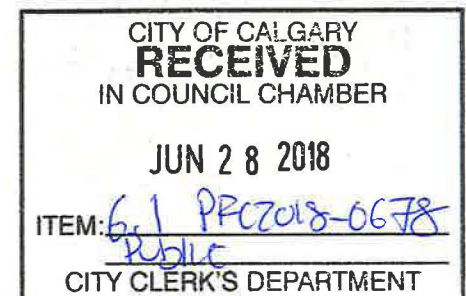


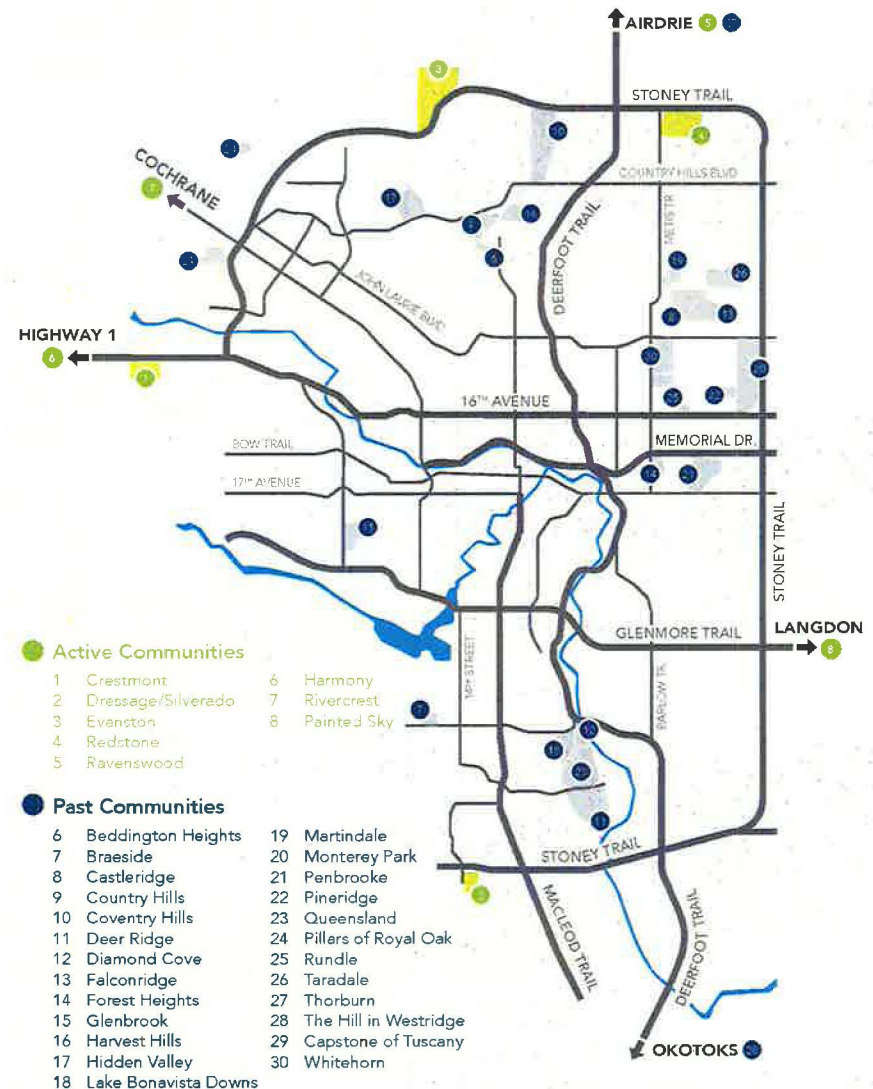
Glacier Ridge Business Case

Presentation to
Priorities & Finance Committee
June 28, 2018



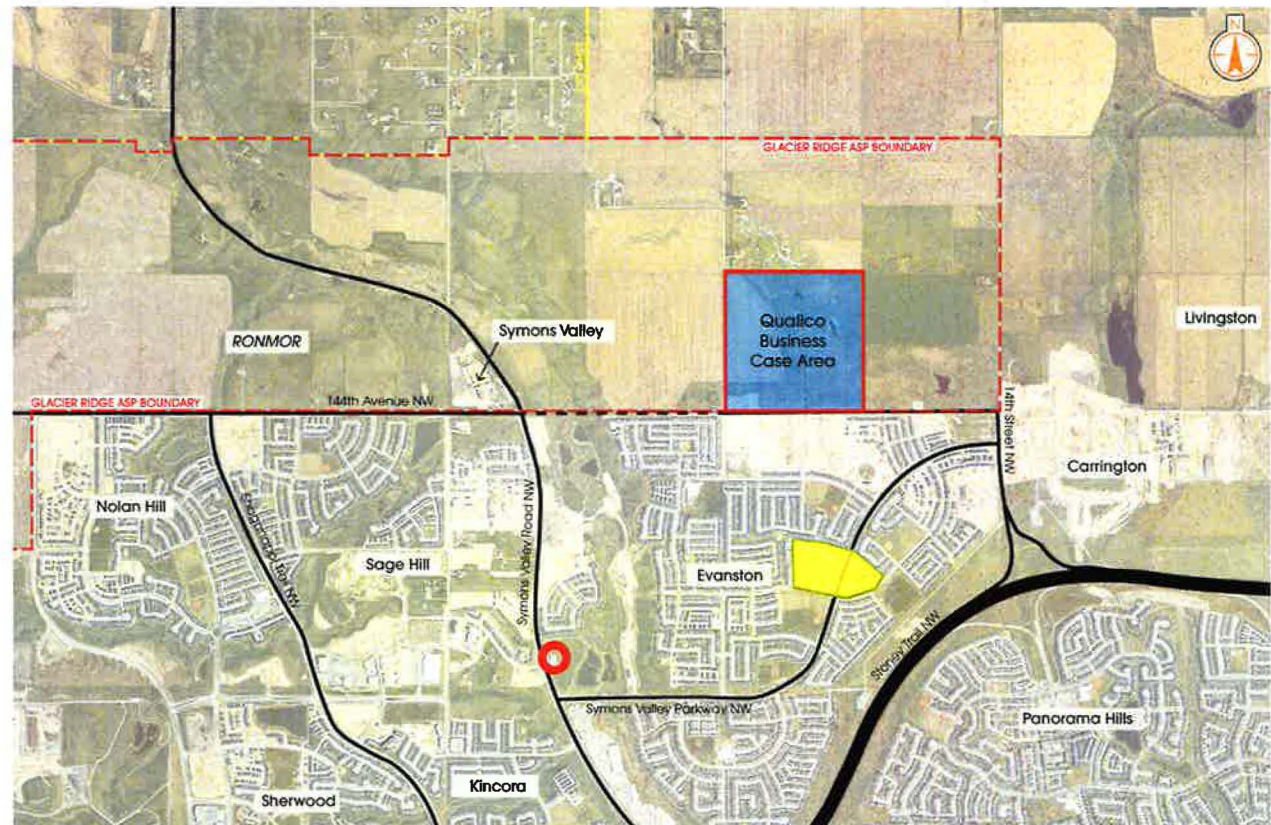
WHO WE ARE

- Qualico has been active in Calgary since 1955.
- The Qualico group of companies in Calgary includes:
 - Qualico Communities
 - NuVista, August, Sterling, Pacesetter, Broadview
 - Streetside Developments
 - Qualico Commercial
 - Rancho Realty
 - Star Building Materials, Empire Drywall, WM Schmidt Mechanical
- Qualico employs 400 staff in Calgary, and indirectly supports thousands of jobs.
- Qualico has developed 33 communities in the Calgary region, 27 within the City of Calgary.
- Qualico develops between 600 and 1000 lots (800 – 1500 total units) annually in the Calgary region.
- Qualico Communities' projects have invested nearly \$1 billion in Calgary over the last 20 years.
- The Qualico group of companies have invested nearly \$3 billion in Calgary over that period.
- Qualico is committed to Calgary.



BUSINESS CASE CONTEXT

- Located within the approved Glacier Ridge ASP.
- 64.7 ha (160 acre) parcel directly north of Evanston.
- Evanston will be built out this year.
- Fully within Fire/Emergency response area of existing Station #40.
- Close proximity to the Evanston Commercial Core.
- Contiguous and logical extension of Evanston.
- Would maintain healthy competition with Carrington and Livingston to the East.
- Would support proposed Symons Valley Ranch CAC.



- Symons Valley Fire Station #40
- Evanston Commercial Core

BUSINESS CASE ASSESSMENT (FACTORS)

1. Alignment with the MDP/CTP

Enabling a growth pattern that aligns with the Municipal Development Plan and the Calgary Transportation Plan.

- The business case Summary provides supporting rationale for all 6 of the goals in this section.

2. Market demand

Enabling a growth pattern that aligns with market demand, provides choice, inspires competition, and allows developers to interpret and pursue investment opportunities.

- North Sector has captured 30% of the single/semi market share in last 5 years.
- North Sector has 5 active communities, 3 are nearly built out.

3. The City of Calgary's financial capacity

Enabling a growth pattern that is financially sustainable and minimizes identified financial impacts, including but not limited to capital costs, operating costs, and debt management. Enabling a growth pattern that helps generate a return on investment, both for The City and the larger economy.

- Requires only a \$4M Capital Investment (100% levy-funded)
- Will yield the city over \$15M in Off-Site Levies.

WHY INCLUDE THIS CASE IN THE PORTFOLIO?

1. Creates a Great Community:

- 25% of the business case area will be reserve/open space.
- Preserves the existing stream as Environmental Reserve.
- Innovative urban design outcomes (e.g. integration of uses and utilization of infrastructure as amenity features).
- Qualico's EQWell initiative (low flow fixtures, rain barrel and tree programs).
- Designed to encourage active transportation (exceeds Active Mode index targets).
- High school site.
- Supports existing community and commercial areas (e.g. Sage Hill Library, Evanston Commercial).
- Has Fire Service Coverage.
- Has Transit access (Route 420).



Proposed Integrated Community Centre/Hub

WHY INCLUDE THIS CASE IN THE PORTFOLIO?

2. Targeted Response to Market Demand:

- The North sector is forecasting a net shortage of 2,339 single/semi residential units for 2018-2022, representing 89% of the forecast undersupply for Calgary as a whole.
- 5 actively developing communities in North sector, although 3 completing within 3 years.
- Our business case proposes a primarily single residential product mix that exceeds the MDP/ASP density target.
- Introduces new and unique housing typologies and products to:
 - Address current gaps in single residential housing market to improve affordability;
 - Increasing choice and competition;
 - Improve urban design and streetscape outcomes;
- Would maintain the competition in the north sector, which would support affordability.
- North Sector is one of the two fastest growing Sectors in Calgary.
- We are separated from Ronmor to the West, and we compliment Carrington to the East.



WHY INCLUDE THIS CASE IN THE PORTFOLIO?

3. No Cost to City:

- No operating shortfall in 2019-2022 budget cycle (surplus of \$445,000 estimated).
- Capital investment (sanitary connection) of \$4 million fully funded by off-site levies.
- Estimated \$15.2m of levies anticipated to be contributed.
- Leverages capital costs attributed to existing communities and recommended business cases.
- Leverages already constructed capital infrastructure (West Keystone Sanitary Trunk.)
- Leverages existing Fire Station.
- Leverages existing Transit Route.

Operating Costs (\$000s) ²⁵

Operating (\$000s)	One Calgary (2019-2022)				Total	Total	Incremental
	2019	2020	2021	2022	2019-2022	Final Year	Addition (2023+)
Direct Incremental Operating Cost	0	0	9	22	31	2,627	2,605
Community-based Revenue Share	0	0	136	340	476	2,133	1,793
Revenue (Shortfall)	0	0	127	318	445	(495)	

Capital (\$Ms) ²⁶

Capital (\$Ms)	Total Capital Cost	One Calgary (2019-2022)			
		Funding Source			
		Total Cost	Developer Levy	Property Tax	Utility Rate
Total	\$4.0*	\$4.0	\$4.0	\$0.0	\$0.0
2023+ Budgets					
		Funding Source			
		Total Cost	Developer Levy	Property Tax	Utility Rate
		\$0.0	\$0.0	\$0.0	TBD

FINAL COMMENTS

- Our Business Case is strong & mutually beneficial.
- Supports EXISTING community commercial in Evanston.
- Leverages EXISTING capital infrastructure and infrastructure items associated with other Glacier Ridge cases.
- Maintains competition in the north Sector, particularly with Evanston achieving full build out this year.
- Represents a NO COST and ZERO RISK addition to the recommended portfolio of communities.
- 11 actively developing areas are nearing completion and only 7 have been recommended for approval.
- There is room for this case to be included when all the criteria is considered.
- Qualico has already invested close to a million dollars including our share of the developer funded ASP, followed by the Business Case and Outline Plan processes. This is over more than 3 years.
- This demonstrates our commitment to continued involvement in the northern Calgary market, and respectfully request that the committee direct Administration to include our case in the portfolio.

Thank you.

Questions?

