

## Consideration of Unfunded Long Term Projects

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### EXECUTIVE SUMMARY

This report presents Council with background information and project data related to four unfunded long-term projects. Council previously identified these projects as: Fieldhouse, Events Centre, BMO Centre expansion, and Arts Commons. Project details are presented in a standardized format that gives Council the opportunity to comprehensively review and compare the four projects. Third party financial information and potential funding from other orders of government are to remain confidential pursuant to the Freedom of Information and Protection of Privacy Act (Alberta), and will be presented to Council in closed session.

### ADMINISTRATION RECOMMENDATIONS

That Council:

1. Receive the attached project information for information; and
2. Direct that Attachment 2 remain confidential pursuant to Sections 16, 23, 24 and 25 of the Freedom of Information and Protection of Privacy Act (Alberta), until all funding matters have been resolved, to be reviewed by 2020 December 31.

### PREVIOUS COUNCIL DIRECTION / POLICY

On 2018 December 17, Council adopted the recommendations in C2018-1285 Rivers District Community Revitalization Discussion Update. Administration was specifically directed to bring options for funding The City's portion of the BMO Centre expansion costs (including financing) to the Strategic Meeting of Council on 2019 January 28.

On 2018 November 19, Council adopted the recommendations of VR2018-0109 (verbal report), to add an agenda item to the 2019 January Strategic Planning Meeting of Council entitled, Consideration of Unfunded Long Term Projects. The following projects were identified in the verbal report: Fieldhouse, Events Centre, BMO Centre expansion, and Arts Commons.

On 2018 November 19, Council referred the response to AI2018-08 Calgary "Event-Ready Infrastructure", to the 2019 January Strategic Planning Meeting of Council for input. This response will be circulated to Council separately.

### BACKGROUND

The City has recently received several requests to fund significant portions of major long-term projects. These projects include a new events centre/arena, an expansion to the BMO Centre, and an expansion to Arts Commons. In recent years, Council has also considered the development of a fieldhouse in Foothills Athletic Park. All four projects are related to the growth of existing facilities and services and/or the development of new facilities and services.

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### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

The four projects identified by Council represent diverse opportunities for Calgary. Each project has a distinct mandate, provides unique services, and will serve different markets.

It is challenging to objectively compare and prioritize project funding. To assist Council, a systematic approach has been applied to this investigation. Each project is presented in terms of eight broad subject areas, with each subject area comprised of several consistent review factors, as outlined in Attachment 1.

#### *Project Submissions and Process*

In January, a Project Description Form and an accompanying "how-to-complete guide" was distributed to each project supporting organization (see Attachment 1). The organizations then completed the project descriptions and submitted the forms to the Deputy City Manager's Office. Administration clarified responses as required, formatted the forms for consistency and redistributed the project descriptions to the organizations for final verification. Each organization confirmed their respective final project description attached to this report. The project descriptions are complete and consistent, but range in length because the submissions are verbatim (see Attachment 2).

The Event Centre Assessment Committee reviewed the Project Description Form at their regularly scheduled 2019 January 25 meeting. Due to this timing, the Committee was not able to submit information ahead of the report publication deadline. Information from the Committee will be circulated to Council separately.

### **Stakeholder Engagement, Research and Communication**

Information for this report was gathered from the following organizations:

- Fieldhouse                      Calgary Recreation
- BMO Centre expansion      Calgary Exhibition and Stampede Ltd.
- Arts Commons                 Arts Commons

Administration made initial contact with each organization and there were several follow-up discussions by phone and via email. All organizations provided information in a timely manner and fully participated in the process.

### **Strategic Alignment**

Each project supports current City policy. Details on specific aspects of policy alignment are included in the respective Project Description Forms (see Attachment 2).

### **Social, Environmental, Economic (External)**

#### ***Social Impact***

The social impacts of each project are identified in Attachment 2.

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### ***Environmental Impact***

Any environmental impacts associated with the projects are identified in Attachment 2.

### ***Economic Impact***

Differing economic outcomes are associated with each project. These impacts are detailed on a project-by-project basis in Attachment 2.

### **Financial Capacity**

#### ***Current and Future Operating Budget***

A financial analysis that includes project funding and financing scenarios will be presented in the closed session portion of the Strategic Council Meeting.

### **Risk Assessment**

These four projects have financial risks that involve third parties and other orders of government. Given the project sensitivities related to funding, timing and stakeholders, risk discussions may form part of a Council closed session.

#### **REASON(S) FOR RECOMMENDATION(S):**

The information contained in this report was previously requested by Council on 2018 November 19.

This report contains the financial information of several third parties and information related to ongoing funding negotiations with the Government of Alberta and the Government of Canada. As such, Attachment 2 and the Council presentation should remain confidential pursuant to the Freedom of Information and Protection of Privacy Act (Alberta).

### **ATTACHMENT(S)**

1. Project Description Template & Guide
2. Project Description Forms