

Green Line Governance, Corporate Risk and Financials – EC2024-0809

Executive Committee

2024 July 23

Recommendations (Pt. 1)

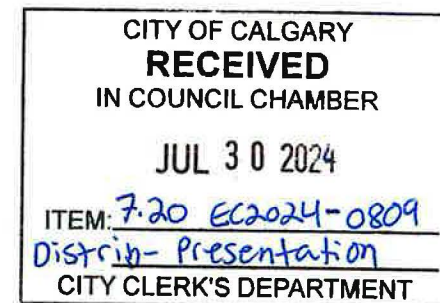
That Executive Committee recommend that Council:

1. Confirm direction to phase construction by "Building the Core" from Eau Claire to Lynnwood/Millican as set out in EC2024-0871.
2. To support "Building the Core," recognizing that, at a minimum, written confirmation of funding commitments from the Government of Canada and Government of Alberta are expected including:
 - o Grant Agreement Public Transit and Green Infrastructure Project amendments with respect to original funding continuation with a revised Phase 1 Program scope, and
 - o procurement waivers.

Approve the following, in reference to Attachment 4:

- a) An increase in budget for Budget ID: 869-000 of \$503 million for the Green Line Stage 1 Program.
- b) Additional capital budget allocated to City service lines. The approved funding to be distributed to the appropriate budget identifier for the Services by the Chief Financial Officer:
 - a. \$69 million for Public Transit Service
 - b. \$121 million for Streets Service
 - c. \$5 million for Waste & Recycling Service
 - d. \$7 million for Planning & Development Services

for related increases to capital costs for a revised cost, including financing costs of \$451 million, for Building the Core of Green Line Stage 1 of \$6,248 million.



Recommendations (Pt. 2)

- c) Increase in the incremental municipal funding consisting of the following sources:
 - 1) Incremental \$8 million per year in each year of 2025-2031, (to be funded through other reductions or efficiencies, other revenues, tax revenues, or any source) to be transferred to the Green Line Fund at the beginning of each year as part of the municipal funding for the Green Line program. This funding stream will build to the projected amount of Green Line program operating costs in 2032 and in the meantime, will provide capital to contribute to this project, as shown in Table 13 in Attachment 4;
 - 2) Allocation of \$16 million in each year 2025-2031 in tax growth recognizing the increase in development and redevelopment of properties in Calgary in 2024;
 - 3) \$208 million from the Reserve for Future Capital for capital cost escalations on existing capital projects per report C2024-0552 to be transferred to the Green Line Fund;
 - 4) Administration prioritizes 75% of any tax-supported operational savings, prior to unbudgeted transfers to reserves, in 2025 – 2031 for the Green Line Phase 1 Program, to be determined by the Chief Financial Officer and as required to address funding shortfalls, minimize financing costs and optimize cash flow for a total overall funding for Green Line Phase 1 of \$134 million in municipal funding for Green Line.
3. Revise the terms of the Major Capital Projects Reserve to include the Green Line Program with the purpose of providing a financial backstop if amount or timing of the funding from the Government of Alberta or the Government of Canada does not materialize according to the financial framework in this report, to the satisfaction of the Chief Financial Officer.
4. A transfer of \$4 million per year in each of 2024-2031 from the Public Transit operating budget to the Green Line Fund.
5. Direct Administration to brief Council annually on changes to the Financial Framework for Green Line Stage 1 Program.
6. Receive for information the financial strategy, updated Financial Framework in Attachment 4 and projected capital balances in Attachment 5.
7. Adopt Confidential Recommendations 7 and 8 contained in Confidential Report EC2024-0809.
8. Direct that the Closed Meeting discussions, Report, and Attachments remain confidential pursuant to exceptions to disclosure Sections 23 (Local public body confidences), 24 (Advice from officials), 27 (Privileged Information), and 25 (Disclosure harmful to economic and other interests of a public body) of the Freedom of Information and Protection of Privacy Act, to be reviewed by 2031 December 31.



Building The Core – Recommended Scenario

Total Capital Cost	5,797
Financing	451
Total Cost	6,248

Existing Funding	
Federal	1,641
Provincial	1,702
City of Calgary	2,200

Shortfall 705	
Provincial	-
Federal	-
City of Calgary	705

City of Calgary consists of:	
2023 Operating Variance	208
Operational Savings	133
Green Line O&M	252
New Growth	112

