



ENMAX LEGACY PARKS PROGRAM – QUARTERLY UPDATE

EXECUTIVE SUMMARY

The ENMAX Legacy Parks Program funds are allocated towards upgrades in existing regional parks, development of new regional parks, and improving existing community parks in underserved areas. This report provides a project status and financial update on all Phase 1, 2 and 3 Legacy Parks projects (Attachment 1) and an overview of the ENMAX dividend funding shortfall (Attachment 2). At the 2016 July 25 meeting of Council, funding was approved to allow high priority (Tier 1) projects to proceed despite the ENMAX dividend shortfall. At the same meeting, Administration was directed to: *“explore additional funding options to address current and projected funding shortfalls for the medium and future priority projects and bring forward a proposal at the mid-cycle budget adjustments.”* In order to meet this Council direction, Calgary Parks has completed business cases for both the medium priority (Tier 2) and future priority (Tier 3) unfunded projects. These business cases will be used to inform the investment plan that Infrastructure Calgary brings forward to Council at Mid-Cycle Adjustments.

ADMINISTRATION RECOMMENDATION(S)

That the Legacy Parks Fund Steering Committee recommend that Council:

1. Receive this report for information; and
2. That this report be forwarded to the 2016 November 07 Combined Meeting of Council as an item of Urgent Business.

RECOMMENDATION OF THE LEGACY PARKS FUND STEERING COMMITTEE, DATED 2016 NOVEMBER 03:

That Council receive this report for information.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2003 September 22, Council approved “The Legacy Parks Steering Committee mandate as recommended in Executive Report to Council, C2003-67 (ENMAX Legacy Parks –Update).”

At the 2012 November 20 meeting of the Legacy Parks Fund Steering Committee, the LPC2012-0808 Overview of Legacy Program – Legacy Parks Fund Steering Committee Terms of Reference was referred to Administration “to review the Legacy Parks Fund Steering Committee Terms of Reference, with a report back to Council no later than 2013 January.”

On 2013 May 27 Council approved the Terms of Reference in LPC2013-0428 Proposed New ENMAX Legacy Parks Program Updates as outlined in the Attachment 1 associated with that report.

At the 2014 March 10 meeting of Council, LPC2014-0172 was approved as follows: approve the proposed additional program criteria to include local community open spaces and approve proposed new projects as outlined in revised attachments.

At the 2014 November 03 meeting of Council, LPC2014-0823 Proposed Phase 3 ENMAX

Approval(s): Hanson, Kurt concurs with this report. Author: Marter, Doug
City Clerk's: M. Cario

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Legacy Parks Projects was approved.

On 2015 July 20, Council approved access to Legacy Phase 3 funds to bridge finance the Thomson Family Park in LPC2015-0574 ENMAX Legacy Parks Program – Quarterly Update as outlined in the Attachment 4 associated with that report.

On 2015 October 19, Council approved the amendment to the Legacy Parks Fund Steering Committee Terms of Reference composition of the Steering Committee to include the General Manager of Community Services (CS).

On 2016 July 25, Council approved the short-term funding allocations for Tier 1A and Tier 1B and directed administration to explore additional funding options to address current and projected funding shortfalls for the medium and future priority projects and bring forward a proposal at the mid-cycle budget adjustments.

BACKGROUND

Council created the ENMAX Legacy Parks Program in 2003, and since that time it has been instrumental in the acquisition and development of new regional parks and the redevelopment of existing regional parks across Calgary. Regional parks serve multiple communities, large catchment areas and tend to be multi-hour destinations for citizens. Unlike community parks, they are not acquired, funded or constructed through the development and subdivision process, subsequently requiring alternate funding sources.

In 2014 March through report LPC2014-0172, Council approved three additional criteria for the ENMAX Legacy Parks Program. The new criteria expanded the program's focus from not only regional parks to local community open space needs as well. The new criteria addresses the need for investment in local parks in communities in transition and in communities that are underserved in open space, and also supports community focused open space initiatives.

On 2014 November 03, Council approved the ENMAX Legacy Parks Phase 3 projects. Due to the current economic conditions in Calgary, a portion of the 2016 ENMAX dividend to be allocated toward the Phase 3 projects is no longer available. Calgary Parks developed mitigation strategies to address funding shortfalls of high priority projects and these were approved by Council on 2016 July 25. However, shortfalls still exist for medium and future priority projects.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

When the ENMAX dividend shortfall was identified, the remaining Legacy projects were re-prioritized, strategically phased and divided into three tiers. Council approved a funding mitigation strategy for the high priority projects (Tiers 1A and 1B) on 2016 July 25. These Tier 1 projects were critical to fund as they were either already in construction or had gone to tender. The medium priority (Tier 2) and future priority (Tier 3) projects remain unfunded. Tier 2 includes important projects that have gone through design and public engagement but could be paused before construction commenced. Tier 3 includes projects that have not yet started and are therefore easier to put on hold. The funding required for Tier 2 projects totals \$29.853 million and the funding required for Tier 3 projects totals \$15.176 million. Attachment 2 contains

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a list of the high (Tier 1), medium (Tier 2) and future (Tier 3) priority projects and provides an overview of the funding shortfalls by project.

In response to the 2016 July 25 Council direction to explore additional funding sources and bring forward a proposal to Mid-Cycle Adjustments, Calgary Parks has prepared business cases (Culture Parks & Recreation Infrastructure Investment Plan or CPRIIIPs) for both the Tier 2 and Tier 3 projects. These business cases will inform the investment plan that Infrastructure Calgary brings forward to Council at Mid-Cycle Adjustments.

Stakeholder Engagement, Research and Communication

Research, communication and stakeholder engagement is undertaken on a project by project basis within the ENMAX Legacy Program.

Strategic Alignment

This report aligns with the 2015-2018 Action Plan and supports Council Outcomes:

- H5 (*protect and enhance our urban forest and natural landscape throughout Calgary*).
- H6 (*continue to build public awareness and understanding of our shared responsibility to conserve and protect the environment*).
- H9 (*optimize the existing parks network to ensure Calgarians have access to nature and healthy and active lifestyles*).

Social, Environmental, Economic (External)

Social

Park development and redevelopment and the analysis of changing open space needs in communities will lead to great park opportunities and experiences including both active and passive recreation for all Calgarians.

Environmental

Park space provides for more sustainable communities as densities increase, and assists in maintaining, or in some cases, enhancing biodiversity. Enhanced biodiversity contributes to a healthy urban environment, in addition to providing carbon offset and mitigation of pollution associated with the urban environment.

Economic

High quality park space favourably impacts the image and economy of Calgary and is associated with indirect benefits including but not limited to increased land values and community desirability.

Financial Capacity

Current and Future Operating Budget:

No changes are being proposed for current and future operating budgets with this report. As proposed capital improvements are implemented, impacts to operations may result due to new park assets and increased usage. Once design is finalized, each project is assessed for changes to operational costs and requests are made through the budget process when modest uplifts are required.

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Current and Future Capital Budget:

In 2017 and beyond, the ENMAX Legacy Parks Program and the ENMAX dividend could continue to represent a vital funding source to realize the full Legacy Parks Program. As uncertainty exists in the sustainment of the ENMAX dividend, Calgary Parks will continue to liaise with Infrastructure Calgary to explore funding options to deliver on citizens' expectations and complete the Legacy program approved by Council in 2014. Tier 2 and Tier 3 projects have been added to the Culture Parks & Recreation Infrastructure Investment Plan (CPRIP) and will come forward to Council at Mid-Cycle Adjustments through Infrastructure Calgary's process.

Risk Assessment

The loss of future ENMAX dividend represents a significant risk for Tier 2 and Tier 3 capital projects in the ENMAX Legacy Parks Program.

REASON(S) FOR RECOMMENDATION(S):

As per Council direction to bring forward a proposal to Mid-Cycle Adjustments, Calgary Parks has prepared business cases for the remaining unfunded Tier 2 and Tier 3 projects and these business cases will inform the investment plan that Infrastructure Calgary brings forward to Council at Mid-Cycle Adjustments.

ATTACHMENT(S)

1. ENMAX Legacy Parks Program – Project Status and Financial Update
2. ENMAX Legacy Parks Program – Overview of Legacy Funding Shortfall

ENMAX Legacy Parks Program - Project Status and Financial Update

LPC2016-0885
ATTACHMENT 1

ENMAX LEGACY PARKS PROGRAM - QUARTERLY UPDATE Phases 1&2:

Financials updated as of September 30, 2016

Project	Status	Status Update (as of 2016 October 18)	Phase 1 & 2 Financial Update ('000s)						ENMAX Dividend Shortfall
			a	b	c	d	e	f = c - d - e	
			Legacy Phase 1 & 2 Budget	Non- Legacy Budget	Total Project Budget	Total Actuals to Date	Commit- ments*	Remaining Allocations	
Ralph Klein	Complete	Project is complete.	40,971	81	41,052	41,026	25	-	-
Memorial Drive	On-Hold	On-hold pending dispute resolution.	29,920	1,000	30,920	30,546	424	(50)	-
Devonian Gardens	Complete	Legacy-funded portion complete. Work to repair deficiencies is underway; coordinating with 20 VIC.	7,000	-	7,000	7,000	-	-	-
Nose Hill Park	Ongoing	Legacy-funded portion complete. Construction in north and south zones underway.	4,479	1,025	5,504	4,648	54	802	-
Clearwater	Ongoing/ On-Hold	Ph. 1 funded (outside of Legacy) and is proceeding. Ph. 2 prioritized as Tier 3; on-hold pending funding resolution.	1,361	4,461	5,822	691	207	4,924	699
Bearspaw (Southside Reservoir)	On-Hold	Calgary Parks is focusing capital work on Haskayne Park. Prioritized as Tier 3; on-hold pending funding resolution. Required budget to be determined.	36,597	-	36,597	36,205	392	-	-
Central Memorial	Complete	Project is complete.	5,794	-	5,794	5,794	-	-	-
Klippert Land Acquisition (Bowmont East Gate)	Ongoing	Remaining funds to be used for park development in Bowmont East Gate Ph. 1.	5,712	-	5,712	5,394	46	272	-

*Represents portion of existing purchase orders not yet invoiced. There could be other commitments not reflected here.

ENMAX Legacy Parks Program - Project Status and Financial Update

ENMAX LEGACY PARKS PROGRAM - QUARTERLY UPDATE Phases 1&2:

Financials updated as of September 30, 2016

Project	Status	Status Update (as of 2016 October 18)	Phase 1 & 2 Financial Update ('000s)						ENMAX Dividend Shortfall
			a	b	c	d	e	f = c - d - e	
			Legacy Phase 1 & 2 Budget	Non- Legacy budget	Total Project Budget	Total Actuals to Date	Commit- ments*	Remaining Allocations	
Sunalta/Scarboro Land Acquisitions	Complete	Project is complete.	5,503	-	5,503	5,503	-	-	-
Open Space Strategy Implementation	Complete	Project is complete.	3,105	-	3,105	3,105	-	-	-
R.B. Bennett School Land	Complete	Project is complete.	1,789	-	1,789	1,789	-	-	-
Shepard Public Art	Complete	Project is complete.	1,000	-	1,000	1,000	-	-	-
Reader Rock Garden	Complete	Project is complete.	913	-	913	913	-	-	-
Legacy Parks Admin	Complete	Project is complete.	538	-	538	538	-	-	-
IBS Restoration	Complete	Project is complete.	412	-	412	412	-	-	-
Bowness Lagoon	Complete	Project is complete.	340	-	340	340	-	-	-
Paskapoo Slopes Plan	Complete	Project is complete.	264	-	264	264	-	-	-
Existing Enhancement	Complete	Project is complete.	254	-	254	254	-	-	-
TOTAL			145,952	6,567	152,519	145,422	1,148	5,949	699

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ENMAX Legacy Parks Program - Project Status and Financial Update

ENMAX LEGACY PARKS PROGRAM - QUARTERLY UPDATE

Phase 3:

Financials updated as of September 30, 2016

Project	Status	Status Update (as of 2016 October 18)	Phase 3 Financial Update ('000s)						ENMAX Dividend Shortfall
			a	b	c	d	e	f = c - d - e	
			Legacy Phase 3 Budget	Non- Legacy budget	Total Project Budget	Total Actuals to Date	Commit- ments*	Remaining Allocations	
Century Gardens	On-Hold	Prioritized as Tier 2; on-hold pending funding resolution.	9,690	4,000	13,690	1,025	1,609	11,057	9,659
Prairie Winds Park	Ongoing	Construction underway. Anticipating 80% completion by Dec. 2016.	5,232	7,922	13,154	6,298	6,856	-	-
Haskayne Regional Park	Ongoing/ On-Hold	Ph. 1 funded. Ph. 2 prioritized as Tier 2; on-hold pending funding resolution.	8,797	4,000	12,797	13	1,329	11,455	5,797
River Park, Sandy Beach, Britannia Slopes	Ongoing	Construction underway. Anticipating 90% completion by Dec. 2016.	6,900	675	7,575	3,388	1,916	2,271	-
Bowmont East Gate	Ongoing/ On-Hold	Ph. 1 construction underway, embedded in Water Resources tender. Ph. 2 prioritized as Tier 2; on-hold pending funding resolution.	6,360	-	6,360	81	1,906	4,373	4,810
Bend in the Bow	Ongoing/ On-Hold	Ph. 1 funded (outside of Legacy). Ph. 2 categorized as Tier 3; on-hold pending funding resolution.	2,400	3,900	6,300	556	177	5,557	2,031

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ENMAX Legacy Parks Program - Project Status and Financial Update

ENMAX LEGACY PARKS PROGRAM - QUARTERLY UPDATE

Phase 3:

Financials updated as of September 30, 2016

Project	Status	Status Update (as of 2016 October 18)	Phase 3 Financial Update ('000s)						ENMAX Dividend Shortfall
			a	b	c	d	e	f = c - d - e	
			Legacy Phase 3 Budget	Non- Legacy budget	Total Project Budget	Total Actuals to Date	Commit- ments*	Remaining Allocations	
Bow to Bluff	Ongoing/ On-Hold	Ph.1 consultant on board; work is underway on detailed design. Ph.2 prioritized as Tier 2; on-hold pending funding resolution.	5,920	-	5,920	-	-	5,920	5,720
Thomson Family Park	Ongoing	Park opened to public Oct 14, 2016.	2,000	2,200	4,200	3,608	592	-	-
Blakiston Park	Ongoing	Tender awarded. Construction began in September 2016.	27	3,773	3,800	386	2,230	1,184	-
Paskapoo Slopes	On-Hold	Prioritized as Tier 2; on-hold pending funding resolution.	2,926	-	2,926	-	55	2,871	2,926
Douglas Fir Trail	Ongoing/ On-Hold	Ph.1 geo-technical / engineering / detailed design underway. Ph.2 prioritized as Tier 2; on-hold pending funding resolution.	2,255	-	2,255	88	27	2,140	2,065
Edworthy Park (Greenway)	On-Hold	Prioritized as Tier 2; on-hold pending funding resolution	2,100	-	2,100	55	37	2,008	2,096
Edworthy Park (Park Redevelopment)	On-Hold	Prioritized as Tier 3; on-hold pending funding resolution. Required budget to be determined.	-	-	-	-	-	-	-

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ENMAX Legacy Parks Program - Project Status and Financial Update

ENMAX LEGACY PARKS PROGRAM - QUARTERLY UPDATE

Phase 3:

Financials updated as of September 30, 2016

Project	Status	Status Update (as of 2016 October 18)	Phase 3 Financial Update ('000s)						ENMAX Dividend Shortfall
			a	b	c	d	e	f = c - d - e	
			Legacy Phase 3 Budget	Non- Legacy Budget	Total Project Budget	Total Actuals to Date	Commit- ments*	Remaining Allocations	
Forest Lawn Creek Park	Ongoing/ On-Hold	Ph.1 design and tender documents underway. Ph.2 prioritized as Tier 2; on-hold pending funding resolution.	1,434	262	1,696	53	126	1,517	1,434
Priddis Slough	On-Hold	Prioritized as Tier 2; on-hold pending funding resolution. Contingent on land servicing and adjacent development phasing.	1,554	-	1,554	-	-	1,554	1,554
Confederation Park	Ongoing	Public engagement underway. Completion 2017 July 1 for Canada 150 celebrations.	850	550	1,400	21	14	1,365	-
Beaverdam Flats Regional Park	On-Hold	Prioritized as Tier 3; on-hold pending funding resolution.	500	-	500	18	-	482	500
Northeast Regional Parks (Cityscape/ Cornerstone Communities)	On-Hold	Prioritized as Tier 3; on-hold pending funding resolution. Co-developer projects.	2,738	-	2,738	-	-	2,738	2,738
Local Open Space Acquisition Fund	On-Hold	Prioritized as Tier 3; on-hold pending funding resolution.	3,000	-	3,000	-	-	3,000	3,000
Unallocated	-	Program reserve for scope changes.	300	-	300	-	-	300	300
TOTAL			64,983	27,282	92,265	15,599	16,875	59,790	44,630

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ENMAX Legacy Parks Program - Project Status and Financial Update

ENMAX LEGACY PARKS PROGRAM - QUARTERLY UPDATE Phases 1,2&3:

Phase	ENMAX Legacy Parks Program Financial Update ('000s)						
	a		b	c	d	e	f = c - d - e
	Legacy Phase 1 & 2	Legacy Phase 3	Non-Legacy	Total Budget	Total Actuals	Commitments*	Remaining Allocations
Legacy Phase 1 & 2 Total	145,952	-	6,567	152,519	145,422	1,148	5,949
Legacy Phase 3 Total	-	64,983	27,282	92,265	15,599	16,875	59,790
TOTAL	145,952	64,983**	33,849	244,784	161,021	18,023	65,739
							45,329

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**As a result of the mitigation cash flow strategy being approved by Council on 2016 July 25, 4 projects had their budgets adjusted from Legacy to other sources.

ENMAX LEGACY PARKS PROGRAM - QUARTERLY UPDATE**Funded Projects Underway**

Tier	Project
Tier 1: Projects currently in construction and these were considered high priority (important and urgent: underway or tender ready to award).	Haskayne Park - Initial park development with building
	Bow to Bluff - Detailed design
	Blakiston Park
	Bowmont East Regional Park - Reclamation
	Memorial Drive— Construction
	Confederation Park—Canada 150
	Douglas Fir Trail - Detailed design
	Prairie Winds Park—Construction
	River Park, Sandy Beach, Britannia Slopes
	Thomson Family Park

Projects On-Hold

Tier	Project	ENMAX Dividend
Tier 2: Projects currently in engagement that could be paused between engagement and construction (important but not urgent).	Haskayne Park - Park amenities	5,797
	Douglas Fir Trail - Construction	2,065
	Edworthy Park - Greenway Phase 3 pathway connection	2,096
	Paskapoo Slopes Park - Park development	2,926
	Priddis Slough - Detailed design	156
	Century Gardens - Park redevelopment	9,659
	Forest Lawn Creek Park - Pathway construction	1,434
	Bow to Bluff - Construction	5,720
	Total Tier 2	29,853
	Bend in the Bow - Pearce Estates Park	2,031
Tier 3: Projects that have not yet started (projects scheduled further out).	Edworthy Park - Park redevelopment	TBD
	Local Open Space Acquisition Fund	3,000
	Northeast Regional Parks—Cityscape/Cornerstone	2,738
	Priddis Slough - Construction	1,398
	Beaverdam Flats Regional Park	500
	Bowmont East Gate	4,810
	Bearspaw Reservoir - Park development	TBD
	Clearwater - Park amenities	699
	Total Tier 3	15,176
	Unallocated - Program Reserve	300
Not Tiered	Total Not Tiered	300
TOTAL ENMAX Dividend Shortfall		45,329

Note: Projects are not listed in order of priority.