

New Communities Growth Strategy Nose Creek Area Structure Plan Lands

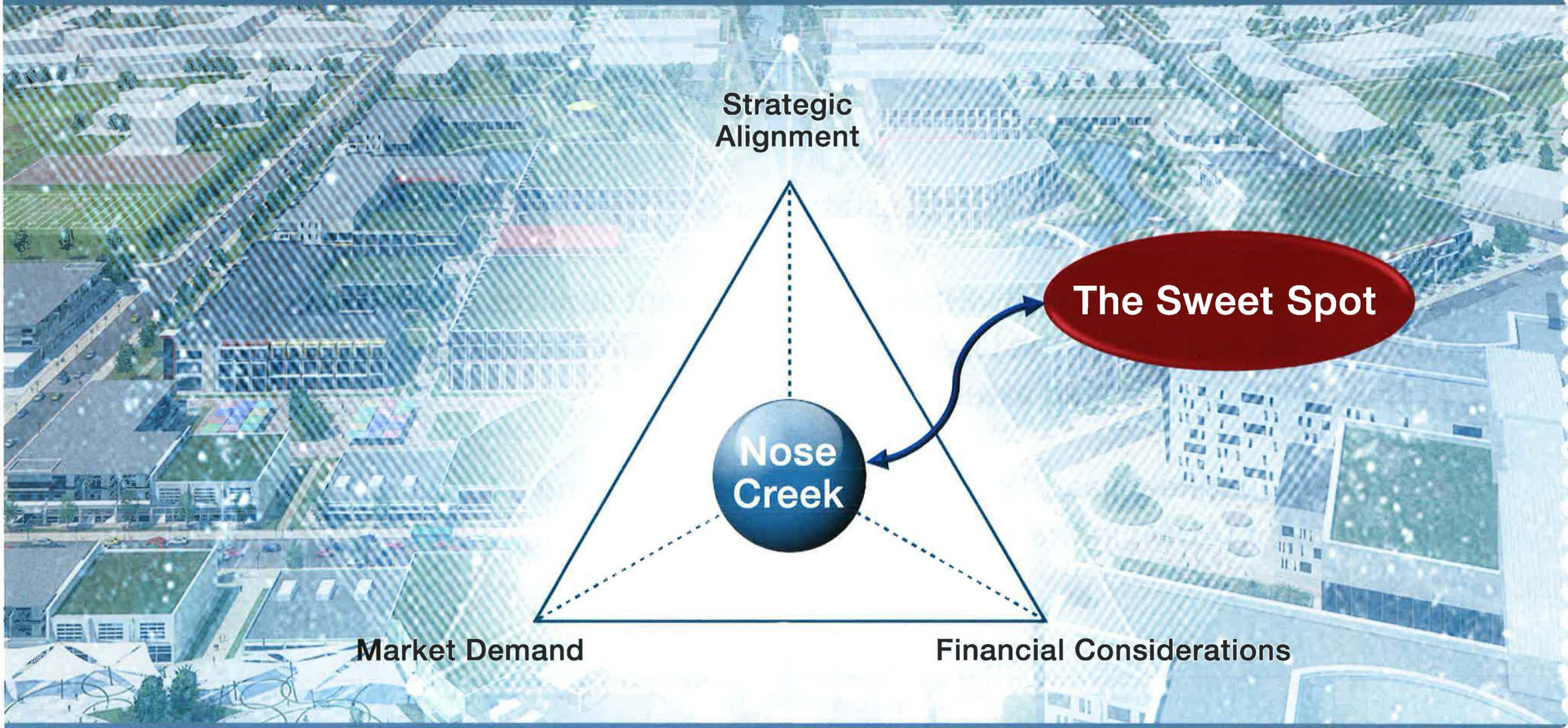
June 28, 2018



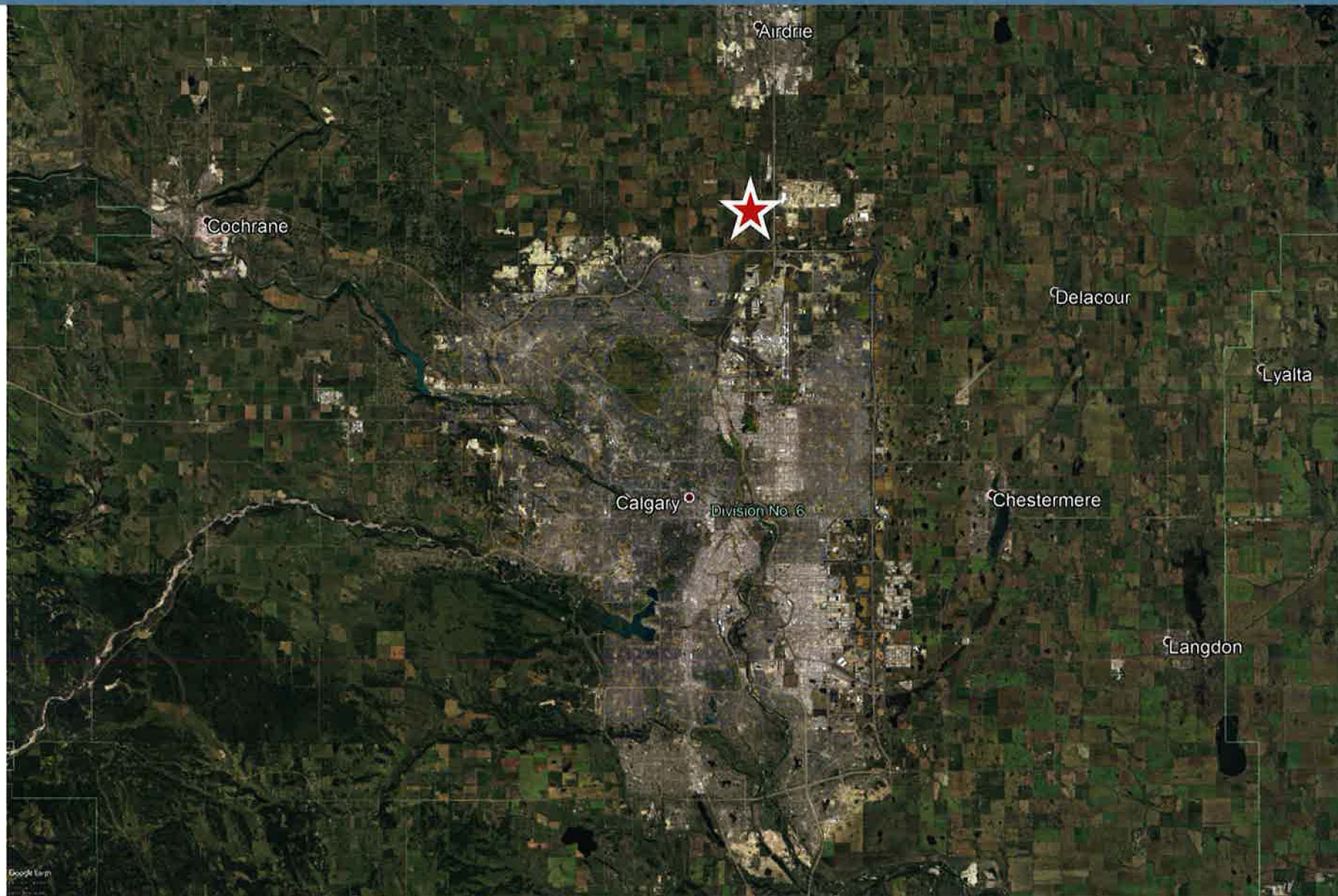
About QuadReal and British Columbia Investment Management Corporation (BCI)

- QuadReal is a steward of BCI's real estate assets.
- BCI is a leading provider of investment management services for British Columbia's public sector and one of the largest asset managers in Canada with a portfolio value of \$135.5 Billion of managed assets.
- In Calgary, QuadReal has 148 Employees, 45 Buildings and \$4.1 Billion Assets Under Management (AUM) in the greater Calgary market.

QuadReal's Nose Creek Triple Bottom Line Sweet Spot



Nose Creek Area City Context



New Communities Growth Strategy Nose Creek Area Structure Plan Lands

Nose Creek Area Local Context – Major Employment Node

QuadReal's 1,064 acres of $\pm 1,678$ acres ASP Area

bcIMC

Contiguous and Connected

Amazon Fulfillment Centre

Major Employment Node

Walton

Walton

Brookfield

Genstar

Melcor

Pacific

private land

144 Ave NE

11 St NE

13 St NE

15 St NE

17 St NE

19 St NE

21 St NE

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Conceptual Master Plan



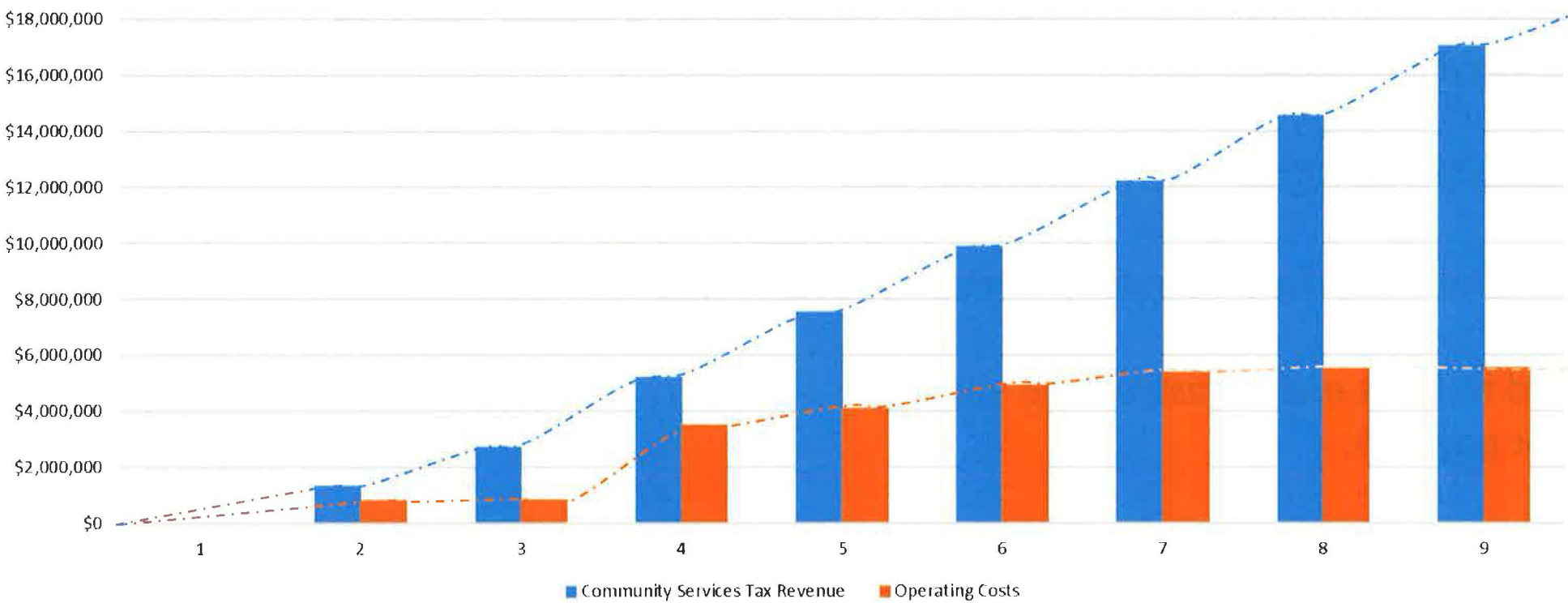
Short Term Financial Benefits to the City - Economic Outputs

• Total Jobs (land development and building construction)	18,236
• Full-Time Employment (at 9 years)	16,025
• Employment at Full Development	23,000
• Total Economic Output (at 9 years)	\$5.195 billion
• Total Municipal Tax Revenue	\$100,756,866
• Residential (municipal portion only)	\$29,166,866
• Non-Residential	\$71,590,000

Financial Considerations

Short Term Financial Benefits to the City - Economic Outputs

Operating Costs vs. Tax Revenue



A veritable cornucopia of excess tax revenues



Net (Tax-Op.Costs)	-\$31,181	\$545,639	\$1,872,458	\$1,708,597	\$3,453,373	\$4,950,059	\$6,821,102	\$9,027,755	\$11,515,063	\$39,862,863
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Long Term Financial Benefits to the City

- The City's previous financial model demonstrates a surplus of revenue in the order of \$.75 billion over the 50-year time frame of the model (net revenue is \$1.8 billion, the \$.75 billion is the discounted net present value).
- Acreage Assessments/Levies (2018 rates) - \$181,553,000
- Wetland Mitigation and Planning endorsement fees - \$116,947,000
- Developer prepared to front end infrastructure with no immediate need for payback.

Financial Considerations

QuadReal's Nose Creek - The Billion Dollar Baby

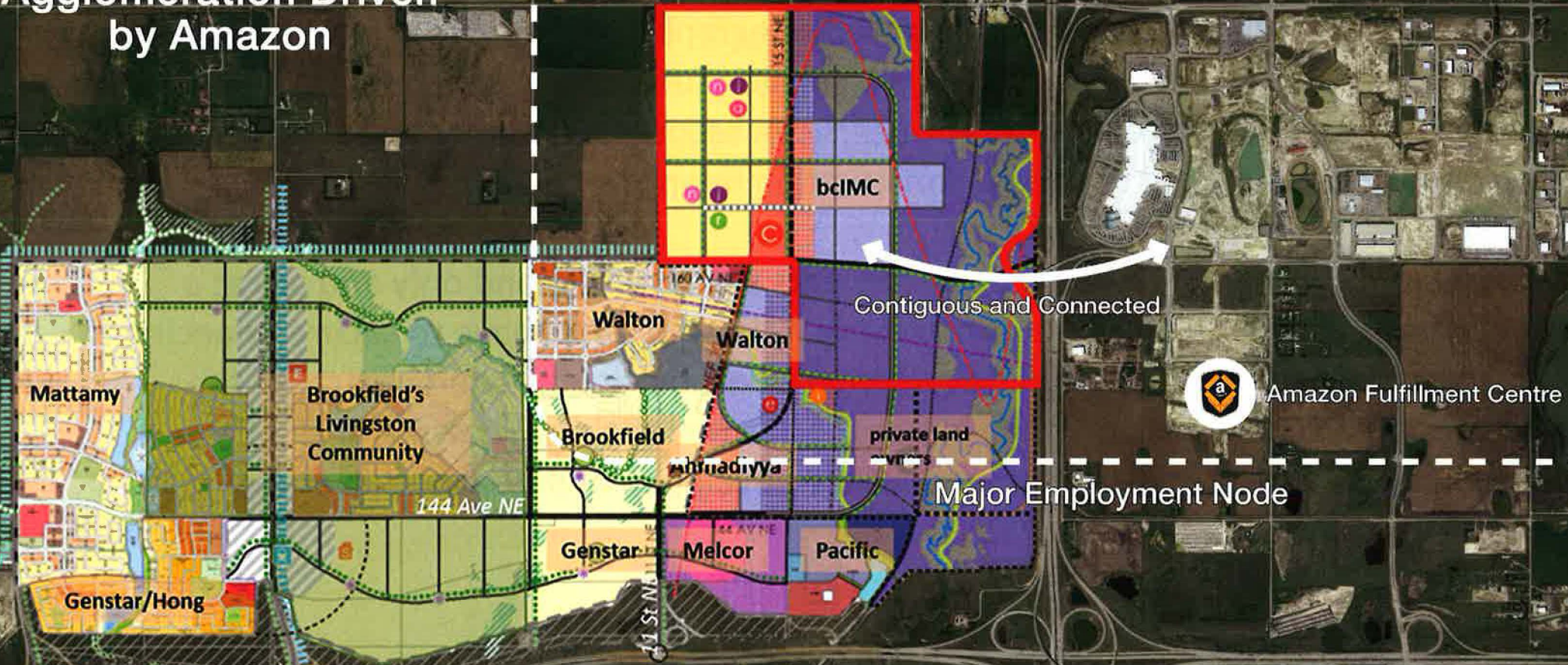


Market Demand

- Developer ready to proceed.
- Land Use and Outline Plan in circulation.
- There are no land claims or outside financing required.
- Developer funded off-sites will precede any City investment.
- The Nose Creek employment area is the perfect complement to the Keystone Area Structure Plan and the Livingston Community in particular, which is primarily residential. It provides the employment for this primarily residential development, thereby greatly shortening the commuting times, reducing the carbon foot print and offsetting the operating costs that will be attributable to the Livingston Community.
- The proposed development is aligned with employer/employee locational determinants, providing a preferred business/live – work environment, capable of attracting and sustaining new businesses interested in establishing within the region.

Market Demand

Capitalizes on Industrial Agglomeration Driven by Amazon



Market Assessment

- One aspect of the proposed development that geo-demographics fails to recognize or appreciate is the nature of the entity owning the land. BCI is a pension fund with a build and hold business model. This means “turnkey” projects whereby users can secure custom-designed facilities at market lease rates without having to secure construction financing.
- The vast majority of competing industrial developments sell serviced land only and are at a distinct disadvantage in securing tenants, particularly if those tenants have to secure financing to construct their own buildings. Remington Development Corporation has demonstrated the success of this model in Quarry Park, which has outperformed the downtown and all other suburban office parks in terms of total square footage developed and occupied over the last several years.

Strategic Alignment

The plan as envisioned is in alignment with the Municipal Development Plan and the Calgary Transportation Plan, achieving, and in most cases exceeding the key objectives.

Prosperous Economy

- Land development and building construction will generate some 18,236 temporary construction jobs.
- Based on conservative job estimates, the development of the Nose Creek sustainable community will create 23,000 new permanent jobs.

Strategic Alignment

Compact City

- The Nose Creek lands are contiguous to the Keystone ASP developing areas and the major employment node associated with the CrossIron Mills regional shopping center, the Nose Creek Business Park and Rocky View County Civic Campus.
- The area is immediately serviceable at no capital cost to the City.
- The plan demonstrates a density of 66 units per gross developable hectare and an intensity of 88 people and jobs per gross developable hectare versus an intensity target of 60.



Strategic Alignment

Great Communities - Nose Creek is envisioned as Quarry Park on steroids



Great Communities

- Ability to live – work – play – shop – learn – heal within a single community.
- Plan focused on livable employment.
- Plan has been subjected to a Health Impact Assessment and is based on 10 healthy planning principles.
- 65% of the area is dedicated to employment functions.
- The community activity center is based on a mixed-use, pedestrian – friendly high street.
- Mixed-use neighbourhood activity centers anchor the residential communities.

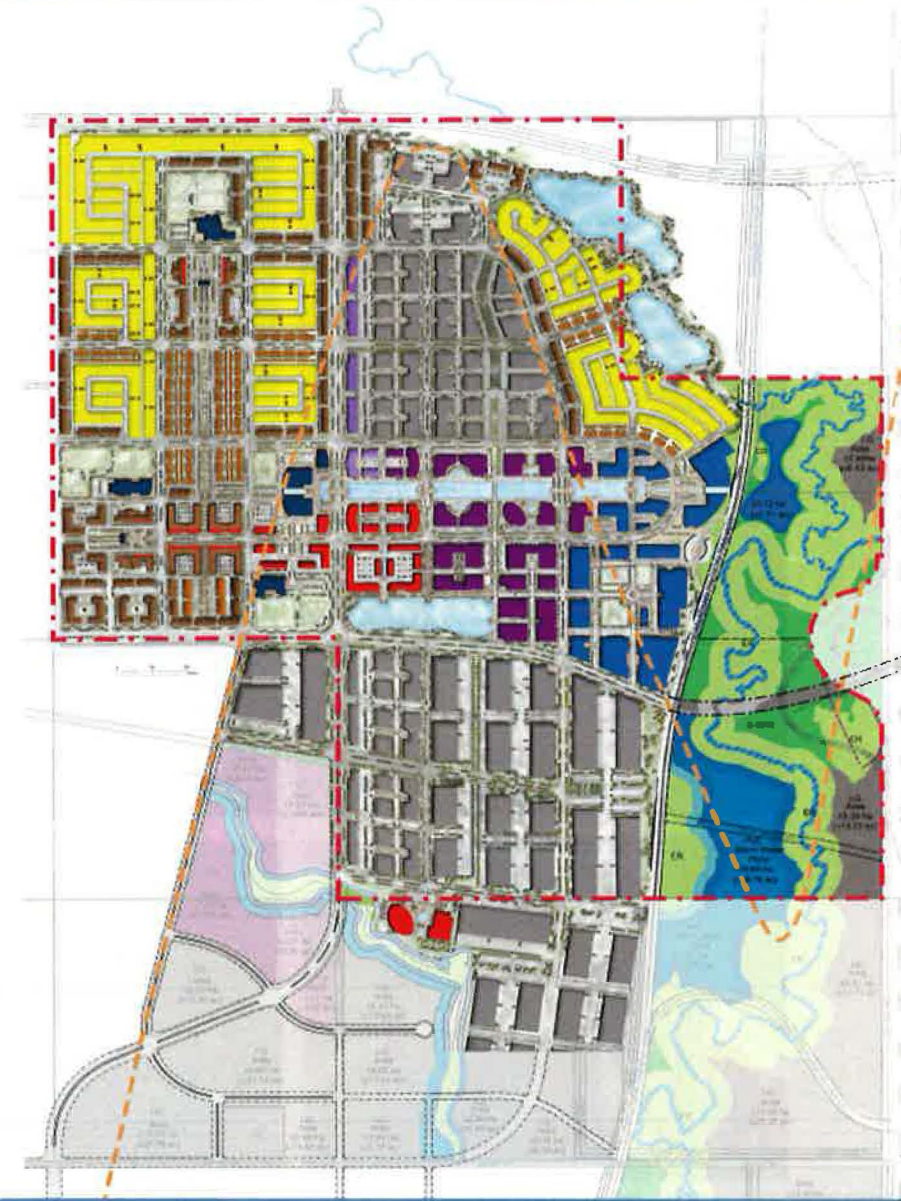
Strategic Alignment

Diversity and Balance



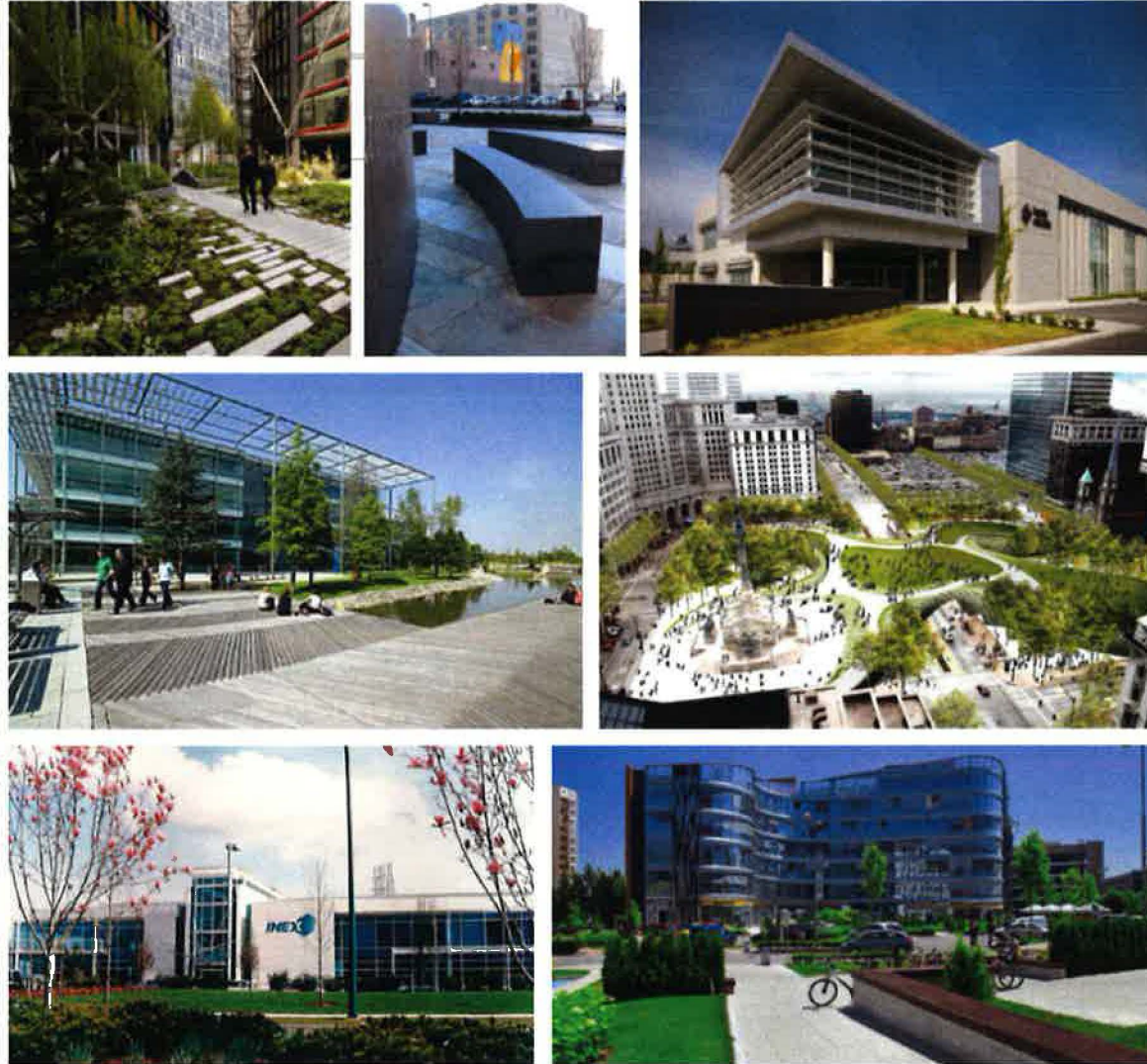
Strategic Alignment

Human Scale in Character Communities



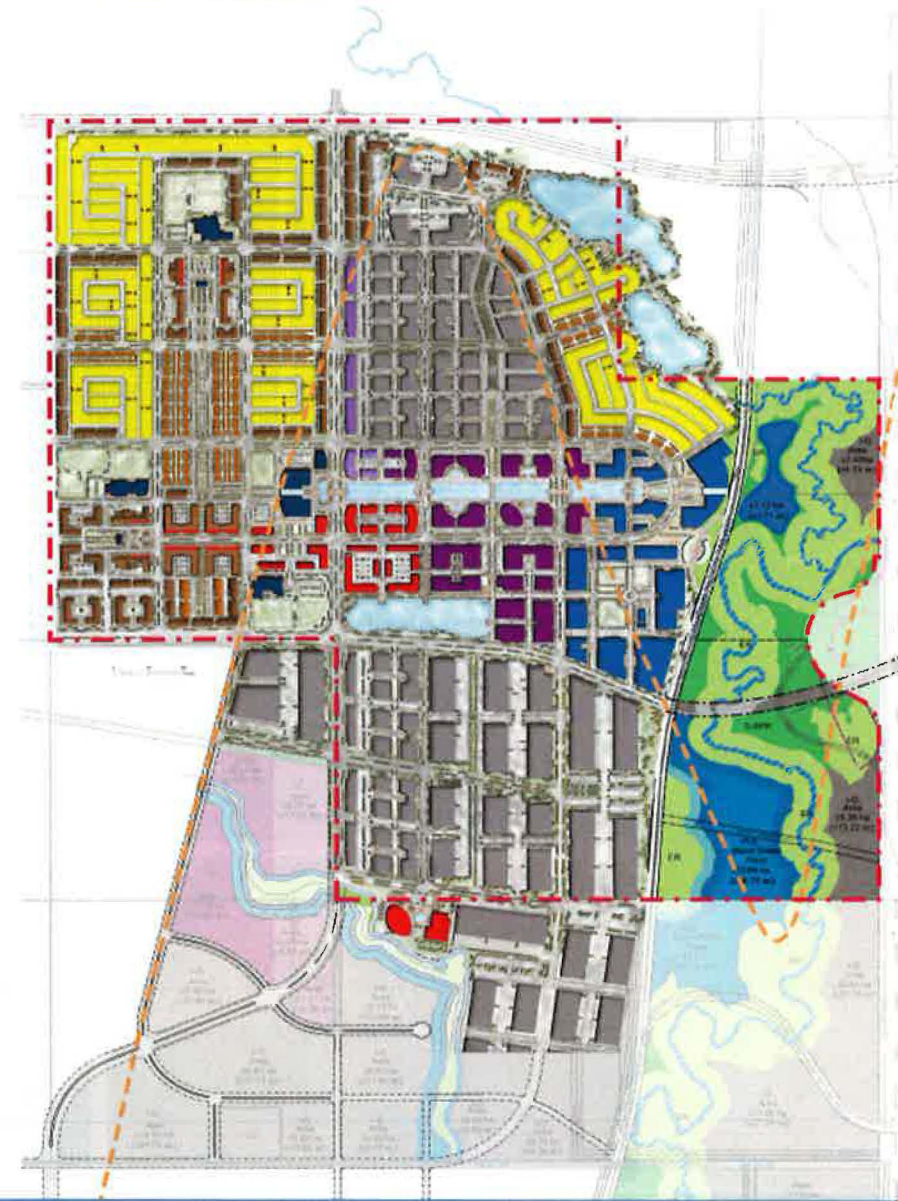
Strategic Alignment

Business Park Setting



Strategic Alignment

Village Centre Setting



Strategic Alignment

High Street in Village Centre District Perspective Rendering



Strategic Alignment

Commuter Rail Precinct Perspective Rendering



Strategic Alignment

Looking West Along Open Space Stormwater Spine Perspective Rendering



Connecting the City

- A grid street pattern distributes traffic and provides multiple local connections.
- The new road standards employed promote mobility choices.
- The Parks and Open Space Master Plan ensures full connectivity to the City's expanding walking and cycling system.
- A major BRT route running through the center of the community provides connections to the future LRT.
- The plan has made provision for potential future commuter rail.

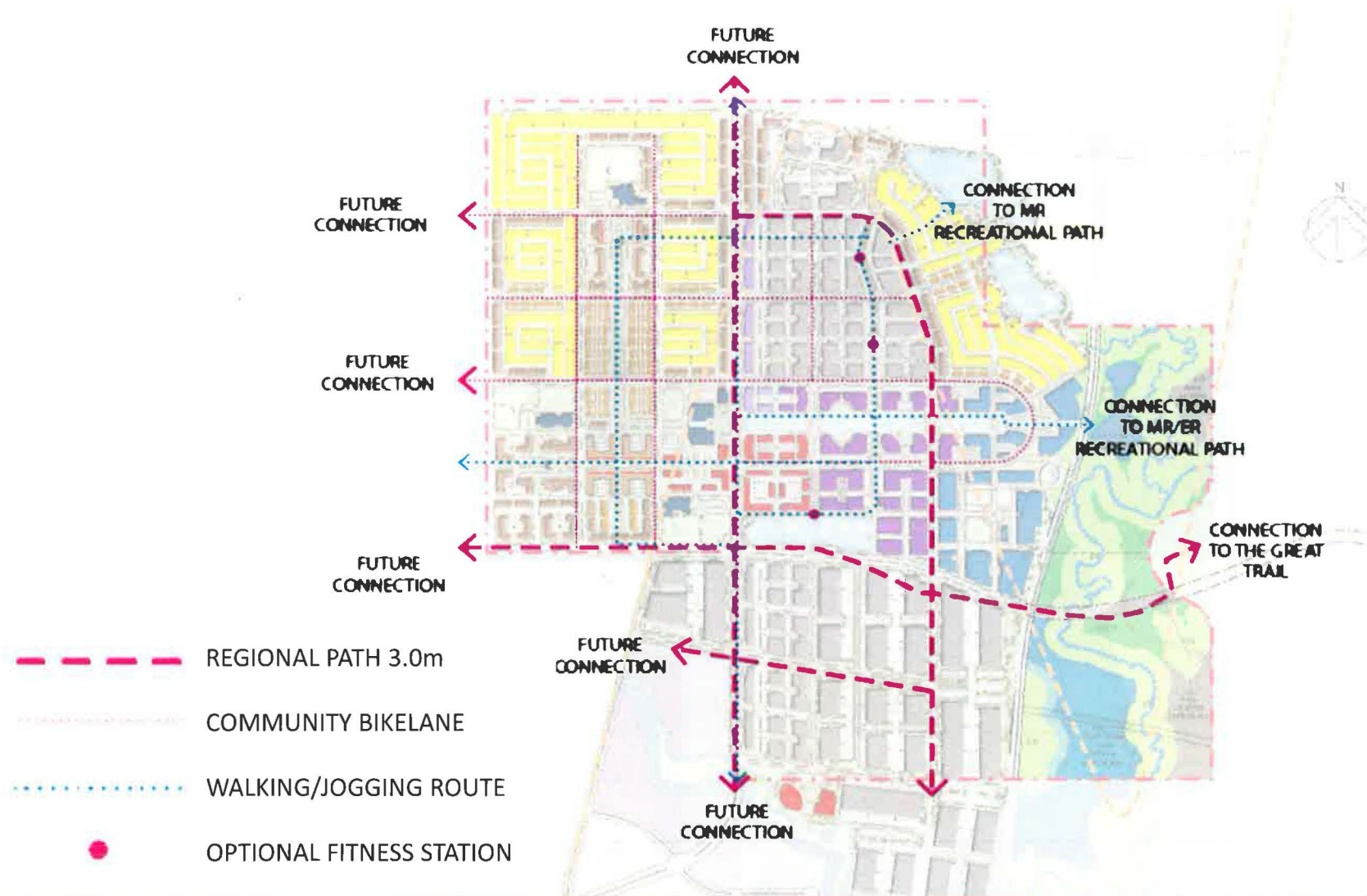
Strategic Alignment

Connection to the City's Walking and Cycling Networks in Nose Creek Lands



Strategic Alignment

Connection to the City's Walking and Cycling Networks in Nose Creek Lands



Strategic Alignment

Greening the City

- Preservation and enhancement of the Nose Creek Valley is a key component of the plan.
- The plan incorporates the latest LID principles in street design.
- The plan emphasizes prairie landscaping and engineered wetlands for stormwater management.

Strategic Alignment

Greening

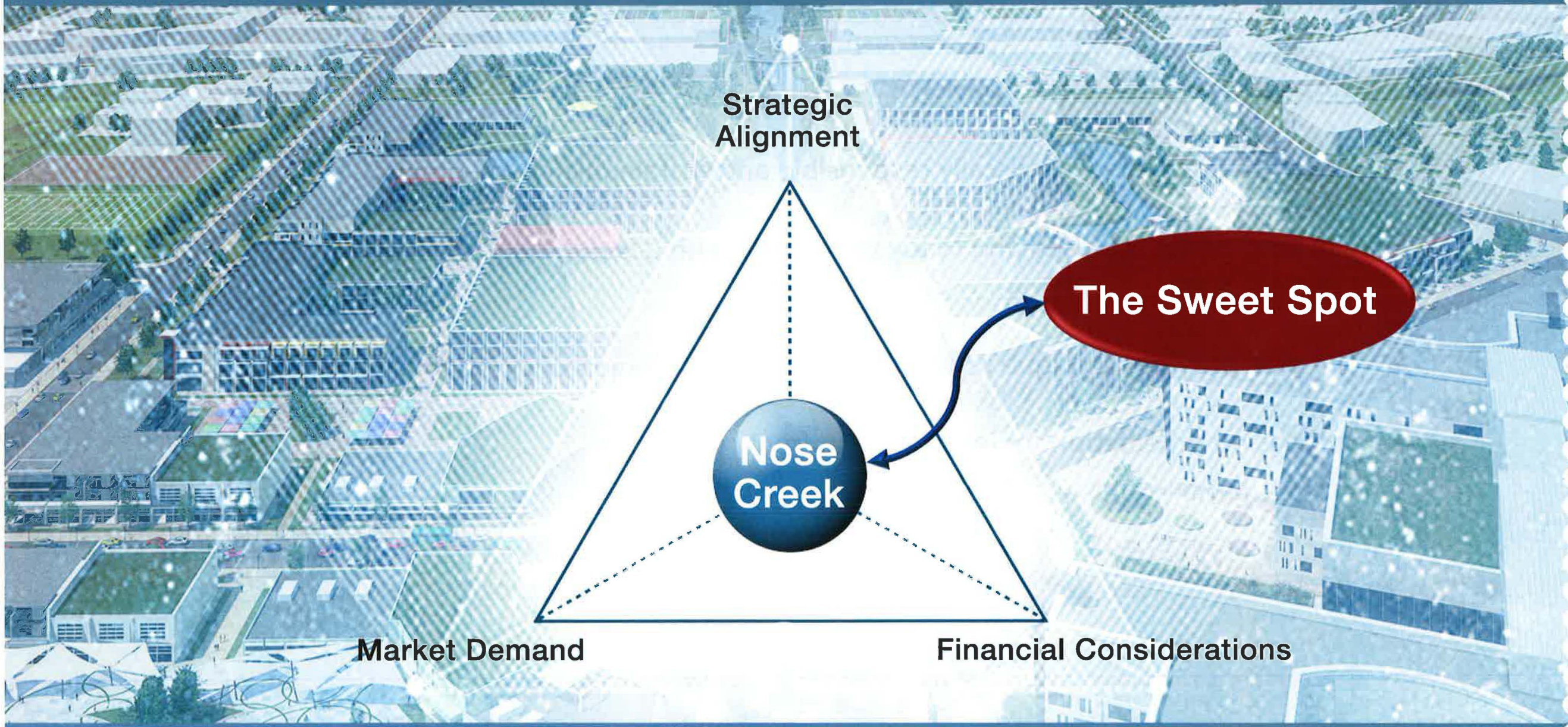


Strategic Alignment

Managing Growth and Change

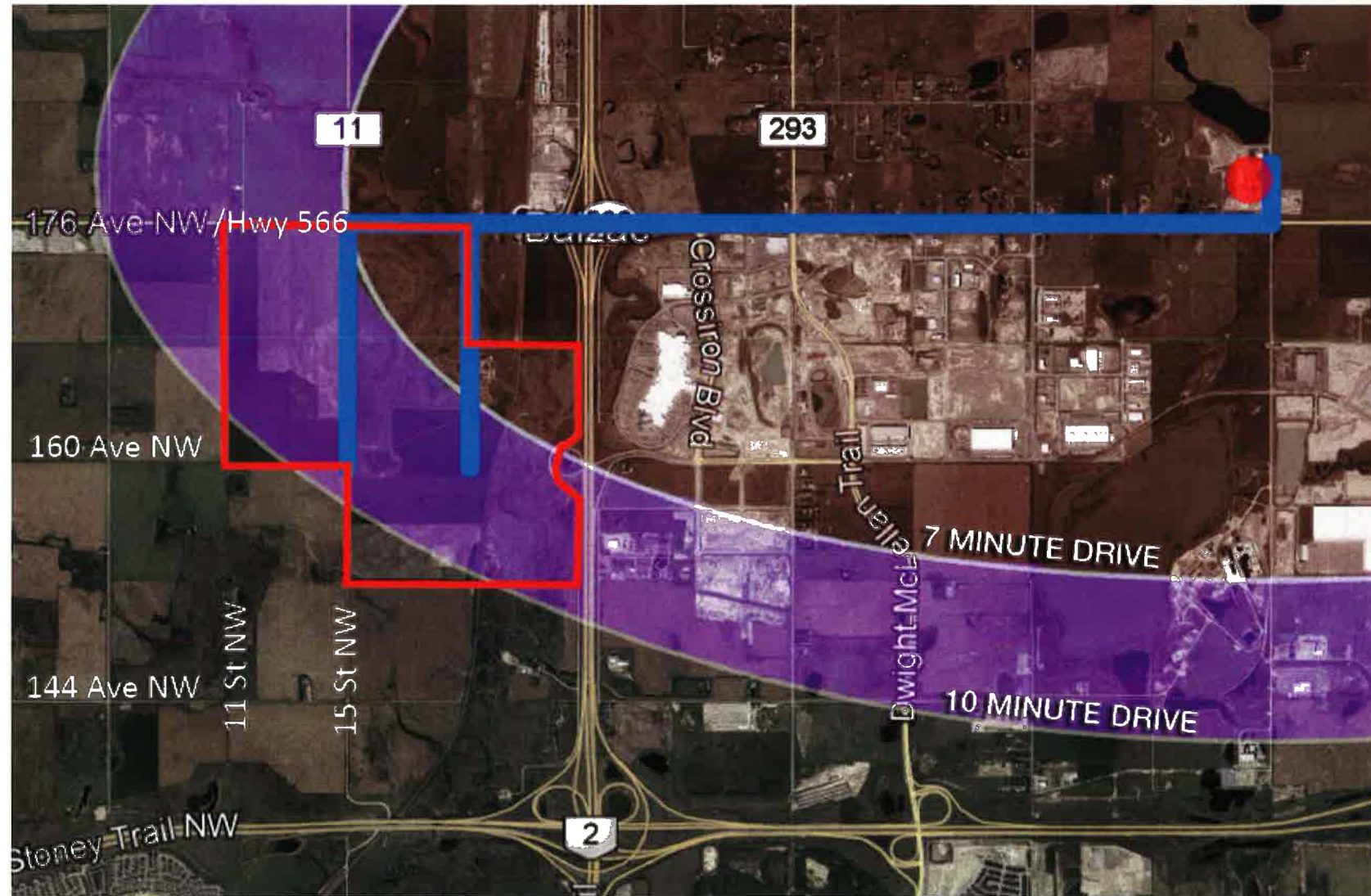
- The Nose Creek Plan is a fiscally responsible and sustainable development.
- The land owner is poised and ready to proceed with development with appropriate capital in place.
- The plan provides a unique regional approach to fire/emergency response.
- There is no expectation for immediate upfront recoveries


QuadReal's Nose Creek Triple Bottom Line Sweet Spot



Strategic Alignment

Potential Fire/EMS Coverage from Rocky View County for Nose Creek Lands



-  bcIMC Lands
-  Rocky View County Fire Services #107 - Balzac