

Calgary



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Attachment 3

Centre City Levy

2022 Annual Report



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Introduction

The Centre City Levy program is a funding tool used to collect levies and charges from developers to share in the funding of local utility infrastructure and public realm improvements to support new growth within the Centre City Plan Area.

To support the development of the Centre City Plan Area, the Municipal Government Act (MGA) permits municipalities, through a bylaw, to charge off-site levies to developers. The Centre City Levy program collects levies for local infrastructure needs usually placed on a specific development. The Centre City Levy is collected from all development projects in the Centre City Plan Area on a linear basis, calculated using length of a parcel's frontage. These funds are used, often with additional funds from other sources, to invest in infrastructure programs to support growth, quality of life, and resiliency in the Centre City Plan Area.

The program consists of two components: the utility portion through the Centre City Levy Bylaw (Bylaw 38M2009), and the remaining infrastructure types under Council resolution. On 2010 February 8, through report LPT2010-03, the Centre City Levy rates were set and have not increased since then.

According to Council direction, Centre City Levy funds may be used towards projects that fall within the following scope:

- All or part of the capital costs of the construction, upgrading and replacement of water and sanitary sewer mains required for or impacted by a proposed subdivision or development in the Centre City Plan Area.
- Community and Recreation infrastructure.
- Alternative transportation infrastructure.
- Upgrading local parks, regional pathways, and regional parks.
- The 13 Avenue Greenway.



The City of Calgary's Centre City Levy Annual Report provides details on the Centre City levies that were collected and spent, to ensure transparency to stakeholders. This report is prepared in accordance with the MGA. The 2022 levy balance will continue to be used to fund projects within the Centre City Plan area in accordance with Council direction and Bylaw 38M2009.

In 2021, Council approved the Greater Downtown Plan (C2021-0524). While the current Centre City Levy was developed in alignment with the 2007 Centre City Plan, it continues to enable growth-related investments towards the vision for the Greater Downtown.

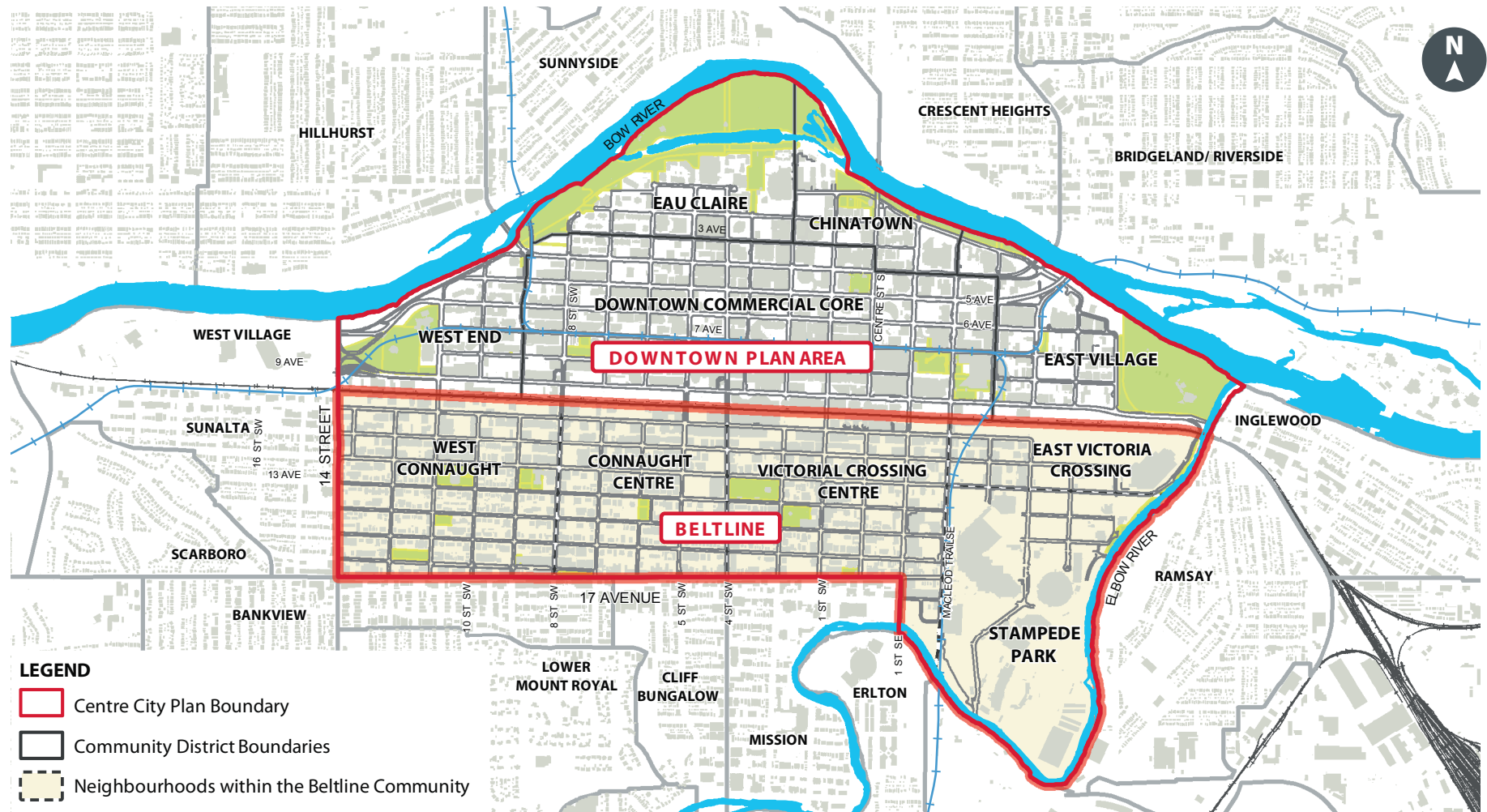
Throughout this report, the Centre City Levy program will be referred to as either a levy or levies.



Centre City Plan Area

Calgary's Centre City Plan Area is bound by the Bow and Elbow Rivers to the north and east, 17 Avenue to the south and 14 Street to the west. It includes the communities of: Downtown Commercial Core, Downtown East Village, Beltline, Downtown West End, Eau Claire and Chinatown. The Centre City Levy Plan Area shows where the Centre City Levy is charged on new development, and where the levy funds can be used to support infrastructure projects.

Figure 1: Centre City Plan Area



Centre City Levy Rates

Table 1 identifies the Centre City Levy rates. The Centre City Levy is collected from all development projects in the Centre City Plan Area on a linear frontage basis, calculated using the length of the parcel's frontage on the venues. Each infrastructure category has a different amount collected. These rates have not increased since 2010.

Table 1: Centre City Levy Rates by Infrastructure Type			Levy Rates, by Year		
Infrastructure Type	Infrastructure Category	Authorization	2007 Frontage Levy/Metre (\$)	2008 & 2009 Frontage Levy/Metre (\$)	Effective 2010 Frontage Levy/Metre (\$)
Utilities ¹	Water	Authorized by Bylaw 38M2009	912	1,037	1,092
	Sanitary Sewer		912	1,037	1,092
Total Levy for Utilities			1,824	2,074	2,184
Transit ²	Buses	Development Permit Conditions (LPT2007-18)	272	278	278
Fire ²	Station and Land		75	85	90
Police ²	Station and Land		50	57	60
Recreation ²	Facility and Land		400	455	479
Library ²	My Branch Portion		333	379	399
Total Levy for Community Services			1,130	1,254	1,306
Transportation ²	Pedestrian Overpasses	Development Permit Conditions (LPT2007-18)	500	569	600
	Bikeways/Sidewalks		35	40	42
Total Levy for Transportation			535	609	642
Parks ²	Local Park Upgrading	Development Permit Conditions (LPT2007-18)	39	44	47
	Regional Park & Pathway Upgrading		183	208	219
Total Levy for Parks			222	252	266
Roads (Greenways) ²	13 Avenue Greenway	Development Permit Conditions (LPT2007-18)	260	296	312
	Total Levy for Roads (Greenways)		260	296	312
Total (\$/metre)			3,971	4,485	4,710

¹ Funds for Utilities are collected through authorization of Bylaw 38M2009.

² Funds for Community Services, Transportation, Parks, and Greenways are collected through Council resolution in report LPT2007-18. These rates were last adjusted by Council in 2010 through report LPT2010-03.

Overview

Centre City Levies are one of the tools used to help fund the infrastructure required to build great communities. Since levies are collected as land development proceeds, it can take The City many years to build up enough resources to support a capital infrastructure project. To move ahead with projects in a timely manner to support development, infrastructure identified in the Centre City Levy Bylaw may be funded using a combination of levy funds and other funding sources. This results in a positive balance in the levy accounts at the end of the year.

In 2022, \$1.2 million of Centre City Levy funds were used to invest in multiple infrastructure programs and the closing balance of the total Centre City Levy fund at the end of 2022 was \$8.6 million. Of this ending balance, \$0.5 million is committed to one Transit and two Transportation projects while the remaining balance will be spent to support new and ongoing infrastructure projects in the Centre City Plan Area. For more details on the Centre City Levies collected and spent, refer to Figures 2 and 3. The rest of this report includes summary pages and appendices with project specific details.

Table 3 shows the reconciliation of the Centre City Levy balance to The City's Annual Report (AC2023-0327) ("the financial statements"). The differences are the Off-site Levy portion of balance and levies paid through internal City of Calgary transfers. These differences are due to the financial reporting standards used by the City's Annual Report and the presentation of this report.

Table 2: Centre City Levy Balance Collected and Spent

Opening Balance, January 1, 2022	\$	8,723,013
Centre City Levies Collected		930,898
Investment Income Received		165,944
Centre City Levies Spent		(1,224,963)
Closing Balance, December 31, 2022	\$	8,594,892

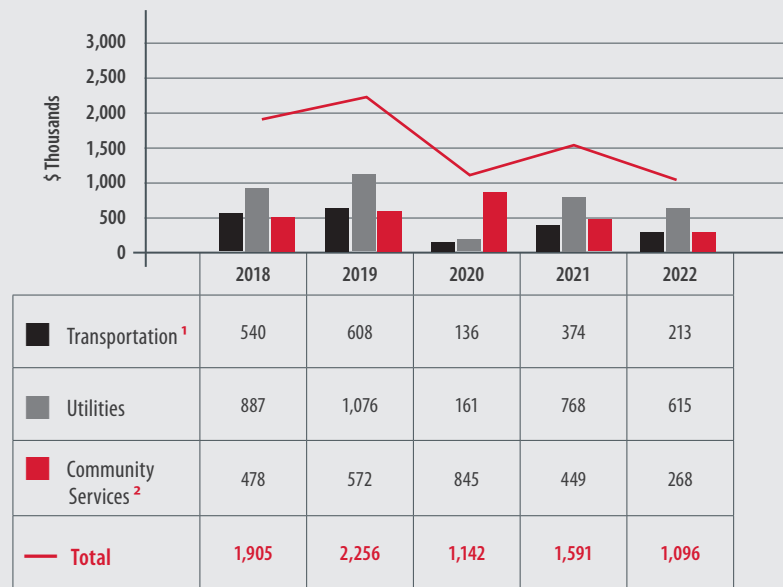
Table 3: Centre City Levy Balance per Financial Statements

Off-site and Centre City Levies Balance per Financial Statements as at December 31, 2022 ¹	\$	374,386,250
Less: Off-site Levy Portion of Balance per Financial Statements		(366,176,636)
Centre City Levies Paid by The City's Internal Business Units ²		385,278
Closing Balance, December 31, 2022	\$	8,594,892

¹ The City of Calgary 2022 Annual Report can be found on Calgary.ca. Refer to the Notes to the Consolidated Financial Statements, Note 11 Capital Deposits.

² The City of Calgary Centre City Levies (internal transactions) are eliminated during the financial statement consolidation. For the purposes of the Centre City Levy Annual Report, these adjustments are included. These levies represent charges incurred through development by The City of Calgary.

Figure 2: Total Centre City Levies Collected and Investment Income Earned



¹ Transportation category includes Transit, Transportation, and Roads (Greenways) infrastructure types.

² Community Services category includes Fire, Police, Recreation, Library, and Parks infrastructure types.

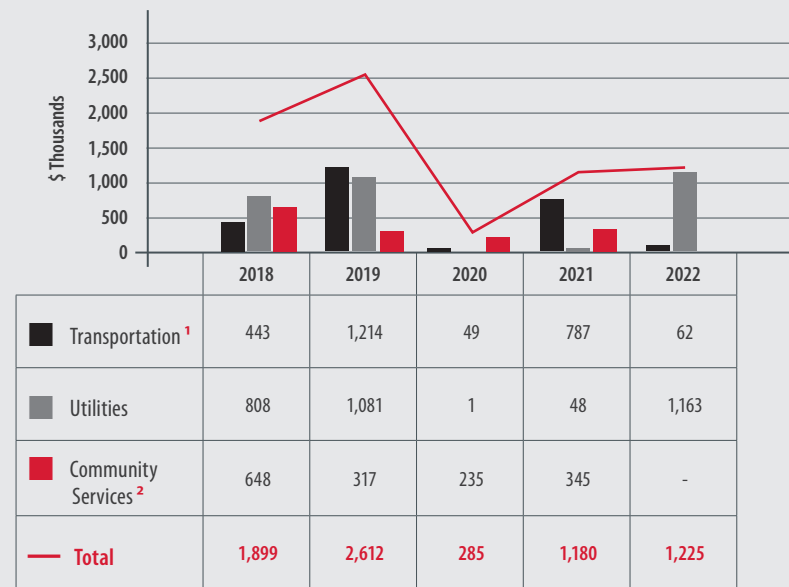
Figure 2 shows the total Centre City Levies collected and investment income earned since 2018 to current year.

Figure 3 shows the total Centre City Levies spent since 2018 to current year.

In 2022, Centre City Levy funds were used to support the following infrastructure programs:

- Waterworks/Wastewater (\$1.2 million spent in 2022): Upgrade of watermain in the Downtown and Beltline areas.

Figure 3: Total Centre City Levies Spent



¹ Transportation category includes Transit, Transportation, and Roads (Greenways) infrastructure types.

² Community Services category includes Fire, Police, Recreation, Library, and Parks infrastructure types.

- Improvements to the 5th Street SW Underpass (\$0.1 million spent in 2022): Improvements included widened sidewalks, upgraded crosswalks, cycle tracks, lighting improvements, underpass walls, and bridge life cycle improvements and landscaping.

For more details on Center City Levy capital projects, see Schedules A, B, and C.

A detailed breakdown of the Centre City Levies collected, investment income, spent and closing balances are included in Table 4.

Table 4: Centre City Levies 2022 Summary by Infrastructure Type

Infrastructure Type	Table Reference	Opening Balance January 1 (\$)	Collected ¹ (\$)	Investment Income (\$)	Spent (\$)	Closing Balance December 31 (\$)
Transit	Table 5: Transportation	652,085	42,067	13,663	-	707,815
Transportation	Table 5: Transportation	-	97,147	1,764	(61,915)	36,996
Roads (Greenways)	Table 5: Transportation	531,791	47,212	11,379	-	590,382
Utilities	Table 6: Water	3,980,795	548,664	66,447	(1,163,048)	3,432,858
Fire	Table 7: Community Services	304,381	13,619	6,267	-	324,267
Police	Table 7: Community Services	405,206	9,079	8,143	-	422,428
Recreation	Table 7: Community Services	2,176,408	72,482	44,358	-	2,293,248
Library	Table 7: Community Services	620,799	60,377	13,380	-	694,556
Parks	Table 7: Community Services	51,548	40,251	543	-	92,342
Totals		8,723,013	930,898	165,944	(1,224,963)	8,594,892

¹ Please refer to Appendix 1 for a listing of contributors to the Centre City Levy in 2022.

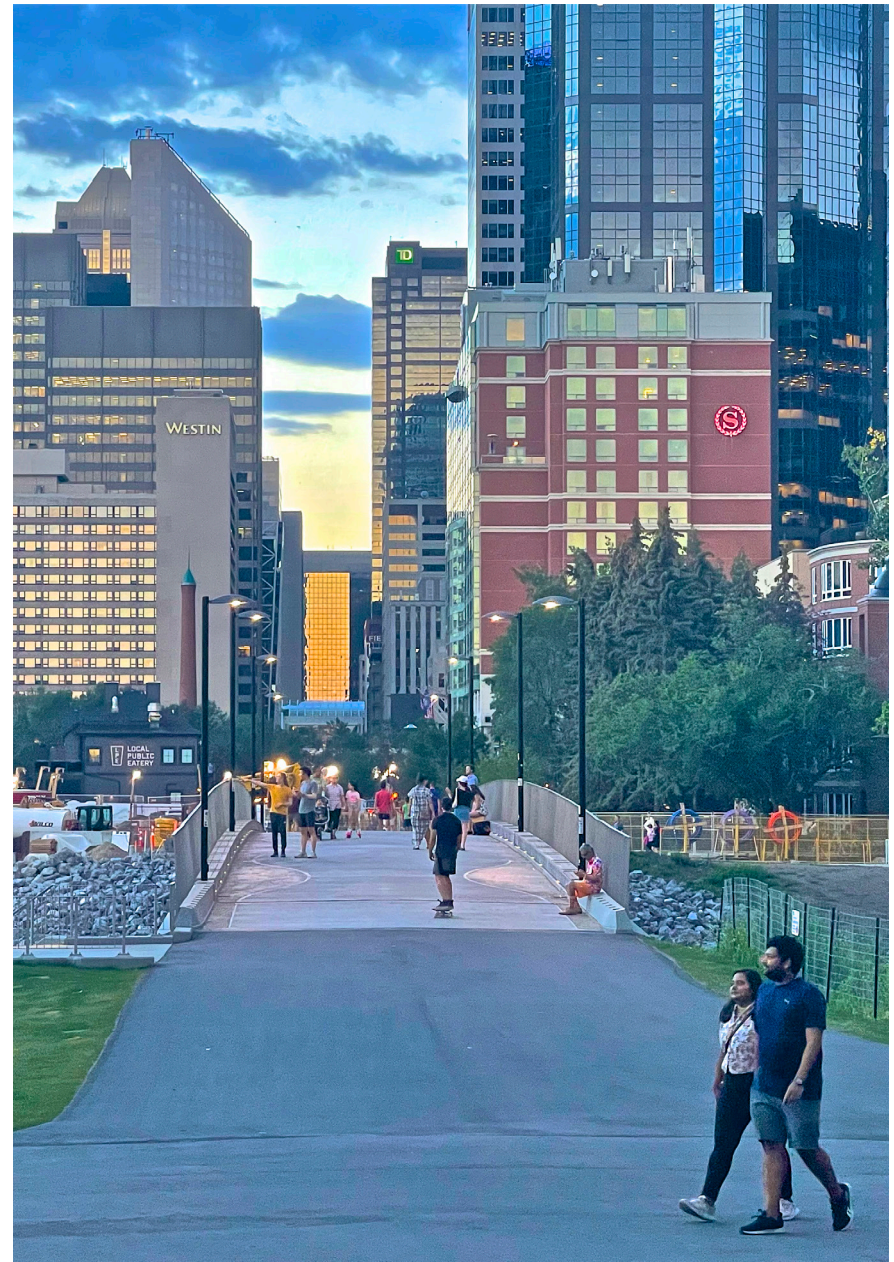
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Schedule A – Transportation Centre City Levy 2022 Summary

Table 5 shows the detailed projects and amount of the Centre City Levy budgeted, collected and spent for Transportation as of December 31, 2022.

Table 5: Transportation Centre City Levy 2022 Summary					Budget				Actuals						
Infrastructure Type	Project / Program (#)	Project Name	Project Description	Start Date and Estimated / Actual Completion Date	Total Budget of Project (\$)	City Portion of Budget (Other Sources) (\$)	Centre City Levy Portion of Budget (\$)	Centre City Levy Portion of Total Project Costs (%)	Centre City Levy Collected in 2022 (\$)	Centre City Levy Investment Income from 2022 (\$)	Total Centre City Levy Funds Collected from 2007 to 2022 (\$)	Centre City Levy Spent 2022 (\$)	Total Expenditures from 2007 to 2022 (\$)	Centre City Levy Closing Balance @ Dec 31, 2022 (\$)	Centre City Levy Cost to Complete (\$)
Roads (Greenways)	127-140	13 Avenue SW Greenway	20 Block separated pedestrian and multi-use pathway.	2009 to 2019	9,798,115	8,479,185	1,318,930	13%	47,212	11,379	1,909,312	-	1,318,930	590,382	-
Transit	665-02W	Big Buses / Community Shuttle Buses	Purchase of Buses & Shuttles	Ongoing	677,574,526	675,933,526	1,641,000	0.2%	42,067	13,663	1,848,814	-	1,141,000	707,814	500,000
Transportation	126-103	City Wide Active Modes Program	City Wide Active Modes Program	Ongoing	6,046,627	5,895,627	151,000	2%	97,147	1,764	3,889,811	-	151,000	36,997	-
	223-000	8 Street Corridor Phase 1	Design and construction of pedestrian underpass enhancements including construction of new sidewalks, concrete surfaces, etc.	2013 to 2020	8,843,482	8,239,182	604,299	7%				-	604,299		-
	223-000	Pedestrian Overpass St. Patrick's Bridge	St. Patrick's Bridge	2009 to 2010	480,221	318,563	161,657	34%				-	161,657		-
	223-007	Pedestrian Overpass Bow River	Peace Bridge	2009 to 2017	25,000,000	24,756,786	243,214	1%				-	243,214		-
	569-001	Centre City Mobility Program	Pedestrian Overpasses / Centre City Mobility, Traffic Control	Ongoing	1,218,090	585,009	633,080	52%				-	10,556		622,525
	569-001	5 Street SW Underpass	Direct North-South connection between the communities of Beltline and Downtown Calgary.	2019 to 2023	4,433,591	3,277,419	1,156,173	26%				61,915	839,841		316,332
	569-001	Cycle Track Project	Signal timing adjustments; improvements to network along 12 Avenue SW and 8 Avenue SW	2017 to 2022	1,063,295	1,012,861	50,434	5%				-	50,434		-

Note: Totals may not add due to rounding.

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Table 5: Transportation Centre City Levy 2022 Summary – continued

Table 5: Transportation Centre City Levy 2022 Summary – continued					Budget				Actuals						
Infrastructure Type	Project / Program (#)	Project Name	Project Description	Start Date and Estimated / Actual Completion Date	Total Budget of Project (\$)	City Portion of Budget (Other Sources) (\$)	Centre City Levy Portion of Budget (\$)	Centre City Levy Portion of Total Project Costs (%)	Centre City Levy Collected in 2022 (\$)	Centre City Levy Investment Income from 2022 (\$)	Total Centre City Levy Funds Collected from 2007 to 2022 (\$)	Centre City Levy Spent 2022 (\$)	Total Expenditures from 2007 to 2022 (\$)	Centre City Levy Closing Balance @ Dec 31, 2022 (\$)	Centre City Levy Cost to Complete (\$)
Transportation	569-001	4 Street SW Underpass	Prominent crosswalks, additional bike rack, increased number of on-street parking spaces and new tree planting.	2016 to 2022	8,438,690	7,447,917	990,773	12%	Continued from previous page	Continued from previous page	Continued from previous page	-	990,773	Continued from previous page	-
	569-001	8 Street SW Master Plan	Detailed designed for the 8 Street SW underpass to improve the pedestrian realm.	2017 to 2020	19,733	-	19,733	100%				-	19,733		-
	569-001	17 Avenue SW Public Realm Improvements	Improving crosswalks and intersections for those pedestrians, including curb extensions on side streets.	2017 to 2020	4,299,203	4,214,392	84,811	2%				-	84,811		-
	569-001	1 Street SW Corridor	Streetscape improvements for pedestrians including sidewalks and prominent crosswalks.	2016 to 2020	4,756,796	4,586,447	170,349	4%				-	170,349		-
	569-001	Thompson Family Park	Components of new public park (Thompson Family Park) in Beltline.	2016	100,851	98,720	2,131	2%				-	2,131		-
	569-001	1 Street SW Underpass Project	Enhancement with new lighting, new sidewalks, new guardrails, placemaking elements, entranceway marquees, in sidewalk quadrant lighting, etc.	2015 to 2016	4,447,804	3,923,789	524,015	12%				-	524,015		-
Total					756,521,024	748,769,423	7,751,601		186,426	26,806	7,647,937	61,915	6,312,744	1,335,192	1,438,856

Note: Totals may not add due to rounding.

Schedule B – Water Centre City Levy 2022 Summary

Table 6 shows the detailed projects and amount of the Centre City Levy budgeted, collected and spent for Water as of December 31, 2022.

Table 6: Water Centre City Levy 2022 Summary					Budget				Actuals						
Infrastructure Type	Project / Program (#)	Project Name	Project Description	Start Date and Estimated / Actual Completion Date	Total Budget of Project (\$)	City Portion of Budget (Other Sources) (\$)	Centre City Levy Portion of Budget (\$)	Centre City Levy Portion of Total Project Costs (%)	Centre City Levy Collected in 2022 (\$)	Centre City Levy Investment Income from 2022 (\$)	Total Centre City Levy Funds Collected from 2007 to 2022 (\$)	Centre City Levy Spent 2022 (\$)	Total Expenditures from 2007 to 2022 (\$)	Centre City Levy Closing Balance @ Dec 31, 2022 (\$)	Centre City Levy Cost to Complete (\$)
Water	2013146	Waterworks-Downtown Upgrades	Multiple Projects	Ongoing	8,512,164	182,801	8,329,364	98%	274,332	142	8,329,364	1,162,793	8,329,364	-	-
Sanitary	2013147	Wastewater-Downtown Upgrades	Multiple Projects	Ongoing	5,459,045	-	5,459,045	100%	274,332	66,306	8,891,903	255	5,459,045	3,432,858	-
Total					13,971,210	182,801	13,788,409		548,664	66,447	17,221,267	1,163,048	13,788,409	3,432,858	-

Note: Totals may not add due to rounding.

Schedule C – Community Services Centre City Levy 2022 Summary

Table 7 shows the detailed projects and amount of the Centre City Levy budgeted, collected and spent for Community Services as of December 31, 2022.

Table 7: Community Services Centre City Levy 2022 Summary					Budget				Actuals						
Infrastructure Type	Project / Program (#)	Project Name	Project Description	Start Date and Estimated / Actual Completion Date	Total Budget of Project (\$)	City Portion of Budget (Other Sources) (\$)	Centre City Levy Portion of Budget (\$)	Centre City Levy Portion of Total Project Costs (%)	Centre City Levy Collected in 2022 (\$)	Centre City Levy Investment Income from 2022 (\$)	Total Centre City Levy Funds Collected from 2007 to 2022 (\$)	Centre City Levy Spent 2022 (\$)	Total Expenditures from 2007 to 2022 (\$)	Centre City Levy Closing Balance @ Dec 31, 2022 (\$)	Centre City Levy Cost to Complete (\$)
Recreation	507	Beltline Aquatic & Fitness Centre and Streetscape Frontage Improvements	Facility and Land	2015	873,663	-	873,663	100%	72,482	44,358	3,166,911	-	873,663	2,293,248	-
		Future Projects	Facility and Land	TBD	-	-	-	N/A				-	-		-
Parks	500	Centre City Parks	Upgrades/enhancements to pedestrian environment in existing Centre City parks.	Ongoing	81,376	24,962	56,414	69%	40,251	543	1,693,756	-	56,414	92,342	-
		Century Gardens	A highly valued urban park in the centre of Calgary's bustling downtown and a recognized historic resource.	2007 to 2022	16,800,000	16,455,000	345,000	2%				-	345,000		-
		Beltline Park	Engagement, design and the construction of a small piece of Parks-owned land in the heart of the Beltline.	2019 to 2021	1,595,486	1,300,000	295,486	19%				-	295,486		-
		West Eau Claire Park	New public promenade, public space, and pathway, including new site furnishings, lighting and landscaping.	2017 to 2019	8,523,000	7,618,486	904,514	11%				-	904,514		-

Note: Totals may not add due to rounding.

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Table 7: Community Services Centre City Levy 2022 Summary – continued

Table 7: Community Services Centre City Levy 2022 Summary – continued					Budget				Actuals						
Infrastructure Type	Project / Program (#)	Project Name	Project Description	Start Date and Estimated / Actual Completion Date	Total Budget of Project (\$)	City Portion of Budget (Other Sources) (\$)	Centre City Levy Portion of Budget (\$)	Centre City Levy Portion of Total Project Costs (%)	Centre City Levy Collected in 2022 (\$)	Centre City Levy Investment Income from 2022 (\$)	Total Centre City Levy Funds Collected from 2007 to 2022 (\$)	Centre City Levy Spent 2022 (\$)	Total Expenditures from 2007 to 2022 (\$)	Centre City Levy Closing Balance @ Dec 31, 2022 (\$)	Centre City Levy Cost to Complete (\$)
Fire	42	Station #1 Upgrades	Station and Land	2011 to 2016	3,100,000	2,850,000	250,000	8%	13,619	6,267	574,267	-	250,000	324,267	-
		Future Projects	Station and Land	TBD	-	-	-	N/A				-	-		-
Library	479	New Central Library	New landmark civic institution with multi-faceted spaces to serve a range of ages, activities and needs from growing communities like East Village, as well as all citizens of Calgary.	2012 to 2018	175,000,000	173,241,000	1,759,000	1%	60,377	13,380	2,453,555	-	1,759,000	694,555	-
		Future Projects	City Centre Libraries	TBD	-	-	-	N/A				-	-		-
Police	TBD	Future Projects	Future Projects	TBD	-	-	-	N/A	9,079	8,143	422,428	-	-	422,428	-
Total					205,973,525	201,489,448	4,484,077	-	195,808	72,690	8,310,917	-	4,484,077	3,826,840	-

Note: Totals may not add due to rounding.

Appendix 1 – 2022 Centre City Levy Collection Details

Table 8: 2022 Centre City Levy Collection Details

Contributor	Infrastructure Type										Grand Total (\$)
	Transit (\$)	Transportation (\$)	Roads (\$)	Utilities - Sanitary (\$)	Utilities - Water (\$)	Fire (\$)	Police (\$)	Recreation (\$)	Library (\$)	Parks (\$)	
External Contributor 1	-	-	-	109,091	109,091	-	-	-	-	-	218,182
External Contributor 2	19,327	44,632	21,690	75,916	75,916	6,257	4,171	33,300	27,738	18,492	327,439
Internal Contributor 1	22,740	52,516	25,522	89,326	89,326	7,362	4,908	39,182	32,638	21,759	385,278
Infrastructure Type Total	42,067	97,147	47,212	274,332	274,332	13,619	9,079	72,482	60,377	40,251	930,899

Note: Totals may not add due to rounding.