

**Planning and Development Services Report to
Infrastructure and Planning Committee
2022 May 12**

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IP2022-0394
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Joint Use Coordinating Committee and Joint Use Reserve Fund Annual Report

RECOMMENDATION:

That Infrastructure and Planning Committee recommends that Council receive this report and its attachments for the Corporate Record.

RECOMMENDATION OF THE INFRASTRUCTURE AND PLANNING COMMITTEE, 2022 MAY 12:

That Council receive this Report and its Attachments for the Corporate Record.

HIGHLIGHTS

- The purpose of this report is to provide an annual update on the Joint Use Coordinating Committee (JUCC) work plan and the status of the Joint Use Reserve Fund (Reserve Fund).
- The report provides a summary of the Reserve Fund spending during 2021 (Attachment 2) along with identifying future demands on the Reserve Fund (Attachment 3). These demands are divided into three timeframes: future demands for the current year, projections within the next five years, and projections beyond the next five years.
- In 2021, Reserve Fund expenditures totalled \$2.0 million including servicing costs associated with a land exchange in Seton. The 2021 December 31 Reserve Fund balance is \$78.3 million while the total anticipated future demands for 2022 and beyond are \$246.3 million.
- This report was prepared collaboratively by all three parties of the Joint Use Agreement (JUA): Calgary Board of Education, Calgary Catholic School District and The City of Calgary.
- The JUCC and the JUA align with the policies contained in Section 2.3.5 Municipal, School and Environmental reserves of the *Municipal Development Plan* (MDP).
- Strategic Alignment to Council's Citizen Priorities: A city of safe and inspiring neighbourhoods
- Background and Previous Council Direction is included as Attachment 1.

DISCUSSION

The Joint Use Coordinating Committee: Year in Review

In 2021, the JUCC implemented the JUA by making financial contributions to a land exchange and servicing in Seton totalling \$2.0 million.

The JUCC continues to provide greater awareness and transparency to its activities through two main initiatives:

- First, the fifth annual Open House meeting held on 2022 January 13 in a virtual format, where Councillors, School Board Trustees from the CBE, the CCSD, and FrancoSud, BILD Calgary Region, the Federation of Calgary Communities, and other stakeholders, attended an overview of the JUA, the role of the JUCC and an update on the new Modernizing the Joint Use and Planning Agreement (JUPA) work. This was followed by

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a question-and-answer period where the attendees shared their thoughts and inputs with the JUCC.

- Second, an annual joint meeting between is held between the Site Planning Team (a subcommittee of the JUCC tasked with reviewing application proposals for joint use sites) and the JUCC to discuss issues that the JUCC should be aware of, and continue to identify opportunities moving forward between the two groups.

The Reserve Fund for 2021

During 2021, the Reserve Fund received cash receipts from development and disposition of reserves totalling \$1.0 million and investment income of \$1.6 million. During this same period, expenditures totalled \$2.0 million resulting in a fund balance on 2021 December 31 of \$78.3 million.

Below is a summary of the Reserve Fund account in 2021:

- | | |
|-----------------------------------|------------------|
| • Fund Balance on January 1, 2021 | \$ 77.7 million |
| • Fund Receipts | \$ 1.0 million |
| • Fund Investment Income | \$ 1.6 million |
| • Fund Disbursements | (\$ 2.0 million) |
| • Fund Balance December 31, 2021 | \$ 78.3 million |

Refer to Attachment 2 of this report for a detailed summary of the 2021 Reserve Fund Receipts and Disbursements.

The Reserve Fund for 2022 and Beyond

Anticipated future demands on the Reserve Fund are divided into anticipated spending for the current year of 2022, followed by future demand projections within the next five years, and projections beyond the next five years. These demands are estimated at \$246.3 million (\$25 million in 2022, \$26.9 million from 2023 to 2027 and \$194.4 million 2028 and beyond), based on a high-level market value estimate for net fully serviced lands as of the date of this report. Land estimates are subject to change and do not include other fees or expenses that may arise. Future acquisitions require detailed site-specific market valuations and determination of other costs as part of The City's acquisition process. Yearly demands fluctuate depending on the timing of need for land purchase towards a future high school or recreation site, subject to phasing and development timelines of private industry. For a more detailed breakdown and itemization of these demands, see Attachment 3.

Modernizing the JUPA

In 2020 December, Council directed Administration to collaborate with the three school boards to deliver a modernized JUPA. The new JUPA will be flexible and provide guidance on how joint use sites are utilized, planned, and developed to adapt to the evolving needs of Calgarians. Work began on the new JUPA in 2021 with the needs identification, gap analysis and Phase 1 Engagement complete. A report on the modernized JUPA will be presented at the 2022 September 09 Infrastructure and Planning Committee (IP2022-0533).

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken

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- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

The JUCC is built on the consensus model, as such this report was written with the input and support of the Committee members.

IMPLICATIONS

Social, Environmental and Economic Implications

The Reserve Fund enables the three JUCC parties to ensure reserve land is provided in optimal locations, and ensure complete communities, by enabling The City to:

- coordinate the provision of land for recreational and educational facilities through the planning process;
- take money in place of reserves in locations where open space or school land is not required;
- dispose of surplus reserve land and secure the proceeds for future purchases; and
- purchase land in open space deficient communities for parks, recreation facilities, and schools on an identified, equitable needs basis for all Calgarians.

Service and Financial Implications

No anticipated financial impact.

There is no impact to The City's operating budget as the Reserve Fund is solely used for land acquisition as per the terms of the JUA. Any facilities constructed on purchased land are the responsibility of the applicable organization, including operating costs.

The JUA provides a mechanism to both collect and allocate money in place of reserve land in a coordinated fashion that ensures maximum benefit to the community by jointly locating educational and recreational facilities on joint use sites. This results in significant capital budget savings for both The City and school boards.

RISK

With the Reserve Fund balance on 2021 December 31 being \$78.3 million, and the future demands projected at \$246.3 million, the Reserve Fund is currently deficient. The Reserve Fund's revenue stream is predominantly dependent on cash in lieu being paid by industrial and commercial development in place of reserve land. As future industrial and commercial development takes place, there will be an increase in the Reserve Fund revenue. However, since this is market dependent, contributions beyond the next five years are difficult to predict. Historically, the risk has been mitigated as transactions have occurred across multiple years, to allow time for the fund to be replenished.

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ATTACHMENT(S)

- 1. Previous Council Direction, Background
- 2. 2021 Reserve Fund Receipts and Disbursements
- 3. 2022 Joint Use Coordinating Committee Goals and Joint Use Reserve Fund Demand 2022 and Beyond
- 4. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform