drawn from either the Fiscal Stability Reserve or the Reserve for Future Capital. The amount will be determined at the time of development application.

Risk Assessment

If Council approves the use of funds to be allocated for payment of not-for-profit organizations acreage assessment levies this may set a precedent for future not-for-profit organizations making similar requests.

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REASON(S) FOR RECOMMENDATION(S):

There are no funding sources for this specific purpose and therefore Administration has identified the Fiscal Stability Reserve and the Reserve for Future Capital for Council's consideration.

ATTACHMENT(S)

1. PUD2014-0771 Report
2. Letter from Calgary Winter Lacrosse Association
3. Context Maps of Ogden Parcel