

Recommended Portfolio of Communities for One Calgary (2019-2022)

1. Recommended communities for investment in One Calgary

A community, for the purposes of this report, is defined generally by the community boundaries approved through Area Structure Plans. A business case may include multiple communities, as is the case with some of the larger business cases. A business case may also involve more than one developer or land owner.

ASP Area	Developer(s)	# of Communities	City Sector
Glacier Ridge Area Structure Plan	Ronmor/Wenzel	2	North
Glacier Ridge Area Structure Plan – Symons Valley Ranch	Capexco Inc.	1* note, this area is better defined as a Community Activity Centre	North
Belvedere Area Structure Plan – West Belvedere	Tristar/Truman/Lansdowne/Others	1	East
Rangeview Area Structure Plan	Brookfield/Genstar/Section 23/Others	2	Southeast
Providence Area Structure Plan	Dream/Qualico	1	South
Haskayne Area Structure Plan	Brookfield/Marquis	1	Northwest

2. Operating and capital budget information

Operating Budget Impact

Table 2 is a summary of projected initial directly incremental operating costs and community-based revenue for the recommended communities. These estimates will be refined through the One Calgary (2019-2022) budgeting process. The projected operating costs and revenue are in 2018 dollars and assume no inflation or tax increases.

Table 1: Projected Operating Budget Impact for Recommended Communities¹

Operating (\$000s)	One Calgary (2019-2022)				Total 2019-2022	Total Final Year	Incremental Addition (2023+)
	2019	2020	2021	2022			
Direct Incremental Operating Cost	0	0	3,499	4,315	7,814	57,350	53,035
Community-based Revenue Share	0	0	2,568	3,816	6,384	63,796	59,979
Revenue (Shortfall)	0	0	(932)	(498)	(1,430)	6,446	

¹ All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Operating estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

Capital Budget Impact

Administration has considered capital funding sources for necessary leading infrastructure required in the One Calgary (2019-2022) budget and in budgets beyond 2023. Leading infrastructure includes Utilities (Water, Sanitary, and Storm), Transportation, and Fire. This investment is summarized in Table 2. These estimates will be refined through the One Calgary (2019-2022) budgeting process.

Table 2: Projected Capital Budget Impact for Recommended Communities²

Capital (\$millions)	Total Capital Cost	One Calgary (2019-2022)			
		Total Cost	Funding Source		
			Developer Levy	Property Tax	Utility Rate
Total	\$469.7	\$311.7	\$242.2	\$31.4	\$38.2
2023+ Budgets					
		Total Cost	Funding Source		
			Developer Levy	Property Tax	Utility Rate
		\$157.9	\$130.1	\$27.8	TBD

Total Off-Site Levies Collected \$727,921,144

Administration estimates that a total capital investment of \$470.0 million (in 2018 dollars) is required to develop these communities. Of this \$470.0 million, \$312.0 million is estimated to be funded in the One Calgary (2019-2022) budget. Of the \$312.0 million, \$242.0 million is a result of greenfield growth, and can be funded through the off-site levies. The remaining \$70.0 million represents the City's share of the investment, and is expected to be funded through property taxes (\$31.0 million) and the utility rates (\$38.0 million). The City's portion of capital investment to be funded by the property tax is estimated to be pay-as-you-go funding from taxes generated by the approved base property tax increase (see below).

In subsequent years, Administration estimates an additional capital investment of \$158.0 million will be required. Of this \$158.0 million, it is anticipated that \$130.0 million will be attributed to greenfield growth and funded through off-site levies. Of the City's share, it is anticipated that \$28.0 million will be pay-as-you-go funded by property taxes.

Indicative Rate

On 25 April 2018 Council approved an indicative rate of 0.45-0.75 per cent to cover the costs of growth in the new communities. This indicative rate, when approved, will provide a funding source for any operating shortfalls and the property tax portion of the required capital investments. This indicative rate does not provide a funding source for any financing required to facilitate the capital investments.

² All costs are estimates, in 2018 dollars, and do not include inflation or property tax increases. Capital estimates for the approved portfolio will be refined through the One Calgary (2019-2022) budget process.

In One Calgary, the property tax is required to fund the following:

1. Operating Shortfall (2021): \$0.9 million
2. Operating Shortfall (2022): \$0.5 million
3. Capital Investment: \$31.4 million

Administration has estimated that a base tax rate increase of 0.65 per cent, including contingency, in 2019 will provide the necessary funding source for these operating shortfalls and the required capital investment. This rate is within the Council approved range of 0.45-0.75 per cent, and will be refined and confirmed through the 2018 November One Calgary budget process.

The impact of future operating shortfalls and City-share of capital investments (post-2022) will be assessed through future budget processes.

Utility Rates

On 2018 June 18 Council approved a Water service line utility indicative rate increase of 0.0 – 0.5 per cent per year for 2019-2022.

Administration has estimated that the portfolio will require an increase of 0.3 per cent per year in the water line of service. This estimate will be refined through the November One Calgary budget process.

3. Strategic Highlights

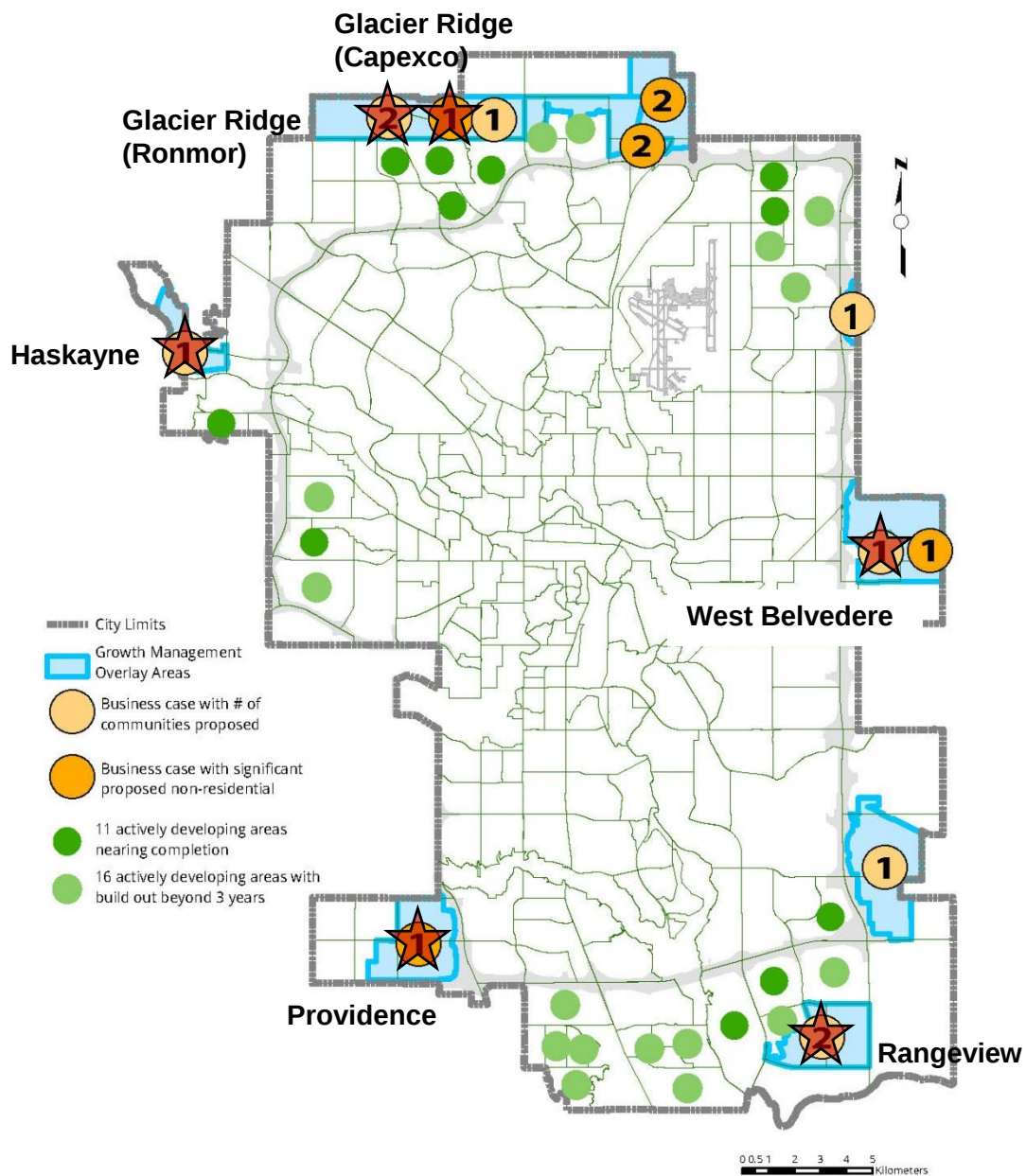
Community	Sector	Strategic Highlights
Glacier Ridge ASP (Ronmor/ Wenzel) [2 Communities]	North	• Contiguous, good connectivity across 144 Ave NW, significant size. • Provides significant single residential supply to a fast growing sector • Supports nearby non-residential. • Developer has control over infrastructure Rights of Way • Leverages Community Activity Centre • Helps protect West Nose Creek
Glacier Ridge ASP (Capexco Inc., Symons Valley Ranch [1 CAC])	North	• Community Activity Centre in a suburban setting – centrally located with the ASP and focused on agricultural hub and uses • Brings back the Symons Valley Farmers Market and associated employment, sets foundation for future mixed use development • Leverages existing fire coverage
Belvedere ASP (West Belvedere, TriStar/ Truman/ Lansdowne/ Others) [1 Community]	East	• Proximity to downtown; balances housing with jobs at East Hills and East Industrial • Adds supply to East sector, improving consumer choice • Planned to be part of primary transit network via 17 Ave SE corridor • Leverages investment at East Hills centre
Rangeview ASP (Brookfield/ Genstar/ Section23/ Genesis/ Others) [2 Communities]	Southeast	• Leverages City and Province transportation and fire station investments, recreation centre, library, Green Line, South Hospital • Innovation: agricultural urbanism, Seton Major Activity Centre integration

		Provides single residential supply in one of the fastest growing sectors, raises number of new communities significantly
Providence ASP (Dream/Qualico) [1 Community]	South	- Introduces significant non-residential development (commercial, retail) - Innovative suburban design concepts - Along long term primary transit network - Leverages southwest ring road, existing Fire coverage - Includes Community Activity Centre
Haskayne ASP (Brookfield) [1 Community]	Northwest	- Helps bring access closer to Haskayne Legacy Park - Repurposes an old gravel site - Features Trail Oriented Design (TrOD) - Introduces supply into Northwest sector, improving choice

4. Conclusion

The portfolio was designed to ensure that sufficient supply could be delivered through 2019-2022 so that it can be expected to exit the period with an amount of growth capacity that addressed demand and maintained a healthy inventory for growth in 2023 and beyond. This portfolio of communities supports a flexible and dynamic market by allowing additional private investment opportunities, while in alignment with the MDP/CTP. Increased competition and choice will be provided to citizens which can lead to increased affordability and innovation.

5. Location of Portfolio Communities



Recommended portfolio of 8 areas (across 6 business cases)