

Department — Sustainable Development

Introduction

Sustainable Development advances Edmonton's long term vision for a great city by anticipating, planning and laying the foundations of a livable, prosperous and sustainable community. The Department drives development that balances economic progress, public protection and environmental resilience, while working collaboratively with citizens, businesses and stakeholders, including the region, to bring about the vision for a vibrant and growing city.

Edmonton's Strategic Plan, The Way Ahead, articulates the bold vision to become a great city. The Department does the groundwork to enable and build that transformation.

Sustainable Development's work in 2016 - 2018 will focus on planning and policy that build foundations for change, as well as the coordination of capital projects that demonstrate and accelerate that change.

Our priorities range from stewarding Edmonton's environmental footprint, urban place-making and affordable housing to the Blatchford Redevelopment, Downtown Arena and Entertainment District, Rosedale Redevelopment and Downtown/Quarters revitalization.

The Department lives continuous improvement, and will continue to build a culture of innovative, creative, citizen-focused and business-oriented staff and processes. Through responsible stewardship of resources, strategic alignment of our priorities and performance management, our daily work helps Edmonton achieve the outcome of excellence in city-building.

The Sustainable Development business plans can be found using the following link:

[Sustainable Development Business Plan](#)

BRANCHES AND PROGRAMS					
Current Planning	Real Estate, Housing and Economic Sustainability	Urban Planning and Environment	Blatchford Redevelopment Project*	Community Revitalization Levy (CRL)*	Land Enterprise*
Customer Services and Operations	Building and Land Management	Land Use and Environmental Policy	Blatchford Redevelopment Project	Belvedere CRL	Land Development
Development Permits	Civic Property Services	Parks Planning and Biodiversity		Capital City Downtown CRL	Land for Municipal Purposes
Land Development Services	Economic Sustainability	Urban Design and Area Planning		The Quarters Downtown CRL	
Safety Codes, Permits and Inspections	Housing and Homelessness				
Business Licencing	Property Sales and Acquisitions				
Vehicle for Hire	Urban Renewal				

Sustainable Development is also responsible for Transformational Projects, which involves successful initiation, execution and delivery of major projects that will have a significant on-going and transformative impact on the City.

* Community Revitalization Levy and Land Enterprise, programs from the Real Estate, Housing and Economic Sustainability branch, along with the Blatchford redevelopment project are presented as separate sections in the budget document and are not included in the Department Summary.

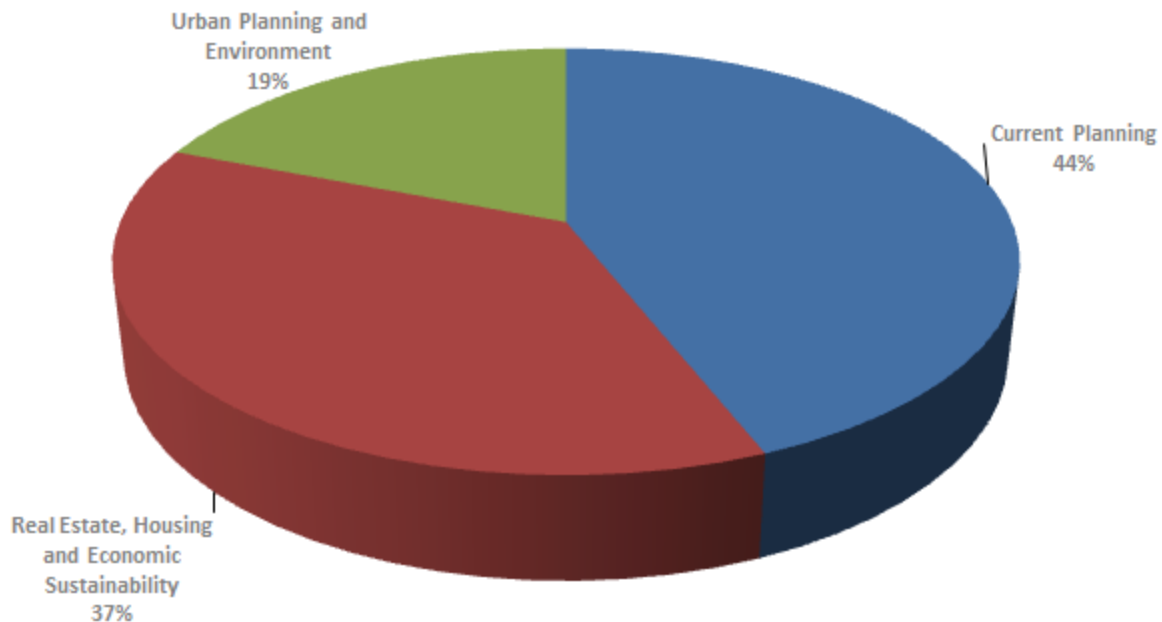
Department — Sustainable Development

Approved 2016-2018 Budget – Department Summary by Branch

(\$000)	2013 Actual**	2014 Actual**	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
Current Planning	56,555	65,823	75,766	75,735	68,250	78,702
Real Estate, Housing and Economic Sustainability	11,446	14,293	18,456	30,811	21,261	15,111
Urban Planning and Environment	2,757	14,318	8,067	7,656	9,270	9,431
Total Revenue & Transfers	\$70,758	\$94,434	\$102,289	\$114,202	\$98,781	\$103,244
Expenditure & Transfers						
Current Planning	56,518	65,624	75,766	75,735	68,250	78,702
Real Estate, Housing and Economic Sustainability	44,576	48,593	50,246	66,262	65,799	54,884
Urban Planning and Environment	18,269	32,038	26,508	29,077	33,453	34,206
Total Expenditure & Transfers	\$119,363	\$146,255	\$152,520	\$171,074	\$167,502	\$167,792
Net Operating Requirement	\$48,605	\$51,821	\$50,231	\$56,872	\$68,721	\$64,548

** In 2015 Parking Operations transferred from Building and Land Management to Transportation Services. Actual results for 2013 and 2014 have been restated.

Expenditures by Branch 2016 - 2018



Department — Sustainable Development

Approved 2016-2018 Budget - Department Summary By Category

(\$000)	2013 Actual**	2014 Actual**	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
User Fees, Fines, Permits, etc.	62,355	88,328	81,729	81,869	83,340	78,990
Grants	3,754	3,210	8,603	9,198	3,453	1,335
Transfer from Reserves	4,649	2,896	11,957	23,135	11,988	22,919
Total Revenue & Transfers	\$70,758	\$94,434	\$102,289	\$114,202	\$98,781	\$103,244
Expenditure & Transfers						
Personnel	50,799	55,831	63,715	65,660	66,850	67,372
Materials, Goods & Supplies	3,609	2,970	2,501	2,651	2,658	2,665
External Services	14,326	14,961	14,817	19,178	19,681	15,995
Fleet Services	49	46	54	44	51	54
Intra-municipal Services	17,964	22,626	23,288	25,090	23,439	22,251
Utilities & Other Charges	36,811	42,376	54,457	73,765	68,089	69,397
Transfer to Reserves	15,054	26,997	15,788	11,135	14,596	16,033
Subtotal	138,612	165,807	174,620	197,522	195,364	193,767
Intra-Municipal Recoveries	(19,249)	(19,552)	(22,100)	(26,448)	(27,862)	(25,975)
Total Expenditure & Transfers	\$119,363	\$146,255	\$152,520	\$171,074	\$167,502	\$167,792
Net Operating Requirement	\$48,605	\$51,821	\$50,231	\$56,872	\$68,721	\$64,548
Full-time Equivalents	557.5	577.5	636.0	664.0	680.5	693.5

Budget details are provided at the Branch level

** In 2015 Parking Operations transferred from Building and Land Management to Transportation Services. Actual results for 2013 and 2014 have been restated.

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Branch - Current Planning

Introduction

The Current Planning Branch contributes to the vision of making Edmonton a livable, safe and sustainable city by delivering customer-focused services that guide land development, building construction and the operation of businesses.

Through coordination with developers and partner reviewing agencies, the Branch facilitates the approval of land use plans such as Area Structure Plans (ASPs), Neighborhood Structure Plans (NSPs), Subdivisions Plans, and Servicing Agreements. It also works with residents, communities, and the development industry to promote safe development through issuing permits and licences, conducting inspections and monitoring compliance with City bylaws. These activities advance the City's goal of fostering public safety and economic growth. These business processes contribute to the livability and sustainability goals outlined in the City of Edmonton's strategic plan, *The Way Ahead*.

Current Planning operates on a cost-recovery business model where the costs of delivering services are balanced by appropriate fees and charges. This model supports investments in service enhancements while ensuring long-term sustainability of the Branch. While recent economic forecasts create potential challenges for Current Planning, the Branch is collaborating with its partners to support service levels and maintain fiscal sustainability. Plans to manage economic volatility include greater work efficiencies, leverage of improved technologies and effective use of the Current Planning Reserve Fund. For instance, requested FTEs to support long-term service needs may not necessarily be filled. Such decisions are made on the basis of anticipated application volumes and future sustained revenue growth, and have no impact to the tax levy. Going forward, Current Planning will continue to improve service performance and stakeholder engagement to achieve Branch and corporate goals.



Branch - Current Planning

The Current Planning Branch has identified the following emerging issues:

1. Management of Economic Volatility
 - Opportunities to improve work efficiency
 - Responsible fiscal management of Current Planning Reserve Fund
 - Collaboration with stakeholders and partner agencies
2. Changes in Development Trends and/or Practices
 - Initiatives or changes in direction from City Council
 - Collecting feedback from community and development industry
 - Industry best practices
 - Environmental concerns and trends
3. Work Environment, Processes and Technology
 - Impacts of new technologies on business processes
 - Incorporating best practices used in other municipalities
 - Establishment of performance measures and targets
 - Staff engagement, training and retention

Positive Change - Innovation & Continuous Improvement

The Current Planning Branch is undertaking the following positive change initiatives:

Current Planning Fees: The Current Planning Branch instituted a 0% increase in fees in the 2015 year, and only an inflationary adjustment in 2016 as a result of improved work processes and efficiencies. Compounded, this provides significant cost savings to the industry. Municipal Price Index (MPI) for 2015 was 1.5%, representing approximately \$1.0 million in savings for the development industry. Please note there is no tax levy impact.

Two Year Taxi Driver's Licence: The Current Planning Branch implemented a two-year taxi and limousine driver's licence, replacing the existing one-year licence term. This initiative will result in a significant reduction in the number of drivers visiting the Current Planning Service Centre (CPSC) to renew their driver's licence each year. On an annual (perpetual) basis, there will be a saving of \$43 thousand. Subsequently, there will be a reduction in total processing time needed for the driver's licences for the year. Please note that this initiative provides direct savings to both Administration and the Vehicle for Hire Industry. Savings for the industry are calculated at over \$119 thousand per year. Please note there is no tax levy impact.

Third Party Verification of Compliance (VOC): Footing and Foundation Inspection and Plumbing Stack Inspections are performed as standard business practice. To aid in achieving efficient timelines, the Current Planning Branch is implementing this program which will allow builders and contractors to provide verification that work complies with safety codes. Each accepted compliance report reduces the need for City staff to conduct an on-site inspection. Annual savings of \$70 thousand are a result of reviewing compliance reports rather than conducting inspections. Please note there is no tax levy impact.

Branch - Current Planning

Approved 2016-2018 Budget - Branch Summary By Program

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
User Fees, Fines, Permits, etc.	53,175	64,988	70,470	64,598	64,140	62,562
Grants	45	-	-	-	-	-
Transfer from Current Planning Reserve	-	-	-	1,152	-	328
Transfer from RISF Reserve ⁽¹⁾	3,335	835	5,296	9,985	4,110	15,812
Total Revenue & Transfers	\$56,555	\$65,823	\$75,766	\$75,735	\$68,250	\$78,702
Expenditure & Transfers						
Business Licencing	878	866	422	561	577	596
Customer Services and Operations	29,183	35,075	39,750	34,450	34,425	34,403
Development Permits	6,717	7,492	7,679	7,826	7,446	7,128
Land Development Services	8,303	9,285	13,954	18,954	12,363	23,622
Safety Codes, Permits and Inspections	10,625	12,087	12,965	12,948	12,425	11,932
Vehicle for Hire	812	819	996	996	1,014	1,021
Total Expenditure & Transfers	\$56,518	\$65,624	\$75,766	\$75,735	\$68,250	\$78,702
Net Operating Requirement	(\$37)	(\$199)	-	-	-	-
Full-time Equivalents	317.5	342.5	381.0	392.0	405.5	421.5

⁽¹⁾ Revolving Industrial Servicing Fund

Branch - Current Planning

Approved 2016-2018 Budget - Branch Summary by Cost Category

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
User Fees, Fines, Permits, etc.	53,175	64,988	70,470	64,598	64,140	62,562
Grants	45	-	-	-	-	-
Transfer from Current Planning Reserve	-	-	-	1,152	-	328
Transfer from RISF Reserve ⁽¹⁾	3,335	835	5,296	9,985	4,110	15,812
Total Revenue & Transfers	\$56,555	\$65,823	\$75,766	\$75,735	\$68,250	\$78,702
Expenditure & Transfers						
Personnel	27,127	31,162	35,499	35,499	35,499	35,499
Materials, Goods and Supplies	2,222	1,716	1,663	1,732	1,727	1,727
External Services	5,073	5,855	5,593	5,096	4,771	4,771
Fleet Services	44	45	50	42	45	44
Intra-municipal Charges	16,032	20,538	22,104	23,317	21,795	20,584
Utilities & Other Charges	2,290	2,620	5,535	10,144	4,019	15,184
Transfer to Current Planning Reserve	4,293	4,092	5,000	-	45	-
Transfer to RISF Reserve ⁽¹⁾	-	352	1,742	1,652	2,105	2,642
Subtotal	57,081	66,380	77,186	77,482	70,006	80,451
Intra-municipal Recoveries	(563)	(756)	(1,420)	(1,747)	(1,756)	(1,749)
Total Expenditure & Transfers	\$56,518	\$65,624	\$75,766	\$75,735	\$68,250	\$78,702
Net Operating Requirement	(\$37)	(\$199)	-	-	-	-
Full-time Equivalents	317.5	342.5	381.0	392.0	405.5	421.5

⁽¹⁾ Revolving Industrial Servicing Fund

Cost Recovery Support for Other Departments

The Current Planning Branch operates on a cost-recovery business model where 100% of technical and corporate costs related to the delivery of its services are funded by revenues from those services. The result is an offset of tax levy requirements for various City branches that assist with the Current Planning Branch service delivery.

Branch - Current Planning

Budget Changes 2016-2018 (\$000)

Revenue & Transfers - Changes

User Fees, Fines, Permits, etc.

The reduction is primarily caused by volume change (\$5,872), (\$458), and (\$1,578) for 2016, 2017, and 2018 respectively due to current economic forecasts.

Transfer from Reserves

Changes in transfer from the Current Planning Reserve reflect lower expected revenues due to economic forecast. The change in transfer from the Revolving Industrial Servicing Fund Reserve (RISF) is due to pay out of rebates from the Reserve.

In 2016, transfer from Current Planning Reserve increase by \$1,152 and transfer from the RISF Reserve increase by \$4,689.

In 2017, transfer from Current Planning Reserve decrease by (\$1,152) and transfer from RISF Reserve decrease by (\$5,875).

In 2018, transfer from Current Planning Reserve increase by \$328 and transfer from RISF Reserve increase by \$11,702.

Expenditure & Transfers - Changes

Personnel

In 2016, 2017 and 2018 personnel cost increases will be fully offset by cost savings through vacancy management.

Materials, Goods and Supplies

In 2016 there is a \$69 increase to align budget with historical actuals, in 2017 there is a (\$5) decrease.

External Services

In 2016 there is a (\$497) decrease in consulting expenditure, in 2017 there is a further reduction of (\$325) in consulting.

Fleet Services

There are minimal changes to fleet costs over 2016, 2017 and 2018 as fleet vehicles remain unchanged.

Intra-municipal Services

In 2016 there is an increase of \$1,213, in 2017 a decrease of (\$1,522) and in 2018 a decrease of (\$1,211) in intra-municipal charges for shared service and direct charges. In 2016 Current Planning will cover \$21,569 in personnel and non-personnel costs outside of the branch, which supports development-related processes.

Utilities & Other Charges

In 2016 there is an increase of \$4,780 in debt payments and rebates related to the RISF Reserve, a decrease of (\$200) in financial charges and an increase of \$29 to align budget with historical actuals.

In 2017 there is a decrease of (\$6,327) in debt payments and rebates related to the RISF Reserve and an increase of \$200 in financial charges.

In 2018 there is an increase of \$11,165 in debt payments and rebates related to the RISF Reserve.

Branch - Current Planning

Transfer to Reserves

In 2016 there is a decrease in transfer to Current Planning Reserve of (\$5,000) due to current economic forecasts and a decrease of (\$90) in transfer to Revolving Industrial Servicing Fund Reserve (RISF) due to revenue projection.

In 2017 there is an increase in transfer to Current Planning Reserve of \$45 and an increase of \$453 transfer to RISF Reserve due to revenue projection.

In 2018 there is a decrease in transfer to Current Planning Reserve of (\$45) and an increase of \$537 transfer to RISF Reserve due to revenue projection.

Intra-municipal Recoveries

The intra-municipal recoveries are expenditures charged to other departments for services provided.

Full-time Equivalents - Changes

There is an increase of 5 FTEs for the Mature Community Development Team service package in 2016 and an increase of 35.5 FTEs over three years for the Customer Services and Operations - Increased Service Volumes service package, with an annualization of 8.5 FTEs in 2018.

Requested positions are only filled in the event service demands require. Although recent forecasts suggest potential declines in application volumes, FTE requests enable the Current Planning Branch to quickly respond to upswings in the economic activity to meet industry expectations of service levels. Any positions filled from service packages are offset by an equal or greater amount in revenue and have no impact to the tax levy.

Bylaws Requiring Approval

In order to generate the revenue in the proposed 2016 - 2018 budget, City Council must approve the bylaw amendments and fee changes contained in the following bylaws:

- Bylaw 15894 - Safety Codes Permit Bylaw: general fee increases in alignment with inflation. Bylaw will also separate the fee schedule from the Bylaw to improve efficiency of the budget process and align with similar program areas.
- Bylaw 13138 - Business Licence Bylaw: general fee increases in alignment with inflation.

Branch - Current Planning

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Business Licensing

Results to be Achieved

The City requires all business owners to have a business licence to ensure that health, safety and community standards are maintained for all citizens. The Licensing program contributes to making Edmonton a desirable place to do business and enhance economic prosperity.

Cost Drivers

- Application volume, including the number of business licence applications, licence reviews and public consultations to advance the bylaw.

Policy and/or Legislation

Business Licence Bylaw 13138

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	878	866	422	561	577	596
Expenditures & Transfers	878	866	422	561	577	596
Subtotal	-	-	-	-	-	-
Intra-Municipal Recoveries	-	-	-	-	-	-
Net Operating Requirement	-	-	-	-	-	-
Full-Time Equivalents	9.0	9.0	5.0	5.5	5.5	5.5

2015 Services

- Over 32,000 business licences issued;
- Licensing Bylaw administration and maintenance;
- Business Licence Ambassador program for business community to promote awareness and encourage application for appropriate licences;
- Collaboration with businesses, community, and other stakeholders for policy and bylaw recommendations.
- Implementation and coordination of 26 information courses for Body Rub and Escort industries.

Changes in Services for 2016 - 2018

- Overall changes for 2016 and onwards will be driven through improvement in application process and increase in volume;
- Technology enhancements for implementation of online applications and decision guides;
- Bylaw amendments to facilitate new and existing programs;
- Review and simplify existing business licence process and classification to facilitate compliance.

Branch - Current Planning

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Customer Services and Operations

Results to be Achieved

This program leads the development, implementation and performance management of the Branch business model, service refinement and Branch administration and is responsible for the Customer Service Centre. The team moves applications through stages of the City's process from intake to final records management.

Cost Drivers

- Application volumes, customer inquiry volumes, 311 complaints and escalations, infrastructure support, business model management, performance management systems and service enhancement initiatives.

Policy and/or Legislation

Zoning Bylaw 12800, Safety Codes Permit Bylaw 15894, Business Licence Bylaw 13138 and Vehicle for Hire Bylaw 14700.

Resources

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	\$53,993	\$62,752	\$69,053	\$64,193	\$62,549	\$61,272
Expenditure & Transfers	29,746	35,831	41,170	36,197	36,181	36,152
Subtotal	(24,247)	(26,921)	(27,883)	(27,996)	(26,368)	(25,120)
Intra-municipal Recoveries	(563)	(756)	(1,420)	(1,747)	(1,756)	(1,749)
Net Operating Requirement	(\$24,810)	(\$27,677)	(\$29,303)	(\$29,743)	(\$28,124)	(\$26,869)
Full - Time Equivalents	79.2	92.2	107.7	117.1	130.6	146.6

Overall, the Current Planning Branch is full cost recovery. Total Branch revenues (excluding Business Licensing and Vehicle for Hire) are shown in the Customer Services and Operations program. Additional FTEs proposed will be allocated from this program to both internal and external program areas to implement service improvements and address service volumes. FTE positions are only filled when service demands require.

2015 Services

- Branch administration, resource management, performance reporting, client liaison and customer relations;
- Batch processing notices and business licensing, cash log, business model implementation and system improvement;
- Services include: Licences, Permits, Restricted and Meter Parking, Compliance Certificates, Zoning Confirmation, Encroachment Agreements, Inspection Scheduling, File Searches, and FOIP requests;
- Application intake (over 70,000 customers served per year), inquiries (over 120,000 calls handled), approval, payments (averaging 6,300 transactions per month) and records management (8,000 documents scanned per month) for services to residents and development industry representatives.

Changes in Services for 2016 - 2018

- The Integrated Front Counter (IFC) will combine multiple City services into one easy-to-access location in Q1, 2017. It will implement a new integrated citizen service delivery model for the delivery of approximately 100 services from the City of Edmonton Service Centre;
- It is estimated that an additional 25% of services will be incorporated into the IFC which include Assessment and Taxation, Drainage, Bylaw Ticket Administration, ETS/Transportation Operations and Community and Recreation Facilities;
- The Changes in 2016 will be driven by the implementation of business process improvements.

Branch - Current Planning

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Development Permits

Results to be Achieved

Review and issue development permits and compliance certificates, carry out development compliance, and prepare amendments to the Zoning Bylaw.

Cost Drivers

- Application volume, quality, and complexity;
- Complexity drivers include infill, multifamily high-rise, and large-scale mixed-use development projects;
- Public notifications required and inspections to be completed.

Policy and/or Legislation

Zoning Bylaw 12800

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	-	-	-	-	-	-
Expenditure & Transfer	6,717	7,492	7,679	7,826	7,446	7,128
Subtotal	6,717	7,492	7,679	7,826	7,446	7,128
Intra-municipal Recoveries	-	-	-	-	-	-
Net Operating Requirement	\$6,717	\$7,492	\$7,679	\$7,826	\$7,446	\$7,128
Full - Time Equivalents	72.0	74.0	78.0	79.0	79.0	79.0

2015 Services

- Review and issue over 25,000 development permit applications, provide advice to current and potential applicants;
- Carry out development negotiations with prospective applicants and attend Subdivision and Development Appeal Board (SDAB) hearings;
- Review and maintain Zoning Bylaw 12800 and monitor compliance of approved development permits and zoning regulations;
- Coordinate with Transportation, Drainage, Fire Rescue and other stakeholders for development approval;
- Conduct more than 90 pre-application meetings for major development permits to proactively identify issues and improve application quality;
- Implement Edmonton's Infill Roadmap.

Changes in Services for 2016 - 2018

Overall changes for 2016 will be driven by improvement in efficiencies through:

- Expedited development permits program expansion; Zoning Bylaw amendment; online applications and plan circulations;
- Examining notifications and consultation processes and approaches;
- Implementation of Development Completion Permits for major industrial, commercial and residential projects including low density infill development;
- Provide support to and advance actions Edmonton's Infill Roadmap and related motions from Executive Committee.

Branch - Current Planning

Approved 2016 - 2018 Budget - Program Summary

(\$000)

Program Name - Land Development Services

Results to be Achieved

The program provides a range of planning services, including coordination and advancement of raw land development between the City and the development industry and planning for future uses. This leads to the construction of municipal infrastructure and fully serviced residential, commercial and industrial lots.

Cost Drivers

- Application volume, quality, and complexity, and any associated public consultations required.

Policy and/or Legislation

Zoning Bylaw 12800 and Policy C533A Revolving Industrial Servicing Fund.

Resources	2013	2014	Adjusted	2016	2017	2018
(\$000)	Actual	Actual	2015	Budget	Budget	Budget
			Budget			
Revenue & Transfers	\$835	\$1,187	\$5,295	\$9,985	\$4,110	\$15,813
Expenditure & Transfers	8,303	9,285	13,954	18,954	12,363	23,622
Subtotal	7,468	8,098	8,659	8,969	8,253	7,809
Intra-municipal Recoveries	-	-	-	-	-	-
Net Operating Requirement	\$7,468	\$8,098	\$8,659	\$8,969	\$8,253	\$7,809
Full - Time Equivalents	77.3	79.3	80.3	80.4	80.4	80.4

2015 Services

- Land Development Applications (LDAs), including Area Structure Plans (ASPs), Neighbourhood Structure Plans (NSPs), plan amendments, rezonings, road closures and subdivisions;
- Processing of over 300 subdivision applications, rezoning bylaw coordination, naming and addressing;
- Prepare, negotiate, administer, and uphold over 200 servicing agreements on behalf of the City and utilities;
- Processing of over 300 engineering drawing projects to serve over 6,000 residential lots;
- Processed more than 1500 applications for Construction Completion Certificate (CCC) and Final Acceptance Certificate (FAC);
- Administration of the Revolving Industrial Servicing Fund (RISF).

Changes in Services for 2016 - 2018

- Complete review of designing construction standards, continual process improvement, streamlining of CCC and FAC;
- Business automation on Arterial Roadway Assessment (ARA) and Drainage Assessment;
- Piloting different review methods, electronic services for CCC and FAC;
- Renegotiating Service Level Agreements with internal and external partners;
- Implementation of Service Level Agreements for Engineering Drawing Review process.

Branch - Current Planning

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Safety Codes, Permits and Inspections

Results to be Achieved

This program monitors the construction of buildings and structures for compliance with the Alberta Safety Codes Act through site inspections. Services include the review and issuance of permits for structural and mechanical building plans, as well as electrical systems.

Cost Drivers

- Application quality, complexity and volume;
- Factors of complexity include the number of multifamily high-rise developments and large-scale projects such as Edmonton Ice District.

Policy and/or Legislation

Safety Codes Permit Bylaw 15894, Safety Codes Act and Quality Management Plan (QMP).

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	-	-	-	-	-	-
Expenditure & Transfers	10,625	12,087	12,965	12,948	12,425	11,932
Subtotal	10,625	12,087	12,965	12,948	12,425	11,932
Intra-municipal Recoveries	-	-	-	-	-	-
Net Operating Requirement	\$10,625	\$12,087	\$12,965	\$12,948	\$12,425	\$11,932
Full - Time Equivalents	74.0	82.0	104.0	104.0	104.0	104.0

2015 Services

- Examine drawings for compliance with codes;
- Issue more than 50,000 permits for residential and commercial projects;
- Provide consultation to Edmonton's residents, contractors and professionals on major projects;
- Complete over 100,000 inspections to monitor compliance with approved plans;
- Issue occupancy stickers and investigate complaints from customers.

Changes in Services for 2016 - 2018

- Adoption of new codes and standards and changes to current structure of permits and inspection services;
- Implementation of improved Service Delivery Model and Performance Management System for building and electrical permitting;
- Risk-based inspections as recommended by the Office of the City Auditor.

Branch - Current Planning

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Vehicle for Hire

Results to be Achieved

Taxis, limousines, shuttle businesses, vehicles and drivers must be properly licensed to legally operate in the City. The program monitors that all related businesses, vehicles and drivers are licensed and adhere to all bylaws and regulations.

Cost Drivers

- Application volume and the number of licensed vehicles, drivers and businesses operating in Edmonton.
- Vehicle inspections, on-road enforcement, and the coordination of the Industry Advisory Group.

Policy and/or Legislation

Vehicle for Hire Bylaw 14700

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	849	1,018	996	996	1,014	1,021
Expenditures & Transfers	812	819	996	996	1,014	1,021
Subtotal	(37)	(199)	-	-	-	-
Intra-Municipal Recoveries	-	-	-	-	-	-
Net Operating Requirement	(\$37)	(\$199)	-	-	-	-
Full-Time Equivalents	6.0	6.0	6.0	6.0	6.0	6.0

2015 Services

- Vehicle for Hire Bylaw governance and maintenance;
- Taxi brokerage, limousine and shuttle business licensing;
- Vehicle registration, licensing and inspections - driver licensing;
- Increased on-road presence and compliance continues to be a priority;
- Facilitation of the Vehicle for Hire Industry Advisory Group;
- Completion of 400 limousine inspections;
- Inspection of more than 1,300 taxi vehicles twice in the year;
- Approximately 100 fines issued for unlicensed Vehicle for Hire services;
- Implementation of two-year driver licences.

Changes in Services for 2016 - 2018

- Respond to technology based taxi services in the market;
- Discussion and implementation of new Vehicle for Hire Bylaw which address changes in the industry;
- Review of the enforcement program.

Branch - Current Planning

Program - Customer Services and Operations
Title - Customer Services & Operations- Increased Service Volumes

Growth on Existing Service
Funded
On-going

Results to be Achieved

This program is responsible for developing increased capacity to meet service demands and ongoing refinement, configuration and sustainment of business systems and processes. Positions will be filled in response to growth in service demands and will be funded by increased revenues. In the event revenues or application volumes do not meet projected level of growth, some positions may not be filled.

This program will also ensure the delivery of desired service levels as well as the achievement of performance targets which are established in consultation with the development industry and Business Advisory Committee.

Description

The Current Planning Branch recommends a total of 44 positions (12.0 in 2016, 15.0 in 2017, 17.0 in 2018 before annualization). The positions will provide the Branch flexibility to support safety codes, customer service, planning, development and development coordination to accommodate increased service demands. These positions may also be used to support other City business areas that provide technical input into applications, such as Transportation Planning and Parks Planning.

It is recognized that recent Gross Domestic Product (GDP) forecasts have been lowered; however, this service package provides flexibility to the Branch to respond to positive shifts in economic activity. The service packages will also enable the Branch to allocate resources more efficiently and reduce costs (for instance, currently overtime is used to support increased service volumes). Positions are only filled when service demands require, and any required costs are covered from revenues collected from user fees. Moreover, as Current Planning operates on a full cost recovery model, there is no impact on the tax levy.

Justification

Although Current Planning continues to improve operational efficiency, current staffing resources are insufficient to manage service levels in the event that there is an increase in application volumes. Not funding this service package could result in service delivery delays, longer service lines, ongoing dependence on overtime for basic service delivery, and dissatisfaction among citizens and the development industry.

incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	\$568	568	-	6.0	\$711	711	-	7.5
New Budget	\$568	568	-	6.0	\$712	712	-	7.5	\$820	820	-	8.5
Total	\$568	568	-	6.0	\$1,280	1,280	-	13.5	\$1,531	1,531	-	16.0

Branch - Current Planning

Program - Customer Services and Operations
Title - Mature Community Development Team

New or Enhanced Service
Funded
On-going

Results to be Achieved

This program aims to deliver improvements to process and practices and facilitate enhanced coordination and communication related to mature and established neighbourhood development. The team will identify best practices related to fees, incentives or penalties measures, and establish a single point of contact to improve builder and community communication and relationships. This program will contribute to the City's strategic growth and development plan of The Way We Grow.

Description

Current Planning recommends five (5) positions to address regulatory, communication, and relationship issues specific to mature and established neighbourhood developments. The team will liaise with existing areas to recommend policy or process changes (including fee changes, incentives or penalties) and improve education, development standards and communication between stakeholders. These resources will proactively deliver community updates, collect and manage feedback and be a single point of contact for inquiries from Council, builders and the community. The team will also work to facilitate the resolution of neighbour/builder disputes by educating all stakeholders on reasonable expectations for best practices and encouraging compliance and communication to achieve those best practice standards. Existing Current Planning resources will support this team by developing and publishing accessible web or paper content through existing publications, marketing programs or community education presentations.

Justification

There is currently no dedicated team as a single point of contact for a coordinated response to identified issues with development in mature and established neighbourhoods. If this service package is not undertaken, response to feedback could be slow resulting in a lost opportunity to implement process or policy improvements. Residents, builders and the community may also have unclear expectations due to the lack of information surrounding the development in mature and established neighborhoods. Moreover, Current Planning may not be able to fulfill Council's desire to establish a single point of contact and improve stakeholder relationships in mature and established neighborhood.

incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$513	513	-	5.0	\$14	14	-	-	\$19	19	-	-
Total	\$513	513	-	5.0	\$14	14	-	-	\$19	19	-	-

Branch - Real Estate, Housing and Economic Sustainability

Introduction

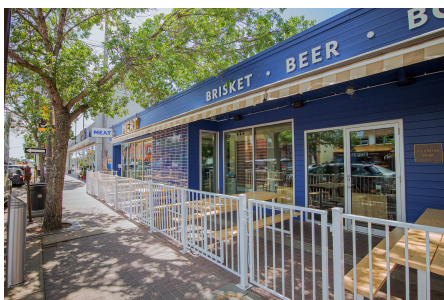
The Real Estate, Housing and Economic Sustainability Branch leverages a diverse array of land development, planning and policy expertise, as well as develops strategic partnerships to achieve Council's vision for a prosperous and vibrant city. The branch provides a range of programs and services including the following:

- Economic programs to support the City's *The Way We Prosper* economic development plan
- Urban renewal through programs and Community Revitalization Levy catalyst projects
- Policies and programs to reduce homelessness, support affordable housing, and offer diverse housing choices
- Development of surplus school sites
- Civic Accommodation Transformation
- Property management and leasing
- Corporate land administration, appraisals, acquisition, and sales services that support activities throughout Administration
- Land development and administration to achieve city-building objectives
- Leadership on a new corporate Industrial Transformation Roadmap
- Enterprise Land Development activities as presented in the Land Enterprise portion of the budget

The branch also provides a critical link and support to agencies including HomeEd, Edmonton Economic Development Corporation, Edmonton Chamber of Commerce, industry, and the city's Business Revitalization Zones.

The branch develops, maintains, and leads implementation of *The Way We Prosper* through economic diversity and sustainability programs targeting industrial, commercial, and small business development. The branch also contributes to outcomes under *The Way We Live*, *The Way We Grow*, and *The Way We Green*.

The Real Estate, Housing and Economic Sustainability Branch combines real estate and land development expertise to create synergies across a diverse portfolio. The branch will continue to leverage these synergies to advance transformative initiatives that support the City's strategic plans. Among these transformative initiatives are the following: Civic Accommodation Transformation; programs to catalyze business investment; the Downtown, Quarters and Belvedere Community Revitalization Levies that transform urban form; the Downtown Arena and Entertainment District; the Homelessness Advisory Committee; the Affordable Housing Strategy; and leadership to advance the industrial portfolio.



Branch - Real Estate, Housing and Economic Sustainability

Real Estate, Housing and Economic Sustainability endeavours to anticipate changes that may affect our work and has identified the following emerging issues:

Impacts of reduced funding from other orders of government:

- Reduced opportunities for joint housing initiatives with external partnerships that are created through shared funding models. At present there is no Provincial funding for creation of new affordable housing. A number of service packages have been included in this budget to help address these housing needs. An additional request for capital costs will be brought forward in the Spring 2016 Supplemental Capital Budget Adjustment.
- Impact of the Mayor's Poverty Elimination Task Force recommendations on the mandate for the City's involvement in housing and homelessness. The recommendations put forward by the Task Force may put pressure on existing resources for City housing initiatives and programs.
- Reduced funding available for not-for-profit tenant building maintenance and repair costs.
- Reduced funding available for land acquisition for corporate capital projects.

Corporate support for internal City-wide projects:

- Successful Civic Accommodation Transformation requires corporate-wide support, in addition to dedicated corporate resources to manage the change.
- New corporate land governance model and processes require corporate coordination and resourcing.
- Increased demand for appraisal and leasing services from other areas of the corporation.

Public support for programs and projects:

- Surface parking lots as a barrier to development in The Quarters Downtown CRL area.
- Public concern for the Edmonton Arena District's impact on vulnerable citizens and social agencies.

Real estate programs and initiatives:

- Lack of capital resources to maintain, renovate or sell City-owned historic properties.
- Contingency funding required for unanticipated land remediation costs.

Economic conditions

- Economic fluctuations may create uncertainty around forecasting for land sales and acquisitions and for the industrial portfolio.

Land Governance

- Council's consideration of the Municipal Development Corporation could have an impact on the disposition of City land and the Branch budget. A service package has been submitted to help fund these corporate efforts and to ensure Administration has the resources to set up the corporation and provide it with the lands to achieve successful city-building outcomes.

Impact of Previous Council Decisions

- Implementing Council's expectation for the affordable housing development on 17 surplus school sites and for the inclusion of 20% affordable housing in Blatchford requires additional capital and operating funding.
- Council's consideration of the Housing Strategy may have operating and capital impacts.
- Consideration of a new Industrial Transformation Roadmap may impact operating and capital budgets.
- Ongoing implementation of Civic Accommodation Transformation is involving all departments across Administration; initial occupancy for the new Edmonton Tower is projected for November 2016.
- Regional efforts to align business attraction and retention strategies continue to evolve with all stakeholders.

Branch - Real Estate, Housing and Economic Sustainability

Positive Change - Innovation & Continuous Improvement

Process and Service Improvements	<ul style="list-style-type: none"> • Corporate land governance review and development of criteria to evaluate all City land to determine need for City purposes. • Business process reviews in Surplus Properties, Building and Land Management, and Appraisals improved efficiencies, reporting, knowledge transfer and workflow management. • Alternative Work Strategies will adopt an innovative range of technologies and workplace strategies to increase employee satisfaction and productivity. • Testing new public engagement process to inform surplus building site development. • New cross-functional model for monitoring and responding to Business Revitalization Zone (BRZ) concerns, including an interdepartmental Branch Managers' Service Delivery Team, is improving the City's ability to timely and effectively resolve BRZ concerns. • Responsible Hospitality Edmonton program review prioritized activities and streamlined resources dedicated to ensuring a safe and vibrant nighttime economy. • Property Sales and Acquisitions' shift to electronic documents and online registration improved efficiency. • Digitization and secure online sharing of Land Administration documents will improve efficiency and reduce document costs and processing time. • Proactive servicing work of Edmonton Energy and Technology Park is creating new industrial investment opportunities • New Business Retention and Expansion Program is solving challenges to retaining existing industrial investors in the city. • Improved engagement processes related to Housing and Homelessness work involve communicating with communities/stakeholders earlier and bringing awareness of housing needs prior to the start of non-market housing proposals. • Off-street parking management transitioned to Transportation Services to realize efficiencies and enhance coordination of corporate decision making. • Using new communication tools, such as posting results of First Place Program community design engagement process on Facebook, to improve public access to information.
New Service Offering and Standard	<ul style="list-style-type: none"> • New sustainability standards ensure multi-family lots sold by the City achieve Built Green certifications and industrial/commercial lots achieve LEED or equivalent designations. • Facade Improvement Program and Development Incentive Program expanded to include new sites such as those supported by the Corner Store Program. • Responsible Hospitality Edmonton is leading the implementation of the British "Purple Flag" program on 104 Street, the first deployment in North America of this successful management tool for safe and healthy nightlife zones. • Exploring cost-recovery models for utility rights of way to reduce costs.
New Tools	<ul style="list-style-type: none"> • A new Downtown Streetscape Manual and typology is being developed to facilitate an integrated, coordinated, and consistent approach to streetscape improvements. • Centralized and integrated service delivery model for administrative support. • A new Industrial Transformation Roadmap outlines a cross-functional plan to grow and diversify the City's non-residential tax base.

Branch - Real Estate, Housing and Economic Sustainability

Approved 2016-2018 Budget - Branch Summary by Program

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
User Fees, Fines, Permits, etc.	6,797	9,826	5,336	12,948	11,477	8,205
Grants	3,677	3,183	8,595	9,178	3,453	1,335
Transfer from Reserves	972	1,284	4,525	8,685	6,331	5,571
Total Revenue & Transfers	\$11,446	\$14,293	\$18,456	\$30,811	\$21,261	\$15,111
Expenditure & Transfers						
Building and Land Management	21,353	21,102	22,278	28,176	38,395	29,855
Civic Property Services	1,680	4,974	1,459	5,556	3,250	4,518
Economic Sustainability	3,411	2,944	3,476	5,103	4,136	3,158
Housing and Homelessness	15,767	16,210	19,983	24,559	17,010	14,273
Property Sales and Acquisitions	1,133	1,114	1,834	1,633	1,766	1,830
Urban Renewal	1,232	2,249	1,216	1,235	1,242	1,250
Total Expenditure & Transfers	\$44,576	\$48,593	\$50,246	\$66,262	\$65,799	\$54,884
Net Operating Requirement	\$33,130	\$34,300	\$31,790	\$35,451	\$44,538	\$39,773
Full-time Equivalents	125.0	117.0	128.0	139.0	140.0	140.0

Branch - Real Estate, Housing and Economic Sustainability

Approved 2016-2018 Budget - Branch Summary by Category

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
User Fees, Fines, Permits, etc.	6,797	9,826	5,336	12,948	11,477	8,205
Grants	3,677	3,183	8,595	9,178	3,453	1,335
Transfer from Reserves	972	1,284	4,525	8,685	6,331	5,571
Total Revenue & Transfers	\$11,446	\$14,293	\$18,456	\$30,811	\$21,261	\$15,111
Expenditure & Transfers						
Personnel	10,893	11,959	13,591	15,036	15,522	15,913
Materials, Goods, and Supplies	1,044	717	516	587	596	603
External Services	4,712	6,198	4,713	7,965	9,345	6,752
Fleet Services	-	-	-	-	-	-
Intra-municipal Charges	1,446	1,359	2,195	1,655	1,531	1,554
Utilities & Other Charges	32,807	34,886	43,756	56,743	57,912	46,913
Transfer to Reserves	7,049	8,407	2,546	4,351	3,197	3,812
Subtotal	57,951	63,526	67,317	86,337	88,103	75,547
Intra-municipal Recoveries	(13,375)	(14,933)	(17,071)	(20,075)	(22,304)	(20,663)
Total Expenditure & Transfers	\$44,576	\$48,593	\$50,246	\$66,262	\$65,799	\$54,884
Net Operating Requirement	\$33,130	\$34,300	\$31,790	\$35,451	\$44,538	\$39,773
Full-time Equivalents	125.0	117.0	128.0	139.0	140.0	140.0

Branch - Real Estate, Housing and Economic Sustainability

Budget Changes for 2016-2018

(\$000)

Revenue & Transfers - Changes

User Fees, Fines, Permits, etc.

In 2016, there is an increase of \$7,612 which is comprised of First Place Program sales, Civic Accommodation Transformation (CAT) receipts and other minor changes in fees.

In 2017, there is an incremental decrease of (\$1,471) which is comprised of a decrease in First Place Program sales, offset by Civic Accommodation Transformation (CAT) receipts.

In 2018, there is an incremental decrease of (\$3,272) which is comprised of an increase in First Place Program sales, offset by a decrease in Civic Accommodation Transformation (CAT) receipts and other minor changes in fees.

Grants and Transfer from Reserves

The changes in Grants and Transfer from Reserves is related to Cornerstones I and II. In 2016 there is an increase of \$4,743 related to Cornerstones I development. In 2017 there is an incremental decrease of (\$8,079) as Cornerstones I is completed. In 2018 there is an incremental decrease of (\$2,878) as Cornerstones II is completed.

Expenditures & Transfers - Changes

Personnel

There is an incremental increase of \$1,445 in 2016, \$486 in 2017, and \$391 in 2018 which reflect the changes in full-time equivalents as described below, in conjunction with adjustments to account for approved cost of living adjustments, movement to job rate and benefit changes.

Materials, Goods, and Supplies

In 2016 there is an increase of \$71 to cover equipment lease costs. There are incremental increases of \$9 in 2017 and \$7 in 2018 which reflects escalating equipment lease costs.

External Services

In 2016 there is an increase of \$3,252 which is comprised of First Place Program costs, moving costs (CAT), building renovation costs (reallocated from Intra-municipal charges), and decrease in commissions.

In 2017 there is an incremental increase of \$1,380 which is comprised of a decrease in First Place Program costs, moving costs (CAT), and other minor changes.

In 2018 there is an incremental decrease of (\$2,593) which is comprised of an increase in First Place Program costs, decrease in CAT related costs, and other minor inflationary changes.

Intra-municipal Charges

In 2016 there is an incremental decrease of (\$540) which is comprised of (\$467) building renovation charges reallocated to external services, and decreases in engineering and other charges. In 2017 there is an incremental decrease of (\$124) due to a lease expiry. The increase in 2018 reflects inflationary changes.

Branch - Real Estate, Housing and Economic Sustainability

Utilities & Other Charges

In 2016, there is an increase of \$12,987 which is comprised of \$530 First Place Program site development costs, \$6,119 leasing, administrative and parking costs, \$1,250 in Regional Economic Development Initiatives, \$4,578 Cornerstones I development costs, \$709 increase in lease portfolio, \$116 increase in travel & training, and increases in property taxes and other charges.

In 2017, there is an incremental increase of \$1,169 which is comprised of an overall increase in leasing and parking costs, decrease in Regional Economic Development Initiatives, decrease in Cornerstones I development costs, decrease in lease portfolio, increase in utilities and minor decreases in other charges.

In 2018, there is an incremental decrease of (\$10,999) which is comprised of a decrease in administrative costs (CAT), decrease in lease costs, decrease in Regional Economic Development Initiatives, decrease in Cornerstones II development, increase in lease portfolio and increase in utilities.

Transfer to Reserves

The fluctuation in the Transfer to Reserves is a direct result of the changes in revenues and expenditures with regards to the First Place Program. The changes described in User Fees, External Services, and Utilities & Other Charges, in conjunction with the existing base of \$130, net to the change in the Transfer to Reserve.

Intra-municipal Recoveries

In 2016, there is an increase of (\$3,004) in recoveries which is comprised of moving and leasing cost recoveries (CAT), downtown lease recoveries, staff recoveries, and lease portfolio recoveries.

In 2017, there is an incremental increase of (\$2,229) in recoveries which is comprised of moving and leasing cost recoveries, a decrease in lease portfolio recoveries.

In 2018, there is an incremental decrease of \$1,641 which is comprised of a decrease in moving cost recoveries (CAT), a decrease in downtown lease recoveries, and an increase in lease portfolio recoveries.

Civic Accommodation Transformation (CAT)

The City of Edmonton has entered into a lease to occupy the Edmonton Tower being constructed downtown. Starting in late 2016 the City will begin to consolidate its downtown staff in the new building, resulting in impacts to costs and revenues as described above.

Full-Time Equivalents - Changes

In 2016, there is an incremental increase of eleven FTEs due to the Edm Research Park (City Admin), Building and Land Management, and Surplus Property Review service packages.

In 2017, there is an incremental increase of one FTE due to the Building and Land Management service package (two new FTEs in 2017) offset by a reduction in the 2015 Chinatown service package (decrease of one FTE in 2017).

Branch - Real Estate, Housing and Economic Sustainability

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Building and Land Management

Results to be Achieved

The program provides efficient leasing and property management and accommodation planning for civic owned and leased facilities, maximizing revenues where applicable, and ensures the City's interests are protected as both a landlord and tenant. The program also effectively delivers on the Civic Accommodation Transformation and maintains complete and accurate information regarding the corporate land and building inventory.

Cost Drivers

- Escalating rental costs and associated operating costs
- Growing inventory of owned/leased space
- Utility costs: rate variability and increases due to new facilities

Policy and/or Legislation

Municipal Government Act

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	\$6,152	\$6,124	\$4,977	\$8,709	\$9,574	\$5,070
Expenditures & Transfers	31,931	30,275	35,952	44,614	57,044	46,846
Subtotal	25,779	24,151	30,975	35,905	47,470	41,776
Intra-Municipal Recoveries	(10,577)	(9,175)	(13,675)	(16,438)	(18,650)	(16,993)
Net Operating Requirement	\$15,202	\$14,976	\$17,300	\$19,467	\$28,820	\$24,783
Full-Time Equivalents	49.0	49.0	51.0	60.0	62.0	62.0

2015 Services

- Managed City-owned space leased to the public: 211 commercial, 148 residential, 919 utility lots and 95 nonprofit corporations.
- Management of civic accommodation portfolio of 2.3 million square feet of leased/owned office space.
- Transitioned the management of off-street parking to Transportation Services to realize efficiencies and enhance coordination of corporate decision making.
- Improved civic use space square footage utilization, resulting in a reduction of space costs per person.
- Implemented Administrative Directive resulting in 25 percent workspace footprint savings.
- Completed programming for the Civic Accommodation Transformation.
- Implemented other major change projects: Alternative Work Strategies, WORKshift, Sustainable Corporate Facility Strategy, Corporate Accommodation Strategy.
- Maintained complete and accurate inventory of over 9300 corporate land holdings.
- Developed the criteria for the contaminated sites reporting.

Changes in Services for 2016 - 2018

- Increasing focus on programs to improve overall civic space utilization with a target of 150 square feet of useable space per employee.
- Increasing focus on implementation of corporate-wide Civic Accommodation Transformation.
- Maintaining inventory of contaminated sites to comply with financial audit requirements.
- Maximizing and creating revenue generating opportunities.
- Centralization of property management services for the corporation's leased inventory.
- Improved coordination of interdepartmental initiatives for suburban sites.

Branch - Real Estate, Housing and Economic Sustainability

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Civic Property Services

Results to be Achieved

The program oversees functions critical to the stewardship of municipal resources including the appraisal of land for capital projects and municipal surplus land developments. The program provides: appraisal services to support acquisition, disposition and management of corporate real estate assets to achieve Council objectives and deliver services to citizens; manages the corporate process to determine if surplus school sites should be acquired for civic purposes; and engages the public to explore future use of surplus land before recommending new uses to Council.

Cost Drivers

- Increased demand for appraisal services from client departments
- Increased requirement for technical studies to inform public engagement activities (e.g. geotechnical, transportation impact, environmental site assessments, drainage assessments)
- Increased demand for and complexity of public engagement and communication activities
- Increased costs for servicing (capital), planning and administration of surplus municipal projects

Policy and/or Legislation

Municipal Government Act, City Policy C583 - Guidelines for Development of the 2009 Surplus School Sites, City Policy C454 - Creation and Transfer of School Sites to School Boards

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	-	\$3,059	\$130	\$4,011	\$1,675	\$2,907
Expenditures & Transfers	3,259	9,737	2,619	6,932	4,632	5,908
Subtotal	3,259	6,678	2,489	2,921	2,957	3,001
Intra-Municipal Recoveries	(1,579)	(4,763)	(1,160)	(1,376)	(1,382)	(1,390)
Net Operating Requirement	\$1,680	\$1,915	\$1,329	\$1,545	\$1,575	\$1,611
Full-Time Equivalents	12.0	12.0	12.0	14.0	14.0	14.0

2015 Services

- Expanded public engagement related to surplus school sites.
- Successfully completed extensive public engagement First Place Program sites in Kirkness, Belle Rive, Haddow.
- Engaged Ogilvie Ridge and Keheewin communities to finalize new public engagement process pilot and began pilot process implementation.
- Completed over 350 real estate appraisals.
- Identified municipal properties appropriate for inclusion in the proposed Municipal Development Corporation.
- Managed 100 sales to first time home buyers on four First Place Program building sites: Casselman, Bearspaw, Larkspur, and Kernohan.
- Planned, serviced and reviewed budget of potential municipal surplus land for the next three years.

Changes in Services for 2016 - 2018

- Expanding public engagement activities associated with vacant building sites.
- Leading the corporate land governance review in advance of a review of corporate land holdings.
- Two additional FTEs to provide capacity for ongoing review of City land inventory and identifying land that is surplus to municipal requirements.

Branch - Real Estate, Housing and Economic Sustainability

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Economic Sustainability

Results to be Achieved

The program manages *The Way We Prosper's* economic diversification activities that are led and facilitated by Administration. The activities include focused business and industrial growth, retention and expansion through the following: strategic marketing and promotion; support for the City's Business Revitalization Zones; enhanced local economic growth through the Corner Store program; and City involvement in the Northern Circumpolar Secretariat.

Cost Drivers

- Dedicated resources for proactive industrial investment program for the Edmonton Energy and Technology Park
- All-inclusive economic growth will require collaboration with multiple stakeholders including Edmonton Economic Development Corporation and the Edmonton Chamber of Commerce
- Additional economic growth priorities such as the Chinatown Economic Development Plan

Policy and/or Legislation

Municipal Government Act (Business Revitalization Zones), Business Revitalization Zone Bylaws, City Policy C216B - Façade Improvement Program Policy, City Policy C553B - Development Incentive Program Policy

Resources

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	-	\$331	\$775	\$941	\$495	\$441
Expenditures & Transfers	3,452	3,479	4,104	5,756	4,800	3,830
Subtotal	3,452	3,148	3,329	4,815	4,305	3,389
Intra-Municipal Recoveries	(41)	(535)	(628)	(653)	(664)	(672)
Net Operating Requirement	\$3,411	\$2,613	\$2,701	\$4,162	\$3,641	\$2,717
Full-Time Equivalents	13.0	13.0	14.0	14.0	13.0	13.0

2015 Services

- Focused on collaborative initiatives with Alberta's Industrial Heartland Association and Edmonton Economic Development Corporation to market the Edmonton Energy and Technology Park
- Delivered on *The Way We Prosper's* corporate performance measurement and risk management requirements
- Developed and began implementing an industrial marketing and promotion strategy
- Launched Phase I of the Chinatown Economic Development Plan
- Hosted regional Business Revitalization Zone administrators workshops
- Redefined the service delivery framework for the Business Revitalization Zones
- Facilitated the establishment of a Northern Circumpolar Secretariat
- Established new business processes and databases to make industrial and small business marketing, follow-up, and aftercare more efficient and proactive (CRM and Site Locator)

Changes in Services for 2016 - 2018

- Expanding the Corner Store Pilot Program and presenting a strategy/model for full-scale implementation
- Focusing on Northern Circumpolar Secretariat initiatives to support the Northern Relations Council Initiative
- Further enhancing the industrial portfolio including industrial marketing tools and materials through the City's new industrial website, sector profiles, and a competitive industrial communication plan
- Supporting new cross-functional model for Business Revitalization Zone services and focus on Business Revitalization Zone economic development support
- Tracking, monitoring, and improving the performance and delivery of *The Way We Prosper* initiatives

Branch - Real Estate, Housing and Economic Sustainability

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Housing and Homelessness

Results to be Achieved

The program addresses the need for affordable housing and reducing homelessness through delivery of the City's Cornerstones grants, policy development and the Landlord and Tenant Advisory Board. The program also supports our partners, such as HomeEd, Capital Region Housing Corporation, Greater Edmonton Foundation, and Homeward Trust, in fulfilling their mandates.

Cost Drivers

- Population growth and in-migration to our city
- Economic fluctuations
- Increased public engagement
- Increasing construction costs
- Reduced funding from other levels of government

Policy and/or Legislation

10 Year Plan to End Homelessness, *The Way We Live, The Way We Grow*

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	\$5,294	\$4,691	\$12,573	\$17,150	\$9,517	\$6,693
Expenditures & Transfers	16,469	16,217	19,983	24,559	17,010	14,274
Subtotal	11,175	11,526	7,410	7,409	7,493	7,581
Intra-Municipal Recoveries	(702)	(6)	-	-	-	-
Net Operating Requirement	\$10,473	\$11,520	\$7,410	\$7,409	\$7,493	\$7,581
Full-Time Equivalents	31.0	24.0	24.0	24.0	24.0	24.0

2015 Services

- Completion of a new Housing Policy Framework to deliver housing in a more strategic way
- City-wide Housing and Homelessness education and awareness campaign
- Completion and evaluation of HOPE pilot program and all other housing programs
- Organized the Mayor's Roundtable on Housing and Social Housing Regeneration Advisory Group (SHRAG)
- Partnered with EPS and 16 external agencies to develop a coordinated response to 'heavy users of service'
- Completed a review of the City's inclusionary housing program
- Initiation of the Seniors' Housing pilot in partnership with the Greater Edmonton Foundation in Sakaw
- In 2015, an estimated \$8.5 million was committed towards the provision of 244 Cornerstones Affordable Housing units.
- Developed and obtained Council approval for City Policy C583 - Guidelines for Development of the 2009 Surplus School Sites
- Developed a strategy for provision of affordable housing in Blatchford
- Provided Landlord and Tenant Advisory Board services

Changes in Services for 2016 - 2018

- Development of internal Homelessness Committee
- Subject to funding approvals, First Place program in inner city, development on surplus school sites, Blatchford affordable housing developments, and implementation of recommendations from the SHRAG report

Branch - Real Estate, Housing and Economic Sustainability

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Property Sales and Acquisitions

Results to be Achieved

The program oversees functions critical to the stewardship of municipal resources, including the sale and acquisition of land (improved/vacant) for all corporate capital projects and land inventory.

Cost Drivers

- Increasing values for land and higher expropriation costs
- Short timelines to acquire needed properties
- Expanded corporate capital program
- Increased need for feasibility assessments

Policy and/or Legislation

Municipal Government Act, Expropriation Act

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	-	-	-	-	-	-
Expenditures & Transfers	1,558	1,464	3,442	3,241	3,374	3,438
Subtotal	1,558	1,464	3,442	3,241	3,374	2,156
Intra-Municipal Recoveries	(426)	(350)	(1,608)	(1,608)	(1,608)	(1,608)
Net Operating Requirement	\$1,132	\$1,114	\$1,834	\$1,633	\$1,766	\$1,830
Full-Time Equivalents	14.0	14.0	22.0	22.0	22.0	22.0

2015 Services

- Provided consulting and feasibility analysis services for land acquisition projects.
- Led sales services to support Land Enterprise activities and acquired land in support of capital projects.
- Monitored properties for sale in areas impacted by major municipal projects and take advantage of opportunity purchase situations.
- Prepared agreements, documentation, and reports required for administrative or Committee purchase approval.
- Coordinated due diligence for proposed property acquisitions including valuation, environmental/geotechnical testing, and legal review.
- Acquisition of \$30.6 million in property interests for corporate purposes.
- Continued negotiations on \$53 million in property interests which may carry forward to future years depending on acquisition timing.
- Developed marketing plans and strategies for real estate disposition.
- Projected sales of \$57.6 million of surplus and development properties.

Changes in Services for 2016 - 2018

- Implementing new sustainability standards to ensure that multi-family lots sold by the City achieve Built Green certifications and industrial/commercial lots achieve LEED or equivalent designations.

Branch - Real Estate, Housing and Economic Sustainability

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Urban Renewal

Results to be Achieved

The program supports Council's vision for a vibrant and inclusive city core that attracts new residents and investments and creates a high quality urban lifestyle in downtown Edmonton. The program also promotes safe, thriving, late-night environment by managing the many aspects of hospitality zones throughout the city.

Cost Drivers

- Increasing demand for input and collaboration with internal and external stakeholders

Policy and/or Legislation

The Quarters Area Redevelopment Plan, The Quarters Community Revitalization Plan Bylaw, Zoning Bylaw 12800, Downtown Area Redevelopment Plan, Capital City Downtown Community Revitalization Levy Plan Bylaw, Belvedere Area Redevelopment Plan, Belvedere Community Revitalization Levy Plan Bylaw, *Municipal Government Act*, Municipal Development Plan

Resources	2013	2014	Adjusted	2016	2017	2018
(\$000)	Actual	Actual	2015	Budget	Budget	Budget
			Budget			
Revenue & Transfers	-	\$88	-	-	-	-
Expenditures & Transfers	1,281	2,353	1,216	1,235	1,243	1,251
Subtotal	1,281	2,265	1,216	1,235	1,243	1,251
Intra-Municipal Recoveries	(49)	(103)	-	-	-	-
Net Operating Requirement	\$1,232	\$2,162	\$1,216	\$1,235	\$1,243	\$1,251
Full-Time Equivalents	6.0	5.0	5.0	5.0	5.0	5.0

2015 Services

- Developed an Urban Design Interface plan for 103A/104 Avenue between 95 Street and 112 Street in the Capital City Downtown Plan, The Quarters Downtown Plan, Civic Master Precinct Plan, and other adjacent Master Plans.
- Worked with ENMAX and EPCOR to complete a business case for a Downtown District Energy System.
- Implementation of catalyst projects in the Capital City Downtown Revitalization Levy Plan.
- Ensured licensed venues, through the Public Safety Compliance Team, know and comply with rules and standards to keep people safe.
- Prepared Purple Flag accreditation application (relates to safety, diversity, vibrancy of nightlife/hospitality) for 104 Street.

Changes in Services for 2016 - 2018

- Implementation of other Capital City Downtown catalyst projects: Downtown Stormwater Drainage Servicing, Green and Walkable Downtown - Arena Civic Interface, Warehouse Campus Neighbourhood Central Park Land Acquisition, design and construction of Alex Decoteau Park, Jasper Avenue New Vision.
- Implementation Phase II of The Quarters Downtown.

Branch - Real Estate, Housing and Economic Sustainability

Program - Civic Property Services
Title - Surplus Property Review

New or Enhanced Service
Funded
Ongoing

Results to be Achieved

Ongoing review of civic land inventory to ensure best management of City property assets. Surplus city land may be sold or developed if it provides a positive return on investment or meets important city-building objectives.

Description

This package requests 2 FTEs to provide capacity for ongoing review of the civic property inventory. This review process ensures land is being held for appropriate purposes and disposed of when no longer required. These FTEs would also support the review of civic property inventory that may be available for sale or development by Civic Property Services or the Municipal Development Corporation.

Justification

Dedicated resources for ongoing review of city land inventory are required to ensure responsible management of the City's significant land assets. Disposing of land that is surplus to municipal requirements is financially responsible and reduces costs associated with holding land that is no longer required or could be sold/developed for financial returns or city-building objectives. Development allows Administration to transform surplus land into new uses aligned with Council's strategic directions contained within "The Ways." Development allows new uses that increase housing choice, density and neighbourhood vitality in residential areas and increase employment and tax levy earning in commercial and industrial areas.

The \$216 required to fund the two FTEs in this package is provided by Land Enterprise. This increase has no net impact on tax levy.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	-	-	-	2.0	-	-	-	-	-	-	-	-
Total	-	-	-	2.0	-	-	-	-	-	-	-	-

Branch - Real Estate, Housing and Economic Sustainability

Program - Building and Land Management
Title - Edm Research Park - City Admin

Growth on Existing Service
Funded
Ongoing

Results to be Achieved

Provide professional leasing, property management, and facilities maintenance support for the Edmonton Research Park, under the new business model recommended for adoption. The FTEs and resources required will ensure that the vision for the Edmonton Research Park is achieved.

Description

The Edmonton Research Park has three multi-tenant buildings consisting of approximately 151,000 square feet and approximately 50 lease agreements. The City is working with EEDC to change the governance and business model of the Edmonton Research Park. Under the new model the City will assume building maintenance and leasing responsibilities surrounding the two City owned buildings and will maintain the third EEDC leased building under a contract with EEDC.

Property Management & Leasing - To provide leasing services one Property Manager and one Clerk will be required. These personnel will prepare and administer leases, collect rents, and perform operating cost recoveries and reconciliations, among other tasks.

Facilities Maintenance - To provide the necessary resources for ongoing building maintenance (operating) five new FTEs are required. These FTEs will perform facilities maintenance on a work order basis using preventative maintenance planning and corrective maintenance protocols.

Justification

Without this funding, the Administration will be unable to deliver on its responsibilities under the new business model recommended for the Edmonton Research Park.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$1,046	-	1,046	7.0	\$17	-	17	-	\$22	-	22	-
Total	\$1,046	-	1,046	7.0	\$17	-	17	-	\$22	-	22	-

Branch - Real Estate, Housing and Economic Sustainability

Program - Leasing & Property Management
Title - Building and Land Management

Growth on Existing Service
Funded
Ongoing

Results to be Achieved

This package will fund four new positions that will use best practices to achieve the following: increase capacity to manage existing and new leasing requirements; generate new revenue opportunities; improve business decisions, rationalize and save costs for the real estate portfolio; and centralize property management services.

Description

Civic Accommodation Planning: One FTE, beginning in 2017, will coordinate interdepartmental initiatives for integrated suburban sites and implement these requirements through long-term master planning that provides productivity efficiencies and cost savings. The Integrated Master Planning initiative supports long-term growth strategies for operations, development, planning, strategic land acquisitions, and the design of land and buildings.

Revenue Generation: One FTE, beginning in 2016, will maximize and create revenue generating opportunities including sales and leasing of underutilized real estate and exploring land administration processes for efficiencies.

Property Management & Leasing Services: One FTE is required, beginning in 2016, to assume the responsibilities of new leasing projects including the Arena District, ongoing LRT acquisitions and MacEwan University. This FTE will utilize approved technology enhancements to enable better informed decisions in relation to City assets. This new position will also allow for the centralization of property management services for the corporation's leased inventory.

Land Administration: One FTE is required, beginning in 2017, to maintain service to the public while meeting the increased demand of external and internal requests related to managing the City's extensive and increasing land inventory.

Justification

As City and land development increases, so does the need for Leasing and Property Management services. The FTEs in this service package are required to maintain current service levels under increased demands for new leasing projects, public service requirements, and land registration, transfers and sales. Workload in this area has increased by 25 percent in the last three years and is expected to increase further with LRT expansion and future annexation work as more developable land enters the City of Edmonton boundaries. If unfunded, the City and the private development industry's ability to register, transfer or sell land may experience costly delays due to high work volume.

Additionally, these FTEs will achieve cost savings and increase efficiencies and generate new revenue streams. Centralization of this work will also reduce the corporation's risk and increase revenue.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$234	-	234	2.0	\$202	103	99	2.0	\$15	25	(10)	-
Total	\$234	-	234	2.0	\$202	103	99	2.0	\$15	25	(10)	-

Branch - Real Estate, Housing and Economic Sustainability

Program - Economic Sustainability
Title - Northern and Industrial Programs

Growth on Existing Service
Funded
Ongoing

Results to be Achieved

Funding to meet the City's good faith commitment to the founding members of Edmonton's Northern Circumpolar Secretariat.

Description

Funding will allow for Edmonton's ongoing involvement in a Northern Circumpolar Secretariat, a collaboration between Administration, Edmonton Economic Development, the Edmonton Chamber of Commerce, Edmonton Regional Airports Authority, and the University of Alberta. The Secretariat promotes Edmonton as a critical economic, social, and cultural hub for the North by fulfilling its Mandate in four areas of interest: (1) Target Sector Growth, (2) Business and Policy Advocacy, (3) Political and Community Development, and (4) Research and Education.

Justification

The City's commitment to a new Northern Circumpolar Secretariat has been funded for 2015, and a portion of the City's first financial contribution to the Secretariat will fund operations into 2016. Additional funding for 2016-2018 is required to meet the City's good faith commitment to the founding members of the Secretariat. Ongoing participation in the Secretariat is critical to sustaining productive relationships with key stakeholders, will facilitate effective coordination and resource sharing between the founding members, and ensure the advancement of Edmonton's interests in the North.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$100	-	100	-	-	-	-	-	-	-	-	-
Total	\$100	-	100	-	-	-	-	-	-	-	-	-

Branch - Real Estate, Housing and Economic Sustainability

Program - Economic Sustainability Title - Ec Sustainability - BRZ Operational Model Optimization	New or Enhanced Service Funded Ongoing
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Results to be Achieved

A new FTE will allow for a resource to be dedicated to Business Revitalization Zone (BRZ) support activities in managing the array of new and rehabilitation-oriented capital project work and ongoing delivery of roadway public realm and parking related services for the Zones.

Description

A new cross-functional model for monitoring and responding to Business Revitalization issues, including an interdepartmental Branch Managers' Service Delivery Team, is improving the City's ability to timely and effectively resolve issues facing the city's Business Revitalization Zones. This service package requests one permanent FTE within the Transportation Operations Branch to manage capital project work and enhanced maintenance services executed under the new model, including all streetscaping, parking, and lighting activities related to Business Revitalization Zones.

This position will:

Address the Business Revitalization Zones' increased business needs and service level requirements
Work with the Zones to develop sustainable capital and maintenance programs and activities to create vibrant and prosperous commercial neighbourhoods
Improve communication between the Zones and municipal staff to effectively coordinate resources and staff in responding to Business Revitalization Zone needs and special requests
Work across the corporation to ensure the Zones are maintained to a standard commensurate with their high profile as commercial and tourism destinations
Work collaboratively with Business Revitalization Zones to implement innovative service delivery pilot projects.

Justification

A dedicated position is necessary to effectively advance a new cross-functional model, designed to more effectively meet the needs of Edmonton's Business Revitalization Zones by coordinating capital project work and enhanced maintenance services in these Zones. Not funding this position jeopardizes the success of the new cross-functional model for monitoring and responding to Business Revitalization Zone issues and increases the risk that services related to these Zones will not be delivered to a level that meets their needs and expectations.

The volume of capital and maintenance work being undertaken in Business Revitalization Zones has significantly increased, generating increased streetscaping, signage, and parking improvement projects from the local business community. The City has also seen an increase in the number of specialized requests to promote the vitality and competitiveness of these Zones. Currently any Business Revitalization Zone associated work is completed on a case-by-case basis by the relevant Transportation Services project manager or area specialist and is part of the various tasks associated with the completion of ongoing capital and operating programs and projects.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$165	-	165	1.0	-	-	-	-	-	-	-	-
Total	\$165	-	165	1.0	-	-	-	-	-	-	-	-

Branch - Real Estate, Housing and Economic Sustainability

Program - Economic Sustainability
Title - Ec Sustainability - Main Street and BRZ
Image and Reputation Initiative

New or Enhanced Service
Funded
Ongoing

Results to be Achieved

Funding will ensure that Edmonton's commercial-oriented streets are effectively maintained to a standard that upholds the image and reputation of Edmonton as a world-class mid-sized city.

Funding will also support enhanced maintenance and minor capital renewal in Business Revitalization Zones that are not supported by either the Main Street Image and Reputation Initiative or the Great Neighbourhoods Initiative. This will ensure equitable support to all of the city's Business Revitalization Zones.

Description

Whyte Avenue and 124 Street are significant assets to the city as hubs of commercial activity, social gathering places, and tourism destinations. The condition of these main streets, located in the Old Strathcona and 124 Street Business Revitalization Zones, directly affects the image and reputation of the city. As major destinations for local, national and international visitors, main street image and reputation funding is required to ensure these important streets are maintained to a standard commensurate with their visitation levels.

Funding will support an increased level of maintenance services, timely minor capital and aesthetic renewal, and small scale planning initiatives in Edmonton's destination commercial-oriented street areas, currently identified as Whyte Avenue and 124 Street.

Funding will enable the City to respond to emerging issues in a timely manner. A new Interdepartmental Service Delivery Team, in cooperation with the Business Revitalization Zones, will prioritize and oversee effective cross-functional support for increased maintenance and priority minor capital projects that are not scheduled within the multi-year operating or capital budgets. Funding is also requested for similar image and reputation work in six of the city's Business Revitalization Zones that are not able to access small scale funding through the main street or great neighbourhoods initiatives.

Projects may include remedial fixes to streetscape infrastructure (e.g. crumbling sidewalk patches), streetscape infrastructure beautification (parklets), parking studies, seasonal or event-specific service enhancements, etc.

Justification

The aesthetic appeal and level of maintenance on Whyte Avenue and 124 Street directly affect the experience of visitors to these main streets, our reputation as a city, and have a significant influence on the success of the goals outlined in Edmonton's Economic Development Strategy, The Way We Prosper. Current resources are not adequate to address issues identified as priority by Administration and the Business Revitalization Zones. Proactive and timely improvements are required to maintain these destinations to a standard commensurate with the exposure and usage each area receives.

incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$250	-	250	-	\$250	-	250	-	\$250	-	250	-
Total	\$250	-	250	-	\$250	-	250	-	\$250	-	250	-

Branch - Urban Planning and Environment

Introduction

Through leadership on *The Way We Grow* and *The Way We Green*, the Urban Planning and Environment Branch creates great places within the continuum of land-use and environmental planning that starts with pursuing long range city-building objectives and ends with day-to-day project and program implementation. The Branch is citizen-focused in its land-use and environmental planning at a regional, city-wide and area/issue specific scale. Examples of Branch commitments are regional planning and annexation, guiding and influencing the city's built form (such as award winning policy projects like "Designing New Neighbourhoods: Guidelines for Edmonton's Future Residential Communities" and "Edmonton's Infill Roadmap"), public realm and environmental resiliency, advancing infill development, promoting complete communities, and facilitating access to the river valley, natural areas and parkland.

The Branch influences and inspires long-term improvements through leadership, coordination, public engagement and effective implementation of *The Way We Grow* and *The Way We Green*. The Branch's work supports Council's 10-year goals by delivering land-use and environmental policy, plans, guidelines and programs (such as the award winning Wildlife Passages); undertaking urban design projects and reviews (such as the award winning Neon Sign Museum); evaluating and developing plans for parkland; coordinating capital projects for parkland and the river valley; and promoting biodiversity throughout the city.



CREATING GREAT PLACES

Branch - Urban Planning and Environment

Urban Planning and Environment endeavours to anticipate changes in the environment in which it exists and has identified the following emerging issues: growth pressures on park development, environmental concerns and energy trends, impacts of new technologies on business processes, reduced funding from other orders of government, impact of oil price on local markets.

Positive Change - Innovation and Continuous Improvement

The Branch is planning the following Positive Change Initiatives:

1. **PROCESS - Land Development Application Coordination**
In 2014, the Branch undertook a process review of the internal land development application (LDA) review process and generated six core process recommendations. Efficiency gains through implementation of the recommendations will improve the timeliness and quality of branch responses in support of Current Planning's circulation process.
2. **PROCESS - Scoping for process establishment within Parks + Biodiversity:**
 - a. Creation of a process for integration of various business units' land development application review comments with consideration for current practices
 - b. Creation of a process for all River Valley Bylaw applications including POSSE enhancements
3. **TECHNOLOGY - Geospatial Information System enhancements, rich data analysis and training.**
The ability to access and interpret 3D data (LiDAR) will enhance decision making as well as improve information sharing.
4. **PROCESS - Stewarding Great Neighborhoods**
Stewarding Great Neighbourhoods is a prototype for a new collective knowledge system that will look at groupings or clusters of neighbourhoods, integrating Corporate and external agency knowledge about key indicators, metrics and existing projects, investments and commitments. The collaborative program will use a SWOT (Strength, Weakness, Opportunity, Threat) approach to identify new Corporate insights and opportunities. This collective intelligence will result in improved decision making.
5. **PROCESS - Street Typology Design Manual for Downtown**
Administration is recognizing the interface between design, operations and maintenance in the public realm and the financial implications of various design decisions. To take an integrated approach, Urban Planning and Environment sees an opportunity to establish a Street Typology Design Manual for downtown streets in partnership with Transportation Services and Downtown Implementation Teams. This approach would be proactive in nature to establish conceptual streetscape and furnishing norms for target areas.
6. **INFORMATION - Enhanced Data Stewardship**
An opportunity exists to create a data warehouse to ensure the most efficient and effective use of the Branch's data. A data warehouse would create a central repository and will ensure that staff is accessing the most current information and efforts are streamlined. The centralization would also improve accessibility as well as enhance our spatial forecasting and data analytics capabilities. Through this effort, decision making is done with the best possible information, is consistently applied across work units, and is more readily transferable across the organization to meet a broad diversity of needs.

Branch - Urban Planning and Environment

Approved 2016-2018 Budget - Branch Summary

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
User Fees, Fines, Permits, etc.	2,383	13,514 ⁽¹⁾	5,923	4,323	7,723	8,223
Grants	32	27	8	20	-	-
Transfer from Reserves	342	777	2,136	3,313	1,547	1,208
Total Revenue & Transfers	\$2,757	\$14,318	\$8,067	\$7,656	\$9,270	\$9,431
Expenditure & Transfers						
Land Use and Environmental Policy	6,968	9,549	7,596	9,959	13,262	13,479
Parks Planning and Biodiversity	6,663	17,741	11,614	10,582	13,755	13,610
Urban Design and Area Planning	4,638	4,748	7,298	8,536	6,436	7,117
Total Expenditure & Transfers	\$18,269	\$32,038	\$26,508	\$29,077	\$33,453	\$34,206
Net Operating Requirement	\$15,512	\$17,720	\$18,441	\$21,421	\$24,183	\$24,775
Full-time Equivalents	115.0	118.0	127.0	133.0	135.0	132.0

⁽¹⁾ 2014 revenue spike due to unusually high collection of Municipal Reserves primarily driven by recent development trends

Branch - Urban Planning and Environment

Approved 2016-2018 Budget - Branch Summary by Cost Category

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
User Fees, Fines, Permits, etc.	2,383	13,514 ⁽¹⁾	5,923	4,323	7,723	8,223
Grants	32	27	8	20	-	-
Transfer from Reserves	342	777	2,136	3,313	1,547	1,208
Total Revenue & Transfers	\$2,757	\$14,318	\$8,067	\$7,656	\$9,270	\$9,431
Expenditure & Transfers						
Personnel	12,779	12,710	14,625	15,125	15,829	15,960
Materials, Goods, and Supplies	343	537	322	332	335	335
External Services	4,541	2,908	4,511	6,117	5,565	4,472
Fleet Services	5	1	4	2	6	10
Intra-municipal Charges	486	729	232	118	113	113
Utilities & Other Charges	1,714	4,870	5,166	6,877	6,158	7,300
Transfer to Reserves	3,712	14,146	6,500	5,132	9,249	9,579
Subtotal	23,580	35,901	31,360	33,703	37,255	37,769
Intra-municipal Recoveries	(5,311)	(3,863)	(4,852)	(4,626)	(3,802)	(3,563)
Total Expenditure & Transfers	\$18,269	\$32,038	\$26,508	\$29,077	\$33,453	\$34,206
Net Operating Requirement	\$15,512	\$17,720	\$18,441	\$21,421	\$24,183	\$24,775
Full-time Equivalents	115.0	118.0	127.0	133.0	135.0	132.0

⁽¹⁾ 2014 revenue spike due to unusually high collection of Municipal Reserves primarily driven by recent development trends

Branch - Urban Planning and Environment

Budget Changes for 2016-2018

(\$000)

Revenue & Transfers - Changes

User Fees, Fines, Permits, etc.

The forecasted Municipal Reserve (MR) collections are based on a combination of recent development trends and historical collection data. Any changes in MR collections are entirely offset in Transfer to Reserves.

Grants

The \$12 increase in Grants in 2016 is related to a one-time \$20 increase in Provincial grant for the Heritage Reserve, offset by \$8 reduction in Young Canada Works grant.

Transfer from Reserves

The 2016 \$1,177 increase in Transfer from Reserves is composed of an increase of \$1,199 to fund the Heritage Grants program and a reduction of \$22 in transfer from the Natural Areas Reserve due to lower than expected debt payments. 2017 and 2018 changes are mostly related to Heritage Grant payments and are entirely offset by heritage grant expenditures shown under Utilities and Other Charges. The amount of Heritage Grant awards depends on the timing of commitments to fund designated heritage buildings.

Expenditures & Transfers - Changes

Personnel

Business process improvements result in reduction in non-permanent personnel of (\$120) in 2016. Movement toward job rate, changes in benefits and approved cost of living adjustment increase personnel by \$273 in 2017. Completion of Parks and Open Space Master Plan results in personnel cost decrease of (\$21) in 2018. There's also an additional 10.0 FTE increase related to service packages (Implementing Edmonton's Community Energy Transition Strategy, Corporate Environmental Targets, Southwest Ribbon of Green, Stewarding Great Neighbourhoods) increases costs by \$621, \$429, \$154 for 2016 to 2018 respectively.

Materials, Goods, and Supplies

An increase of \$10 in 2016 and increase of \$3 in 2017 are related to computer cost increase.

External Services

In 2016 an increase of \$1,606 is related to service packages (Parks and Open Space Master Plan, Nodes and Corridors projects, Southwest Ribbon of Green, Mill Creek Daylighting, Corporate Environmental Targets, Implementing Edmonton's Community Energy Transition Strategy, and River Crossing). In 2017 a decrease of (\$845) is due to winding down of 109 Street and the Parks and Open Space projects, a decrease of (\$250) related to discontinuance of one-time funding for Mill Creek Daylighting service package, offset by an increase of \$543 related to remaining service packages. In 2018 a decrease of (\$300) is due to the completion of Parks and Open Space project, a decrease of (\$283) is related to other cost reductions, and (\$510) decrease is related to funding reduction for service packages (Southwest Ribbon of Green: (\$54), Corporate Environmental Targets: (\$230), Implementing Edmonton's Community Energy Transition Strategy: (\$101), and River Crossing: (125)).

Intra-municipal Charges

Minor changes to bring budget in line with historical results.

Utilities & Other Charges

Changes of \$1,199 in additional funding in 2016, reduction of (\$1,766) in 2017, and an increase of \$460 in 2018 are due to Heritage Program payments which are entirely offset in Transfer from Reserves. The remaining difference over the three years is mainly due to two service packages (Implementing Edmonton's Community Energy Transition Strategy (increase of \$432 in 2016, \$472 in 2017), and Corporate Environmental Targets (increase of \$86 in 2016, \$529 in 2017, and \$645 in 2018) as well as minor changes to bring budget in line with historical results.

Branch - Urban Planning and Environment

Transfer to Reserves

Movement in Transfer to Reserves is primarily due to estimated MR collections.

Intra-municipal Recoveries

2017 and 2018 reduction is due to lower recoveries from Current Planning Branch caused by reduction in estimated planning review work as well as reduction in cost recovery from capital projects nearing completion.

Full-Time Equivalents - Changes

The change in full-time equivalents is due to the completion of two service program initiatives (Open Space Master Plan and 109 Streetscape Design Concept) and newly approved service packages:

1. In 2016 there is a net increase of 6.0 FTEs from three service packages (Implementing Edmonton's Community Energy Transition Strategy adds 3.0 FTEs, Corporate Environmental Targets adds 2.0 FTEs, and Southwest Ribbon of Green adds 1.0 FTE).
2. In 2017 there is a net increase of 2.0 FTEs from three service packages (Corporate Environmental Targets adds 1.0 FTE, Stewarding Great Neighbourhoods adds 2.0 FTEs, the completion of 109 Street Streetscape Design Concept in 2016 decreases 1.0 FTE).
3. In 2018 there is a net decrease of 3.0 FTEs from two service packages (completion of Parks and Open Space Master Plan in 2017 decreases 4.0 FTEs, Corporate Environmental Targets adds 1.0 FTE).

Branch - Urban Planning and Environment

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Land Use and Environmental Policy

Results to be Achieved

Through implementation of *The Way We Grow* and *Green*, advance towards a sustainable urban form, integrate land-use and transportation systems, promote healthy, livable communities, manage the city's resource base, and support the city's economy; and promote/support a healthy ecosystem, connections with nature and overall resilience and sustainability.

Cost Drivers

- Complex regional collaboration issues
- Cost and scale of growth pressures (up, in and out)
- Increased public engagement

Policy and/or Legislation

Municipal Government Act (2000), The Way We Grow (2010), The Way We Green (2011), Edmonton's Environmental Policy (C512), Brownfield Remediation and Redevelopment Support (C571), Public Involvement (C513), Green Building (C567), Residential Infill In Mature Neighbourhoods (C551), Oil and Gas Facilities (C515).

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	\$1	\$3	-	-	-	-
Expenditures & Transfers	10,584	13,292	11,783	14,050	16,572	16,865
Subtotal	10,583	13,289	11,783	14,050	16,572	16,865
Intra-Municipal Recoveries	(3,616)	(3,743)	(4,187)	(4,091)	(3,310)	(3,386)
Net Operating Requirement	\$6,967	\$9,546	\$7,596	\$9,959	13,262	\$13,479
Full-Time Equivalents	60.8	63.8	67.8	72.8	73.8	74.8

2015 Services

- Completion of: 2014 City Planning Annual Report; 2014 Annual Growth Monitoring Report; Edmonton's Community Energy Transition Strategy and Policy; 4 internal audits of registered ISO 14001 branches; Edmonton's 2014 Report on the Environment; Edmonton's Green Living Guide; Sustainability Scholars Pilot.
- Ongoing Implementation of: Regional and Intermunicipal Collaboration; Edmonton's Infill Roadmap; fresh, Edmonton's Food and Urban Agriculture Strategy; Growth Coordination Strategy; Energy Use in Buildings Initiatives.

Changes in Services for 2016 - 2018

- Increased focus on previous commitments: Nodes and Corridors; Regional collaboration including planning studies with Leduc County, Strathcona County, Parkland County and Capital Region Board; Evolving Infill implementation; fresh implementation; CITYlab implementation; Growth Coordination Strategy implementation; Population and Employment Forecasting.

Branch - Urban Planning and Environment

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Parks Planning and Biodiversity

Results to be Achieved

Acquire and develop programmable parks and preserve/conservate natural areas to ensure a diverse range of recreational, social, and environmental and educational opportunities for the citizens of Edmonton.

Cost Drivers

- Volume of land development applications
- Cost and scale of growth pressures (up, in and out)
- Increase of public engagement
- Land values

Policy and/or Legislation

Municipal Government Act (2000), Water Act (1999), Alberta's Wetland Policy (2014), The Way We Grow (2010), The Way We Green (2011), The Way We Live (2010), Brownfield Remediation and Redevelopment Support (C571), Creation and Transfer of School Sites to School Boards (C454), Natural Area Systems (C531), Joint Use of Parks and Schools (C109).

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	\$2,711	\$13,976	\$7,059	\$5,438	\$8,838	\$9,338
Expenditures & Transfers	6,663	17,784	11,698	10,666	13,839	13,694
Subtotal	3,952	3,808	4,639	5,228	5,001	4,356
Intra-Municipal Recoveries	-	(43)	(84)	(84)	(84)	(84)
Net Operating Requirement	\$3,952	\$3,765	\$4,555	\$5,144	\$4,917	\$4,272
Full-Time Equivalents	27.5	27.5	30.5	31.5	31.5	27.5

2015 Services

- Conducted over 600 land development reviews and 120 associated technical document reviews.
- Advanced: Ecological Mapping Initiatives; Integrated Wetland Initiative; Implementation of city-wide Natural Area Management Plan; Reserve Management Strategy; city-wide park acquisition and development program; Open Space Master Plan; Southwest Ribbon of Green; Shared Park Development Program; trained 25 Master Naturalists; North Saskatchewan River Valley Bylaw update; acquired over 23 ha of park space and 5.5 ha of natural areas; 11 park sites advanced through Shared Park Development Program.

Changes in Services for 2016 - 2018

- Increase focus on previous commitments, such as: Open Space Master Plan; Shared Park Development Program; Joint Use Agreement project work; surplus school site parkland acquisition.

Branch - Urban Planning and Environment

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Urban Design and Area Planning

Results to be Achieved

An attractive, compact, efficiently-designed city comprised of complete neighbourhoods with a range of housing choices and amenities and functional non-residential areas, all with good-quality public realm.

Cost Drivers

- Volume of land development applications
- Cost and scale of growth pressures (up, in and out)
- Increase of public engagement

Policy and/or Legislation

Municipal Government Act (2000), The Way We Grow (2010), The Way We Move (2009), The Way We Green (2011), The Way We Live (2010), Transit Oriented Development (C565), Public Involvement (C513), Policy to Encourage the Designation and Rehabilitation of Municipal Historic Resources in Edmonton (C450B), Residential Infill In Mature Neighbourhoods (C551), Designing New Neighbourhoods Policy (C572), Percent for Art (C458C).

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	\$45	\$339	\$1,008	\$2,218	\$432	\$93
Expenditures & Transfers	6,333	4,825	7,779	8,987	6,844	7,211
Subtotal	6,288	4,486	6,771	6,769	6,412	7,118
Intra-Municipal Recoveries	(1,695)	(77)	(481)	(451)	(408)	(94)
Net Operating Requirement	\$4,593	\$4,409	\$6,290	\$6,318	\$6,004	\$7,024
Full-Time Equivalents	26.7	26.7	28.7	28.7	29.7	29.7

2015 Services

- Completed: Jasper Place Area Redevelopment Plan; 104 Avenue Area Redevelopment Plan; New Urban Design Framework; seven (7) municipal historic designations and \$1.3 million in incentives; Calder historic resources inventory; River Crossing Vision (endorsed by City Council); River Valley Mechanized Access Concept Engineering Report.
- Advanced projects such as: Transit Oriented Development Implementation Strategy; River Valley Alliance Capital Project implementation, including: Terwilligar Park Footbridge and West End Trails, East End Trails, Boat Docks and Launches, and initiated River Valley Mechanized Access Preliminary Design; Church Street Heritage District Project.
- Initiated: River Crossing Historic Interpretive Plan; Glenora historic resources inventory; Touch the Water Promenade.

Changes in Services for 2016 - 2018

- Increased focus on previous commitments: Nodes and Corridors including communication campaign, Stadium Station ARP, Bonnie Doon Station ARP; Chinatown Plan; New Urban Design Framework Implementation; 109 Street Concept Design; Street Typology Design manual; Jasper Avenue West Concept Design; 2017 Urban Design Awards; River Valley Alliance Plan of Action Implementation; Refresh of Historic Resource Management Plan.

Branch - Urban Planning and Environment

Program - Land Use and Environmental Policy
Title - Corporate Environmental Targets

The Way Ahead Implementation Plan
Funded
On-going

Results to be Achieved

This service package contributes to three corporate targets associated with two outcomes (the City of Edmonton's operations are environmentally sustainable and Edmonton is an environmentally sustainable and resilient city) and achieves reduction of over 285,000 tonnes of greenhouse gas (GHG) emissions. Funding will be disbursed among four branches to deliver on six initiatives/service areas that support *The Way We Green* goals and objectives, and that include:

- (1) Climate Adaptation Strategy (Urban Planning and Environment (UPE)) - will recommend actions to adapt and to protect Edmonton and its residents and infrastructure from the risks associated with climate change.
- (2) Energy Conservation and Efficiency Initiatives in City Facilities (Facilities and Landscape Infrastructure (FLI)) - will implement energy transition strategy initiatives for City buildings/operations.
- (3) Environmental Reviews (Transportation Operations) - will improve capacity to manage projects (on behalf of other departments) in the River Valley or in proximity to wetlands, creeks and natural water bodies.
- (4) Envisio 14001 Maintenance/Expansion (UPE) - will maintain ISO 14001 certification for 12 branches relative to the updated international standard and establish certification for an additional 4 high risk branches.
- (5) LRT - ETS Environmental Programs and Plans (Edmonton Transit) - will conduct environmental site assessments (ESAs), purchase energy offset credits (transit only), and develop a Transit Greenhouse Gas Inventory, and conduct Greenhouse Gas Reduction Studies and develop a Greenhouse Gas Reduction Plan.
- (6) Purchase of Green Power for City Operations (UPE) - purchase green power (excluding transit) to achieve 2014 Council-approved target to reduce greenhouse gas emissions from operations by 42% below 2008 levels by 2018.

Description

Between 2016-18 funding will resource:

- (1) \$717; One Environmental Engineer II, consulting for risk assessments and climate adaptation expertise.
- (2) \$1,508; Energy Data Analyst, Business Analyst Technical and Report Writer, 2 Energy Project Engineers.
- (3) \$0; one Environmental Scientist (\$154) with no tax levy impact due to cost recovery via internal charges.
- (4) \$1,353; Three Environmental Managers for remaining non-certified high risk branches (FLI, Corporate Procurement and Supply Service, UPE and Real Estate Housing and Economic Sustainability); funding for third-party audits; consultants for implementation of new ISO standard and adaptation of existing systems.
- (5) \$225; Funding to conduct ESAs, purchase energy offset credits (transit only), and develop Transit Greenhouse Gas (GHG) Inventory, Reduction Studies and Gas Reduction Plan.
- (6) \$1,947; Replace high carbon electricity from the Alberta Power Grid with local low carbon green power.

Justification

If this service package is not funded, corporate targets for measures 8.1, 9.1, 9.2 and possibly 8.2 will not be met. Specifically, risks of not funding these initiatives include:

- (1) Without a climate adaptation strategy, Edmonton may be unprepared to respond to future severe climate/weather related events.
- (2) City facilities will not fully contribute to energy transition initiatives proposed in the Energy Transition Strategy.
- (3) Delays in initiating construction projects related to the river valley, wetlands and other natural water bodies.
- (4) Four high risk Branches will remain uncertified (contrary to City Policy) and the City will risk fines up to \$1M for non-compliance with updated standards.
- (5) Transit specific contributions to meet The Way We Green objectives will not be met.
- (6) City operations GHG reduction targets (see Results to be Achieved section) will not be met.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$1,000	-	1,000	4.0	\$1,000	-	1,000	2.0	\$750	-	750	4.0
Total	\$2,338	-	2,338	6.0	\$688	-	668	3.0	\$308	-	308	1.0

Funding for item 2, 3, and 5 has been distributed to Facility Landscape Infrastructure Branch, Transportation Planning Branch, and Edmonton Transit Branch respectively.

Branch - Urban Planning and Environment

Program - Land Use and Environmental Policy
Title - Implementing Edmonton's Community
Energy Transition Strategy

The Way Ahead Implementation Plan
Funded
On-going

Results to be Achieved

Funding will implement Edmonton's Community Energy Transition Strategy to support The Way We Green Goals to minimize energy consumption in Edmonton's built environment, be resilient to potential disturbances in its energy supply and distribution, become carbon neutral, and be resilient to climate change. Further the Strategy supports the corporate outcome "Edmonton is an environmentally sustainable and resilient city" and specifically addresses the corporate measure to reduce greenhouse gas emissions from both City operations and the community. Implementation of the Strategy will advance Edmonton to be an energy sustainable city, reduce greenhouse gas emissions, lower per capita energy use and generate more local electricity.

Description

Edmonton's Community Energy Transition Strategy contains an Eight-Year Action plan that focuses on seven opportunity areas and more than 150 tactics. While many of the tactics will be undertaken with existing resources, new funding is needed for others. Funding will resource:

- two (2) permanent positions (2 FTEs) to manage projects to improve energy efficiency in buildings, increase the uptake of renewable energy, and pursue opportunities for district energy and combined heat and power systems;
- one (1) permanent Communications Officer (1 FTE) to support related communications needs; and
- a green building communications campaign, a residential building energy labelling program, an Edmonton-wide district energy study, a renewable energy pilot project, and incentives.

Work undertaken in 2016 and 2017 will lead to three community scale programs in 2018 including: (1) retrofit of existing homes program, (2) uptake of renewable energy and (3) energy efficiency in large buildings.

Justification

Implementation of this strategy protects the city from the following significant risks: (1) future high prices and economic disruptions associated with a carbon and energy constrained world, (2) poor air quality caused by fossil fuel combustion, and (3) disruptions to Edmonton's social, economic and environmental systems caused by climate change. Council has endorsed implementation of the Strategy as one of 23 priority actions to transform the city and accordingly approved City Policy C585 - Edmonton's Community Energy Transition Strategy on August 17, 2015.

If funding is not provided, the strategy will not be implemented, corporate measure 9.1 will not be met, and Edmonton will not deliver on its aspiration to become an environmentally sustainable and resilient city and will not support its image and reputation as an environmental leader.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$1,304	-	1,304	3.0	\$750	-	750	-	(\$97)	-	(97)	-
Total	\$1,304	-	1,304	3.0	\$750	-	750	-	(\$97)	-	(97)	-

Branch - Urban Planning and Environment

Program - Parks Planning and Biodiversity
Title - Mill Creek Daylighting

New or Enhanced Service
Funded
One-Time

Results to be Achieved

Funding will assess the feasibility of and costs to reestablish (daylighting) a surface watercourse in the historic alignment of Mill Creek between 75 Street and the North Saskatchewan River Valley. The assessment will evaluate constraints, refine cost estimates, and provide some preliminary engineering design to support daylighting Mill Creek. Depending upon the scale of restoration, daylighting Mill Creek will provide a variety of benefits including flood attenuation, reduction of flow volumes and downstream erosion, water quality improvements, hydrological and ecological connectivity as well as community revitalization, increased property values (and assessments) and enhanced recreational opportunities. Better understanding the feasibility of different scales of daylighting Mill Creek will enable City Council to decide whether to abandon or pursue one of several options, each with associated future capital and operating funding implications.

This initiative supports corporate outcomes “Edmonton is an environmentally sustainable and resilient city” and “The City of Edmonton has sustainable and accessible infrastructure”; and also supports several *The Way We Grow* and *Green* objectives relating to protecting, preserving and enhancing the River Valley and Ravine System and Edmonton’s ecological network.

Description

Funding will resource external consulting services to prepare a feasibility assessment including:

- confirmation of the original creek alignment;
- geotechnical and soil contamination review and assessment;
- roadway and utility modifications assessment;
- outline engineering solutions to address utilities, roads and bridge modifications;
- a fisheries assessment;
- a profile of the creek; and
- preliminary engineering design for daylighting.

Justification

There is interest from some members of the public, and the Alberta and Federal Governments to improve the ecological function and connectivity of Mill Creek. The assessment will inform the feasibility of daylighting of Mill Creek and provide better information and justification of next steps, which may be to advance some level of restoration, or to delay/abandon restoration. The above is aligned with Executive Committee’s August 18, 2015 direction to Administration to refine the potential costs of a feasibility assessment based on potential partnership funding by other levels of government.

If funding is not provided, then the feasibility study will not be completed and the potential opportunity to capitalize on the 2016-2017 LRT construction work taking place in the same location and potential synergies from integrating the two projects will be lost.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$250	-	250	-	(\$250)	-	(250)	-	-	-	-	-
Total	\$250	-	250	-	(\$250)	-	(250)	-	-	-	-	-

Branch - Urban Planning and Environment

Program - Parks Planning and Biodiversity
Title - Southwest Ribbon of Green

New or Enhanced Service
Funded
On-going

Results to be Achieved

Funding will support the development of a high level master plan for the southwest Edmonton portions of the North Saskatchewan River Valley and Ravine System, identified in the Ribbon of Green Master Plan (1992), as Priority 3 area. Endorsed by Council in 1992, the Ribbon of Green Master Plan protects the river valley for future generations of Edmontonians by ensuring public access to the river valley. The Southwest Priority 3 areas extend from Sir Wilfrid Laurier Park to the southwest limits of the city. The creation of a plan will develop a vision for an integrated open space network that will inform the planning of adjacent neighbourhoods to provide improved river valley access, ecological connections, and sustainable ecosystems.

The master plan supports The Way We Grow and Green objectives to protect, preserve and improve access to the River Valley and Ravine system, and the corporate outcomes "The City of Edmonton has sustainable and accessible infrastructure", "Edmontonians use facilities and services that promote healthy living" and "Edmonton is an environmentally sustainable and resilient city."

Description

Funding is to resource one (1) 3-year temporary full time planner position and external consulting services to support the development of an updated master plan for the southwest portion of the North Saskatchewan River Valley and Ravine System. Development of the Plan will include public engagement, a biophysical inventory, ecological sensitivity mapping, traffic impact analysis, land ownership analysis, and cost estimates for acquisition, restoration, and servicing/infrastructure.

Justification

The North Saskatchewan River Valley is the capital region's greatest natural asset and one of the City's most significant contributors to the quality of life for its citizens. The City continues to grow and develop to its outer boundaries without appropriate strategic direction for the preservation, conservation, and development of the river valley and ravine system in the Priority 3 area. This service package will provide Administration with the strategic direction to make informed decisions for developing neighbourhoods adjacent to the river valley including compatible land uses, public access, and infrastructure requirements. The preservation and enhancement of Edmonton's natural areas including the river valley and ravine system is guided by *The Way We Grow* and *The Way We Green*, and without additional planning, the City of Edmonton risks losing potential opportunities to create a lasting legacy for future generations.

On June 30, 2015, Committee directed that Administration bring forward a service package to develop a vision for the remaining Southwest Priority 3 areas as the adjacent neighbourhoods are proceeding with planning and development independent of a river valley plan.

If this service package is not funded, Administration will not undertake development of the Master Plan and subsequent decisions will not be strategic to ensure alignment of the road and trail network.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$200	-	200	1.0	\$50	-	50	-	(\$50)	-	(50)	-
Total	\$200	-	200	1.0	\$50	-	50	-	(\$50)	-	(50)	-

Branch - Urban Planning and Environment

Program - Urban Design and Area Planning
Title - Rehabilitation of Molson Brewery

New or Enhanced Service
Funded
On-going

Results to be Achieved

Funding will support the rehabilitation of the Edmonton Brewing and Malting Company Ltd. Building (formerly known as the Molson Brewery) as part of its designation as a Municipal Historic Resource. This aligns with The Way We Grow objective to encourage a sense of local identity and create connections to the city's cultural and historic roots through the conservation and preservation of significant structure and buildings and supports the corporate outcome "Edmonton is attractive and compact". The rehabilitation of the building will contribute to the protection of Edmonton's heritage, and will assist in the redevelopment of the former Molson Brewery site.

Description

Funding will provide a grant of up to \$4,175,500, being 50% of the estimated restoration of the historic Molson's Brewery at \$8,350,999. The grant will be paid out over a maximum of 10 years, up to \$417,550 per year. The Heritage Reserve will absorb the first two payments of \$417,550 each to the Molson's Brewery building owner for years 2016 and 2017. Starting in 2018, \$800,000 of approved new funding will start flowing to the Heritage Reserve, \$417,550 of which will be paid out to the Molson's Brewery building owner over eight years, in accordance with the conditions of a Rehabilitation Incentive and Maintenance Agreement and as part of the designation of the structure. The balance will top up the Heritage Reserve over the period of ten years (2018 – 2027). Starting in year eleven (2028), the funding amount flowing to the Heritage Reserve will be reduced to \$400,000 per year on an on-going basis. No FTEs are required as part of this service package

Justification

The Molson Brewery structure is on the Inventory of Historic Resources in Edmonton, and merits designation as a Municipal Historic Resource. Funding this designation through the Heritage Reserve would result in oversubscription until 2018, and significantly reduce the ability to advance/secure other designations. The option of using tax increment financing was also explored but not preferred by Administration due to the risk associated with reliance upon increased tax assessment to fund the rehabilitation grant. The rehabilitation of the building will assist in the overall redevelopment of the former Molson Brewery site as supported by the 104 Avenue Corridor Area Redevelopment Plan.

If this service package is not funded, the owner will likely not designate the building, and not rehabilitate the structure for adaptive re-use, which could compromise the future of the building and the success of the overall redevelopment project. This could result in the loss of one of Edmonton's most renowned historic buildings, as it will be more cost-effective for the building owner to completely demolish. As one of only two pre-1914 historic brewery buildings in Edmonton, the Molson Brewery building is to be a cornerstone of the Brewery District redevelopment project.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	-	-	-	-	-	-	-	-	\$800	-	800	-
Total	-	-	-	-	-	-	-	-	\$800	-	800	-

Branch - Urban Planning and Environment

Program - Urban Design and Area Planning
Title - River Crossing

The Way Ahead Implementation Plan
Funded
On-going

Results to be Achieved

Funding will support development of a business case for River Crossing, incorporating input from private sector experts, government, utility providers, community champions, interest groups and external stakeholders. River Crossing is a large scale transformational project which aims to create a landmark destination precinct in the river valley. It includes high visibility initiatives such as implementation of the West Rosedale Urban Design Plan, integration of Walterdale Bridge and the "Touch the Water" promenade, and coordination of the re-purposing of the Rosedale Generating Station. Benefits of realizing the River Crossing vision include the creation of a vibrant neighborhood, a year-round landmark destination, a signature entryway to Downtown, and a link between Downtown and the riverfront, while increasing property values/assessments in the area.

Implementation of the River Crossing initiatives support The Way We Grow objectives to embrace high quality urban design, encourage a sense of local identity and create connections to the city's cultural and historical roots through the conservation of significant structures, buildings, districts, landscapes and archeological resources and the corporate outcomes "Edmonton is attractive and compact", "Edmontonians are connected to the city in which they live, work and play," and "Edmontonians use facilities and services that promote healthy living."

Description

This service package will fund the engagement of consultants to develop a business case which balances City objectives, market feasibility, and interests from stakeholders such as Technical Advisory Committee and Community Advisory Committee, special interest groups and the public.

Justification

River Crossing is a Corporate Leadership Team focus area. Council and many stakeholders have an interest in this neighbourhood reaching its maximum potential. Current interest from the development industry and present day market demands make this an ideal time to advance additional planning for the project prior to the next Capital Budget. Preparation of a business plan using objective third party specialized experts will inform future steps (e.g., amendments to the West Rosedale Urban Design Plan and Direct Control Zoning) intended to optimize the City's investment in the area.

Executive Committee directed Administration to prepare a service package to develop the River Crossing business plan via motion on June 30, 2015.

If funding is not provided, then work on a business case will either halt or work on other mature area planning will need to be delayed to shift resources to this effort. Without timely advancement of a business case, city building objectives may not be met and the maximum benefits of the many interrelated projects will not be realized.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$200	-	200	-	\$100	-	100	-	(\$125)	-	(125)	-
Total	\$200	-	200	-	\$100	-	100	-	(\$125)	-	(125)	-

Branch - Urban Planning and Environment

Program - Urban Design and Area Planning
Title - Stewarding Great Neighbourhoods

The Way Ahead Implementation Plan
Funded
On-going

Results to be Achieved

A partnership between the citizen-facing departments, the Stewarding Great Neighbourhoods initiative leverages existing resources to (1) centralize information via a neighbourhood-scale intelligence knowledge bank (2) create processes to support integrated decision-making related to neighbourhood-level program/project planning (3) provide neighbourhood-level intelligence to support budget decisions (4) capture future opportunities to leverage partnerships and (5) identify opportunities and gaps in advancing The Way Ahead at the neighbourhood level. Information retained in the intelligence knowledge bank will encompass hundreds of characteristics (data points) including numerous metrics, committed/planned projects and identified challenges, insights and opportunities. Centralizing information and the opportunity for enhanced coordination are expected to have far-reaching effects across the City. Numerous programs may experience efficiencies; cost savings are anticipated through reduced duplication of research, information-gathering, and future engagement. Shared intelligence will enable dozens of planning, infrastructure and service delivery projects and programs to leverage the centralized information to inform priorities, continuous improvement, and effective future community engagement.

Description

Funding is to resource two (2) temporary FTEs (planning technician, planner in Sustainable Development) and two permanent FTEs (analyst in Financial Services, Social Worker in Community Services). The team will (1) compile hundreds of neighborhood characteristics (data points), (2) conduct intelligence-gathering workshops with all departments and key partners, (3) synthesize neighbourhood characteristics and intelligence into a comprehensive intelligence knowledge bank. Permanent staff will (1) ensure that the intelligence knowledge bank provides decision-makers with recent information, (2) support integrated decision-making processes that connect program/project planning for four departments, (3) provide intelligence to support budget decisions, (4) capture future opportunities to leverage partnerships, (5) identify opportunities and gaps in advancing The Way Ahead at the neighbourhood level, and (6) perform engagement activities.

Justification

As the City continues to invest in over 200 mature and established neighbourhoods, shared intelligence to support more integrated 'one city' decision-making and enhanced growth coordination is an essential opportunity to advance The Way Ahead and the effective delivery of hundreds of programs affecting neighbourhoods. Currently limited ability exists for over 30 City areas to share information and coordinate decisions and activities. Lack of integration may limit program effectiveness, create budget inefficiency and threaten the image/reputation of the City as citizens experience disjointed planning, infrastructure, and service delivery. As the City grows, enhanced coordination and the opportunity for a more strategic viewpoint for mature/established neighbourhoods is essential. Various resourcing models were considered; because internal leadership and thorough knowledge of City budget, processes, and strategic priorities are required, external resources are not cost-effective or appropriate.

If funding is not provided, then work began in 2013 and continued in 2015 as proof of concept will not be completed as it applies to the entire city, and Administration's intelligence for integrated decision making and coordinated citizen-facing service delivery will not be as robust. Further, Administration ability to meet the objectives for Elevate, Edmonton's Infill Roadmap, and two *The Way Ahead Implementation Plan* initiatives: Great Neighbourhoods Implementation and Nodes and Corridors Planning will be impaired.

Incremental	2016				2017				2018			
(\$000)	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	-	-	-	-	\$186	-	186	2.0	\$7	-	7	-
Total	-	-	-	-	\$186	-	186	2.0	\$7	-	7	-

Blatchford Redevelopment Project



Introduction

Edmonton is in an enviable position. Our city has the opportunity to redevelop 217 hectares of land that is located just minutes away from downtown, and is next door to a rich array of infrastructure, schools, retail and services. The Blatchford redevelopment will transform the former City Centre Airport site into a walkable, transit-oriented, and sustainable community. With homes for all stages of life, a great city park and opportunities to shop, dine, and work, Blatchford will create a new urban experience for up to 30,000 residents.

Blatchford will be a leading, sustainable development that balances social, economic and ecological outcomes. Social sustainability includes health and well-being, liveability and community spirit. Ecological sustainability includes how we plan land use, energy, transportation, water, waste and urban ecology. Economic sustainability includes housing affordability, employment, economic vitality, infrastructure and net revenues for the City. The key to Blatchford's ability to change how we plan and build future communities is demonstrating that it is possible to achieve a balance between these three pillars of sustainability.

Blatchford contributes to all six strategic goals outlined in "The Way Ahead". For example, Blatchford will:

- **Transform Edmonton's Urban Form** by increasing density and promoting infill.
- **Shift Edmonton's Transportation Modes** by building the community to move people using active modes of transportation (walking, cycling) and public transit instead of through private vehicle.
- **Preserve and Sustain Edmonton's Environment** by reducing the ecological footprint of the community and its residents.
- **Improve Edmonton's Livability** by encouraging residents to live active and healthy lifestyles.
- **Ensure Edmonton's Financial Sustainability** by balancing revenues and costs of the development.
- **Diversify Edmonton's Economy** by promoting the growth of a vibrant, livable city and providing a dynamic environment that encourages innovation.

The Blatchford redevelopment office was established in 2009 to achieve City Council's vision for the community. The office is comprised of expertise in land development, real estate, investment, commercial/residential development, marketing/communications, engineering, and municipal processes. The office maintains relationships with the surrounding Community Leagues, Business Associations, and major employers through a Stakeholder Committee. A Blatchford Redevelopment Advisory Group, consisting of industry professionals and civic leaders, has recently been established to also assist by providing advice to the project team on strategic, technical, business and development related elements of the project.

Blatchford Redevelopment Project

Emerging Issues

A decision remains to be made regarding the financial implications of implementing a district energy system in Blatchford that meets the Vision objectives stated by Council. Reports related to financing options and the utility model for the district energy system will be provided to Council in Q1 2016.

The affordable housing program for Blatchford will also need to be defined and funded to begin implementation with the first stages of residential redevelopment.

Impact of Previous Council Decisions

Site preparation activities such as building removals, site grading and stormwater management excavation are underway to allow the project to proceed towards the installation of urban infrastructure in 2016.

Positive Change—Innovation & Continuous Improvement

The Blatchford Redevelopment project office continues to monitor and review technological innovation as it relates to renewable energy and energy conservation to ensure that the overall energy strategy for the project continues to be world-leading and viable.

A proactive communications program has been developed and will continue to be implemented in 2016. Stakeholder engagement with surrounding residential, institutional and commercial neighbours will also continue as the project is implemented.

The custom engineering design process will continue to evolve and respond to opportunities to enhance the environmental, financial and social outcomes of the project.

Blatchford Redevelopment Project

Approved 2016-2018 Budget – Blatchford Redevelopment Project

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
User Fees, Fines, and Permits	2,730	713	562	129,121	22,898	29,137
Total Revenue & Transfers	\$2,730	\$713	\$562	\$129,121	\$22,898	\$29,137
Expenditure & Transfers						
Personnel	728	823	1,021	1,086	1,115	1,132
Materials, Goods, and Supplies	5	13	24	24	24	24
External Services	2,191	341	689	589	600	596
Intra-municipal Charges	473	645	968	688	701	716
Utilities & Other Charges	1,547	789	1,410	104,934	21,442	26,169
Transfer to Reserves	(688)	-	-	-	-	-
Subtotal	4,256	2,611	4,112	107,321	23,882	28,637
Intra-municipal Recoveries	(45)	-	-	-	-	-
Total Expenditure & Transfers	\$4,211	\$2,611	\$4,112	\$107,321	\$23,882	\$28,637
Net Income (Loss)	(\$1,481)	(\$1,898)	(\$3,550)	\$21,800	(\$984)	\$500
Full-time Equivalents	8.0	8.0	8.0	8.0	8.0	8.0

Blatchford Redevelopment Project

Budget Changes for 2016-2018

(\$000)

Revenue - Changes

Total Revenue

Revenue change in 2016 represents the change in net sale income due to a significant sale to the Province for the NAIT campus expected to close in that year. Reduction to 2017 due to a decrease to a more general sales projection. Increase to 2018 due to additional work having been done in the preceding years leading to more saleable product.

Expenditures - Changes

Personnel

Minor personnel cost increases due to approved cost of living adjustments, movement to job rate and benefit changes.

External Services

External Services reduced in the first year due to a reduction in contract work budgeted for with capital. Subsequent years have minor changes due to inflation and service requirements.

Intra-municipal Charges

Intra-Municipal Charges decreased in 2016 due to a reduction in Communications of \$425 due to those services being performed internally as well as various other minor changes offset by an increase of \$160 in internal legal services. Subsequent years see inflationary increases.

Utilities & Other Charges

Utilities & Other Charges includes several major components such as grant payments, interest on debt, and cost of land sold. Grant payments increase by \$501 in 2017 due to construction being completed in some areas with an additional increase in 2018 due a higher level of completions. Debt Interest Payments increase by \$1,961 in 2016 due to debt taken in 2014 and 2015. Reductions of \$108 and \$112 in 2017 and 2018 respectively due to decreased principal balance. Cost of land sold is directly related to the total revenues.

Full-time Equivalents - Changes

No changes.

Blatchford Redevelopment Project

Approved 2016 - 2018 Budget – Program Summary

Program Name - Blatchford Redevelopment Project

Results to be Achieved

The implementation of the Blatchford Redevelopment project will create an environmentally, socially, and financially sustainable community for 30,000 people in the heart of Edmonton.

Cost Drivers

- Development concept consulting services
- Legal support for expropriation and land acquisitions
- Direct costs of land development

Policy and/or Legislation

Implementation of the Council-approved Blatchford redevelopment plan and Business Case with associated sustainability and city-building elements.

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	2,730	713	562	129,121	22,898	29,137
Expenditures & Transfers	4,256	2,611	4,112	107,321	23,882	28,637
Subtotal	(1,526)	(1,898)	(3,550)	21,800	(984)	500
Intra-Municipal Recoveries	(45)	-	-	-	-	-
Net Income (Loss)	(\$1,481)	(\$1,898)	(\$3,550)	\$21,800	(\$984)	\$500
Full-Time Equivalents	8.0	8.0	8.0	8.0	8.0	8.0

2015 Services

- Detailed design, planning and project management services to support ongoing redevelopment.
- Financial forecasting and modeling.
- Internal and external project communication and liaison with stakeholders and advisory groups.
- Detailed financial forecasting and modelling to ensure capital costs are accurately provided and projected and that revenue forecasts are updated.
- Refinement of the district energy system required to meet Council's Vision.
- Settlements related to property acquisitions.
- Initiation of site preparation contracts.
- Development of the Affordable Housing Framework.

Changes in Services for 2016 - 2018

Starting in 2016 a marketing and sales initiative for the project will begin. This will follow on and continue with the selection of a builder's group through a competitive process expected to be complete in late 2015 or early 2016. 2016 will also mark the start of the construction of the urban infrastructure for the first stage of residential development on the site. District Energy business case and Utility Model developed and presented for Council's consideration. A Council approved Affordable Housing Framework implementation begins.

Blatchford Redevelopment Project

Pro-Forma Income Statement

(\$000)	2016 Projection	2017 Projection	2018 Projection	2019 Projection
Revenues				
Revenues from Land Sales & Leases	\$ 129,121	\$ 22,898	\$ 29,137	\$ 34,759
Net Revenues ¹	129,121	22,898	29,137	34,759
Expenditures				
Cost of Land Sold ¹	101,535	17,648	22,460	26,861
Debt Interest ²	3,053	2,945	2,833	2,716
Personnel	1,086	1,115	1,132	1,155
Materials, Goods and Supplies	24	24	24	24
External Services	588	600	596	608
Intra-municipal Services	688	701	716	169
Utilities & Other Charges ³	346	849	876	905
Net Expenditures	107,321	23,882	28,637	32,438
Net Income	21,800	(984)	500	2,321
Retained Earnings, Beginning of Year	(11,589)	10,211	9,227	9,728
Retained Earnings, End of Year	\$ 10,211	\$ 9,227	\$ 9,728	\$ 12,049

Explanatory Notes

1. Revenue from Land sales and Cost of Land Sold are preliminary estimates based on average per acre gross cash flows and are subject to further examination.
2. Estimated interest charges are based on projected borrowings indicated in approved capital profile 14-02-2106.
3. Operating expenditures include allowances for affordable housing and sustainability education. These are preliminary estimates and are pending Council's direction.

Blatchford Redevelopment Project

Pro-Forma Balance Sheets

(\$000)	2016 Projection	2017 Projection	2018 Projection	2019 Projection
Financial Assets				
Assets ¹	177,845	167,784	162,296	175,574
Due from the City of Edmonton	-	-	850	-
Total Assets	177,845	167,784	163,146	175,574
Liabilities				
Accrued Liability ²	84,530	82,530	82,530	82,530
Due to the City of Edmonton	6,349	2,149	-	13,213
Debt	76,755	73,878	70,888	67,782
Total Liabilities	167,634	158,557	153,418	163,525
Net Financial Assets (Net Debt)	10,211	9,227	9,728	12,049
Equity				
Retained Earnings ³	10,211	9,227	9,728	12,049
Total Retained Earnings	\$ 10,211	\$ 9,227	\$ 9,728	\$ 12,049

Explanatory Notes

1. Land for resale includes the original acquisition cost of undeveloped land plus any servicing costs that are incurred. Through the capital budget City Council has approved funding for servicing of the Blatchford Redevelopment land. These costs are captured as part of the cost of land when it is subsequently sold. When sold, total costs incurred to bring the land to market are included in the Cost of Land Sold on the Income Statement.
2. Accrued liability is the estimated cost to complete of land sold but not yet serviced. This liability will be reduced as lots are serviced per the development schedule.
3. Opening retained earnings for Blatchford represents the cumulative net operating position for the project. City Council approved a funding strategy in July 2014 through a combination of debt and future sales to fund the project. The project is self-funded over the 25 year period.

Blatchford Redevelopment Project

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Community Revitalization Levies

Introduction

Sustainable Development is responsible for the advancement of urban renewal initiatives through the implementation of three Council-approved Community Revitalization Levy (CRL) Plans: The Quarters Downtown, Belvedere, and Capital City Downtown. These Community Revitalization Levies provide a sustainable funding source for public infrastructure investments needed to attract new investment and development that would not otherwise occur in these revitalization areas.

A Community Revitalization Levy is a financing mechanism designed to provide up to 20 years of stable funding that is necessary to achieve economic, social, and environmental objectives for the Community Revitalization Levy areas. The baseline assessment for properties in a plan area is set as of December 31 of the year the Community Revitalization Levy is approved by the Province. Thereafter, any increases above the baseline in the assessed value of the properties in the plan area forms the levy (which includes both municipal and provincial tax increases). The levy collected is then applied to pay off expenditures, including borrowing, incurred by the City of Edmonton for capital infrastructure projects, land acquisition, remediation, etc. in the revitalized plan area. This levy is not an additional tax on property owners. Rather, it is a levy based on the incremental difference between assessed property values in the baseline year and subsequent years for a maximum of 20 years or until costs have been fully repaid.

The Province has approved three Community Revitalization Levies in the City of Edmonton. These Community Revitalization Levies are funding implementation of Phase I and II in The Quarters Downtown, implementation of the Belvedere urban design plan, and Capital City Downtown catalyst projects, including new sewers, parks, streetscaping and Rogers Place.

The Quarters Downtown CRL- approved in 2011, commenced in 2012.

Phase I and II - \$100 million in City improvements currently in progress have attracted over \$500 million in investment and development.

Belvedere CRL - approved in 2012, commenced in 2013.

Construction of infrastructure improvements is complete and the stage is set for new transit-oriented developments to occur in this area. The City's investment of \$34.5 million to date has attracted over \$100 million in planned new investments.

Capital City Downtown CRL - approved in 2014, commenced in 2015.

The construction of Rogers Place and other downtown catalyst projects has spurred an estimated \$2.5 billion in new downtown developments.



Community Revitalization Levies

Positive Change - Innovation & Continuous Improvement

New innovative infrastructure technology is being utilized in the streetscape transformation within The Quarters Downtown redevelopment. Structural soil cells that are expected to achieve environmental objectives are being tested in four blocks of low impact development; this innovative solution directs stormwater flow through soil cells planted with trees to help treat and purify runoff to reduce impacts of urban stormwater runoff into the North Saskatchewan river. Learnings from this new technology will help inform future projects such as those along 105 Avenue. Additionally, an underground cistern will be installed as part of the development of Kinistināw Park and will provide irrigation for park space.

Performance Summary

The Quarters Downtown CRL

The reserve deficit is projected to peak at the end of 2019 at \$16 million. From 2020 onward the CRL projections show annual positive net income which will reduce the reserve deficit ultimately reaching a positive position in 2026.

Belvedere CRL

The reserve deficit is projected to peak in 2015 at \$5.4 million. From 2022 onward the CRL projections show annual positive net income which will reduce the reserve deficit ultimately reaching a positive position in 2027.

Capital City Downtown CRL

The reserve deficit is projected to peak at the end of 2018 at \$25 million. From 2019 onward the CRL projections show annual positive net income which will reduce the reserve deficit ultimately reaching a positive position in 2022.



Community Revitalization Levies

The Quarters Downtown - Approved 2016-2018 Budget - Branch Summary

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
User Fees, Fines, Permits, etc.	600	1,624	3,595	3,246	3,587	4,460
Transfer from Reserves	3,931	3,576	531	1,656	2,512	2,356
Total Revenue & Transfers	\$4,531	\$5,200	\$4,126	\$4,902	\$6,099	\$6,816
Expenditure & Transfers						
Personnel	357	415	532	506	526	537
Materials, Goods, and Supplies	6	3	13	13	13	13
External Services	96	384	178	178	178	178
Intra-municipal Charges	3,182	4,652	53	53	53	53
Debt & Other Charges	1,032	(33)	3,492	4,294	5,471	6,177
Subtotal	4,673	5,421	4,268	5,044	6,241	6,958
Intra-municipal Recoveries	-	(79)	-	-	-	-
Total Expenditure & Transfers	\$4,673	\$5,342	\$4,268	\$5,044	\$6,241	\$6,958
Net Operating Requirement	142	142	142	142	142	142
Full-time Equivalents	5.0	5.0	4.0	4.0	4.0	4.0

Community Revitalization Levies

The Quarters Downtown - Budget Changes for 2016-2018

(\$000)

Revenue & Transfers - Changes

User Fees, Fines, Permits, etc.

Community Revitalization Levy revenues increase year-over-year due to new developments and increasing property values.

Transfer from Reserves

Changes in reserves are needed to fund debt servicing for Quarters Downtown Phase II.

Expenditures & Transfers - Changes

Personnel

A historical adjustment to the salaries in 2016 decreased Personnel costs. The increase 2016 - 2018 is to account for approved cost of living adjustments, movement to job rate and benefit changes.

Materials, Goods, and Supplies

There are no changes to the Materials, Goods, and Supplies budget through 2016 - 2018.

External Services

There are no changes to the External Services budget through 2016 - 2018.

Intra-municipal Charges

There are no changes to the Intra-municipal Charges budget through 2016 - 2018.

Debt & Other Charges

Increases from 2016 through 2018 as new debt is issued for approved Capital Profiles for The Quarters Downtown Phase II.

Full-Time Equivalents - Changes

There are no changes to full-time equivalents through 2016-2018.

Community Revitalization Levies

Approved 2016 - 2018 Budget - Program Summary

Program Name - The Quarters Downtown CRL

Results to be Achieved

The Quarters Downtown Community Revitalization Levy finances City investments in public infrastructure improvements that are attracting new investments and developments, new residents and families and creating vibrancy in the eastern part of Edmonton's downtown.

Cost Drivers

- Increasing demand for input and collaboration with internal and external stakeholders
- Increasing construction cost escalations and land costs
- Time required to address remediation on City-owned brownfield sites

Policy and/or Legislation

The Quarters Area Redevelopment Plan, The Quarters Community Revitalization Levy Bylaw 15800, Zoning Bylaw 12800, Downtown Area Redevelopment Plan, Municipal Government Act, Municipal Development Plan

Resources (\$000)	Project Total	2012 - 2014 Actual	Projected				
			2015	2016	2017	2018	2019 - 2031
Revenue & Transfers	182,857	3,636	3,705	3,388	3,729	4,602	163,797
Debt Servicing	139,302	2,737	2,316	4,283	5,460	6,168	118,338
Admin & Non-Capital Costs	14,817	9,921	1,026	761	781	790	1,618
Total Expenses	154,199	12,658	3,342	5,044	6,241	6,958	119,956
Subtotal	28,658	(9,022)	363	(1,656)	(2,512)	(2,356)	43,841
Intra-Municipal Recoveries	79	79	-	-	-	-	-
Net Income (Loss)	28,737	(8,943)	363	(1,656)	(2,512)	(2,356)	43,841

2015 Services

- Oversight of infrastructure improvements including: construction of streetscape improvements on 96 Street and 104 Avenue to ensure alignment with Urban Design Plan.
- Implementation of Phase II: Drainage upgrade on 102 Avenue, initiation of Kinistināw park project.
- Support community partner activities and events that provide opportunities for people to come to The Quarters Downtown, change public perceptions of the area and create vibrancy.
- Work with developers of the Hyatt Place Edmonton Hotel, Five Corners Tower One, and Artists' Quarters to address impediments to timely development.
- Create local employment opportunities by contracting Downtown Proud to pick up litter in the area.
- Work on development concept for the York Hotel site.
- Assemble land to consolidate next development site on 96 Street.
- Complete land assembly to facilitate development of the Kinistināw Park.
- Complete surface parking lot strategies and retail market opportunity study.

Changes in Services for 2016 - 2018

- Implementation of Phase II.

Community Revitalization Levies

Belvedere - Approved 2016-2018 Budget - Branch Summary

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
Land Sales Residential	-	-	5,200	7,716	6,364	-
Community Revitalization Levy	182	465	735	730	735	735
Transfer from Reserves	813	1,591	-	-	-	1,053
Total Revenue & Transfers	\$995	\$2,056	\$5,935	\$8,446	\$7,099	\$1,788
Expenditure & Transfers						
Cost of Land Sold - Residential	-	-	1,792	4,121	4,323	-
External Services	-	-	50	50	50	50
Intra-municipal Charges	70	131	39	-	-	-
Debt & Other Charges	925	1,925	2,709	1,750	1,744	1,738
Transfer to Reserves	-	-	1,345	2,525	982	-
Subtotal	995	2,056	5,935	8,446	7,099	1,788
Intra-municipal Recoveries	-	-	-	-	-	-
Total Expenditure & Transfers	\$995	\$2,056	\$5,935	\$8,446	\$7,099	\$1,788
Net Operating Requirement	-	-	-	-	-	-
Full-time Equivalents	-	-	-	-	-	-

Community Revitalization Levies

Belvedere - Budget Changes for 2016-2018

(\$000)

Revenue & Transfers - Changes

Land Sales Residential

Land sales in each year are based on current estimates of the timing of the sale of specific lots. All lots are projected to be sold by the end of 2017.

Transfer from Reserves

Transfer from Reserves increases in 2018 related to the decrease in land sales revenue.

Expenditures & Transfers - Changes

Cost of Land Sold - Residential

Land sales in each year are based on current estimates of the timing of the sale of specific lots. All lots are projected to be sold by the end of 2017.

External Services

There are no changes to the External Services budget through 2016 - 2018.

Intra-municipal Charges

No charges are projected from Real Estate Shared Services in 2016 - 2018.

Debt & Other Charges

A one time grant in 2015 is not carried forward in 2016 - 2018.

Transfer to Reserve

Funds are transferred to replenish the reserve in years with positive net income.

Full-Time Equivalents - Changes

There are no changes to full-time equivalents through 2016-2018.

Community Revitalization Levies

Approved 2016 - 2018 Budget - Program Summary

Program Name - Belvedere CRL

Results to be Achieved

The City of Edmonton Belvedere Community Revitalization Levy Bylaw 15932 funds the municipal infrastructure improvements needed to attract development along Fort Road to promote transit-oriented development and to encourage private sector redevelopment in the area.

Cost Drivers

- Debt servicing costs
- CRL administration

Policy and/or Legislation

The Belvedere Station Area Redevelopment Plan, The Belvedere Community Revitalization Levy Bylaw 15932, Zoning Bylaw 12800, *Municipal Government Act*, Municipal Development Plan

Resources (\$000)	Project Total	2012 - 2014 Actual	----- Projected -----				
			2015	2016	2017	2018	2019 - 2032
Land Sales	19,636	-	5,556	7,715	6,364	-	-
Community Revitalization Levy	40,234	647	732	730	735	735	36,656
Total Revenue & Transfers	59,870	647	6,288	8,445	7,099	735	36,656
Cost of Land Sold	12,298	-	3,854	4,121	4,323	-	-
Debt Servicing	33,694	6,342	1,756	1,750	1,744	1,738	20,364
Admin & Non-Capital Costs	1,330	308	725	50	50	50	147
Total Expense	47,322	6,650	6,335	5,921	6,117	1,788	20,511
Subtotal	12,548	(6,003)	(47)	2,524	982	(1,053)	16,145
Intra-Municipal Recoveries	-	-	-	-	-	-	-
Net Income (Loss)	12,548	(6,003)	(47)	2,524	982	(1,053)	16,145

2015 Services

- Ongoing management and administration of the Belvedere Community Revitalization Levy.
- Marketing, promotion, and development coordination activities which promote development and attract investment to the area.

Changes in Services for 2016 - 2018

- No changes.

Community Revitalization Levies

Capital City Downtown - Approved 2016-2018 Budget - Branch Summary

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
User Fees, Fines, Permits, etc.	-	-	4,122	5,089	10,376	15,364
Transfer from Reserves	-	3,603	5,486	7,816	5,684	3,140
Total Revenue & Transfers	\$-	\$3,603	\$9,608	12,905	16,060	18,504
Expenditure & Transfers						
Personnel	-	-	318	338	350	358
Materials, Goods, and Supplies	-	-	10	10	10	10
External Services	-	-	459	639	319	459
Intra-municipal Charges	-	181	-	-	-	-
Debt & Other Charges	-	3,422	8,821	11,918	15,381	17,677
Subtotal	-	3,603	9,608	12,905	16,060	18,504
Intra-municipal Recoveries	-	-	-	-	-	-
Total Expenditure & Transfers	\$-	\$3,603	\$9,608	\$12,905	\$16,060	\$18,504
Net Operating Requirement	-	-	-	-	-	-
Full-time Equivalents	-	-	3.0	3.0	3.0	3.0

Community Revitalization Levies

Capital City Downtown - Budget Changes for 2016-2018 (\$000)

Revenue & Transfers - Changes

User Fees, Fines, Permits, etc.

Community Revitalization Levy revenues increase year-over-year due to new developments and increasing property values.

Transfer from Reserves

Transfer from Reserves decreases due to the projected increase in Community Revitalization Levy revenues.

Expenditures & Transfers - Changes

Personnel

The increase in 2017 and 2018 are to account for approved cost of living adjustments, movement to job rate and benefit changes.

Materials, Goods, and Supplies

There are no changes to the Materials, Goods, and Supplies budget through 2016 - 2018.

External Services

The increase in 2016 is due to the Catalyst Project Service Package.

Intra-municipal Charges

There are no changes to the Intra-municipal Charges budget through 2016 - 2018.

Debt & Other Charges

The increase is due to new debt being issued as CRL activities continue.

Full-Time Equivalents - Changes

There are no changes to full-time equivalents through 2016-2018.

Community Revitalization Levies

Approved 2016 - 2018 Budget - Program Summary

Program Name - Capital City Downtown CRL

Results to be Achieved

The Capital City Downtown Community Revitalization Levy funds catalyst projects that will attract new investment and developments, residents and businesses to create a more vibrant, sustainable, well-designed and accessible downtown.

Cost Drivers

- Construction cost escalations for catalyst projects
- Increase in land values
- Debt servicing costs

Policy and/or Legislation

Zoning Bylaw 12800, Downtown Area Redevelopment Plan, Capital City Downtown Community Revitalization Levy Bylaw 16521, *Municipal Government Act*, Municipal Development Plan.

Resources (\$000)	Project Total	2012 - 2014 Actual	Projected				2019 - 2034
			2015	2016	2017	2018	
Revenue & Transfers	984,487	-	4,009	5,089	10,376	15,364	949,649
Debt Servicing	425,920	3,421	7,328	11,900	15,362	17,658	370,251
Admin & Non-Capital Costs	21,283	182	988	1,005	698	846	17,564
Total Expense	447,203	3,603	8,316	12,905	16,060	18,504	387,815
Subtotal	537,284	(3,603)	(4,307)	(7,816)	(5,684)	(3,140)	561,834
Intra-Municipal Recoveries	-	-	-	-	-	-	-
Net Income (Loss)	537,284	(3,603)	(4,307)	(7,816)	(5,684)	(3,140)	561,834

2015 Services

- Initiate implementation and administration of the Levy and its constituent catalyst projects.
- Progress on catalyst project infrastructure included the following: construction of Rogers Place and associated infrastructure, construction of Phase 1 Drainage Intensification, detailed design for Alex Decoteau Park located at 105 Street and 102 Avenue, and initiated concept planning for Phase 1 Green and Walkable streetscaping (Arena Civic Interface).
- Work with internal and external community partners to coordinate marketing and communication activities to change perceptions, encourage people to come Downtown, attract investment and create excitement about Edmonton's downtown.
- Work with ENMAX and EPCOR to complete a business case for a District Energy System in downtown Edmonton.

Changes in Services for 2016 - 2018

- Implementation of other downtown catalyst projects.

Community Revitalization Levies

Branch - Downtown Arena

Program – Urban Renewal
Title - Downtown CRL

Operating Impacts of Capital
Funded
Ongoing

Results to be Achieved

Implementation of the Capital City Downtown Community Revitalization Levy (CRL) Plan (Bylaw #16521). The Plan identifies Catalyst Projects that will play a critical role in transforming the Downtown over the next 20 years. Catalyst Projects include the Arena, Jasper Avenue New Vision, Green and Walkable, 105 Street/102 Avenue Park, Warehouse Neighbourhood Central Park, Drainage upgrades, River Valley Promenades and Edmonton Academic and Cultural Centre (Galleria). The CRL Program will help stimulate growth, attract new businesses, design a more complete and vibrant Downtown neighbourhood, encourage quality urban design, increase the use of downtown amenities, and create a more vital Downtown which is vibrant, sustainable, well-designed and accessible. The CRL Plan anticipates that the CRL will generate from \$897 million to \$1,240 million over 20 years which will fund the program.

Description

This service package will be funded from Downtown CRL Revenues. The program coordinates with external partners including the Downtown Vibrancy Task Force, the Downtown Community League, MacEwan University as well as multiple city departments. Strategic communication and CRL reporting are also work program outcomes. The key component of this service package is Debt Servicing at \$11.9 million in 2016, \$15.4 million in 2017 and \$17.7 million in 2018.

Justification

On September 17, 2013, City Council approved the Capital City Downtown Community Revitalization Levy Plan and Bylaw (#16521). On April 16, 2014 the Province approved the CRL Plan and Bylaw through an Order in Council. The Downtown CRL began in January 2015. CRL funds must be used to fund implementation of infrastructure projects within the CRL area outlined in the CRL Plan.

This service package is the ongoing response to Council's direction to adopt a Community Revitalization Levy and implement the Capital City Downtown Catalyst Projects. Without funding for debt servicing the CRL Catalyst Projects cannot proceed as planned.

incremental (\$000)	2016				2017				2018			
	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs	Exp	Rev	Net	FTEs
Annualization	-	-	-	-	-	-	-	-	-	-	-	-
New Budget	\$3,297	3,297	-	-	\$3,155	3,155	-	-	\$2,444	2,444	-	-
Total	\$3,297	3,297	-	-	\$3,155	3,155	-	-	\$2,444	2,444	-	-

Land Enterprise

Introduction

Land Development

Land development develops City-owned land for financial profit and to achieve other City objectives, by operating as a land development entity within the City. Land development represents an active portfolio of land development and real estate investment dating back to the 1970s. Land development manages the full cycle of real estate development: land acquisition, community planning, construction, and development. Operations are consistent with private sector business practices.

Land development manages a portion of the Land Enterprise Fund for land development purposes. The Fund's primary objective is to generate revenue in accordance with City Policy C511 - Land Development Policy. Retained earnings are reinvested to fund land development acquisition and development activities. An annual 25 percent dividend is provided to the City from development activities (City Policy C516B - Land Enterprise Dividend Policy).

Land development activities provide a wide range of housing and business choices to create a diverse range of local amenities, generate positive economic impacts, and encourage active, healthy lifestyles for citizens.

Land for Municipal Purposes

The program provides land for municipal needs on a flow-through basis using approved capital budget profiles from a variety of City departments. Property Sales and Acquisitions acquires land through various methods including opportunity purchases, land exchanges, utility right-of-ways (surface and subterranean), rights of entries, and expropriation. The acquisition function under the Land for Municipal Purposes program is foundational for City capital projects and infrastructure.

The Civic Property Services team is responsible for overseeing the review and development of surplus City land and changing the use of surplus land based on strategic directions provided in *The Ways*. Beginning in 2016, City land holdings will be reviewed more strategically to identify land required for civic purposes and land that can be declared surplus to City needs. Administration determines whether there is potential to develop surplus land into new uses aligned with the City's strategic priorities when reviewing each surplus property.



Land Enterprise

In a rapidly-changing world, land development activities are impacted by economic conditions, a highly competitive real estate market, and the cyclical nature of land development. Master planning work and community dialogue involve lengthy time frames. During this period, market conditions in general or specific lot product demand may dramatically change with resultant impacts to revenue forecasts. A variety of construction and development costs are incurred which are impacted by market demand and inflation.

Revenue recognition timing is contingent upon regulatory approval and subdivision plan registration. Prior to subdivision, various interested parties and approval agencies are involved in land development requirements. While these requirements are generally predictable in terms of certainty or resolution, they are less predictable in terms of timing; scheduling risks may impact project completion targets.

General market conditions, economic influences or local market competition may alter lot demand. Local lot demand is impacted by consumer confidence, business/employment opportunities, and demographic housing trends. Changes to mortgage fund availability may also have an impact on lot prices or the number of residential contract defaults. We continue to conservatively manage our exposure to the risk related to Alberta's economic environment while seeking to maximize market opportunities. Most recently, there were over 3700 applications received for 91 residential lots in Laurel Green. The revenue from the sale of these lots is expected in 2015.



Land Enterprise

Positive Change - Innovation & Continuous Improvement

Land Enterprise has planned or recently implemented the following positive changes:

- Land development activities have generated a total dividend of \$46.7 million from 2004 to 2014. This dividend continues to minimize the tax levy increase for the City and generates additional residential and non-residential annual tax revenue as lots are sold.
- In 2015, soil blending operations at Goodridge Corners were initiated to blend topsoil stripped from our development with Waste Management's compost. The sale of this bulk material is expected to support landscaping throughout the City.
- The sale of 166 residential lots in Laurel Green is expected to generate a \$44 million economic multiplier in direct and indirect residential construction costs.
- Land development continues to support cost-sharing new infrastructure with adjacent landowners to allow land development projects to proceed, thereby assisting with increasing the tax base.
- Organizational restructure created the opportunity to add private sector and procurement expertise to the Land Development team.
- New software has been sourced to improve development planning scenarios to better align with industry practices and create efficiencies for master-planning work.
- Invoicing business process improvements with the use of vendor imaging to create efficiencies and improved processing times for capital expenditures.
- Project management process review, update, and implementation to increase efficiency, transparency, and rigor for successful execution of land development projects.

Land Enterprise

Approved 2016-2018 Budget - Land Development

Land Development (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers						
Land Sales - Residential/Mixed Use	9,072	12,227	20,470	22,105	26,085	25,856
Land Sales - ICI	35,722	25,312	48,333	8,609	19,092	18,662
Other Revenue	180	299	100	100	100	100
Total Revenue & Transfers	\$44,974	\$37,838	\$68,903	\$30,814	45,277	44,618
Expenditure & Transfers						
Cost of Land Sold - Residential/Mixed Use	6,930	7,734	8,946	14,000	19,884	20,268
Cost of Land Sold - ICI	27,736	13,805	39,974	6,886	14,545	16,549
Personnel	1,266	1,266	868	895	915	934
Materials, Goods, and Supplies	6	7	9	8	8	8
External Services	244	145	108	108	108	108
Intra-municipal Charges	2,123	2,345	3,851	3,606	3,624	3,637
Utilities & Other Charges	6	115	8	8	8	8
Subtotal	38,311	25,417	53,764	25,511	39,092	41,512
Intra-municipal Recoveries	-	-	-	-	-	-
Total Expenditure & Transfers	\$38,311	\$25,417	\$53,764	\$25,511	39,092	41,512
Net Income (Loss)	\$6,663	\$12,421	\$15,139	\$5,303	\$6,185	\$3,106
Full-time Equivalents						
	15.0	15.0	7.0	7.0	7.0	7.0

There was a reorganization in Land Enterprise and the Real Estate, Housing and Economic Sustainability Branch in 2015 that led to a reduction in the Land Enterprise full-time equivalents, personnel costs, and external services and also resulted in an offsetting increase in intra-municipal charges.

Land Enterprise

Budget Changes for 2016-2018

(\$000)

Revenue & Transfers - Changes

Total Revenue

Sales projections are consistent with the sales projections provided in the 2015 Approved Operating Budget document. Administration will monitor land sales in 2016; if revisions to the projections for subsequent years are required based on the economy these revised revenues will be communicated in a timely manner.

Expenditures & Transfers - Changes

Personnel

Minor increases in personnel costs in each of 2016 to 2018 to account for approved cost of living adjustments, movement to job rate and benefit changes.

Cost of Land Sold

Cost of Land Sold is based on sales projections. Sales projections are consistent with the sales projections provided in the 2015 Approved Operating Budget document. Administration will monitor land sales in 2016; if revisions to the projections for subsequent years are required based on the economy these revised revenues will be communicated in a timely manner.

Intra-municipal Charges

Intra-municipal charges decrease in 2016 mostly due to a reduction in lease space payments of \$204 as well as a reduction in the finance charge of \$47 due to a historical correction. This is offset by minor inflationary increases in other areas. Changes in 2017 and 2018 are due to general inflationary increases.

Full-Time Equivalents - Changes

No changes in full-time equivalents through 2016-2018.

Land Enterprise

Approved 2016-2018 Budget - Land for Municipal Purposes

Land for Municipal Purposes (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers ¹						
Land Sales - Residential/Mixed Use					-	-
Land Sales - ICI					-	-
Other Revenue	-	-	-	-	-	-
Total Revenue & Transfers	-	-	-	-	-	-
Expenditure & Transfers						
Cost for Land - For Municipal Purposes	23,521	66,375	62,476	89,603	39,456	23,334
Personnel	-	-	-	-	-	-
Materials, Goods, and Supplies	-	-	-	-	-	-
External Services	-	-	-	-	-	-
Intra-municipal Charges	-	-	-	-	-	-
Utilities & Other Charges	-	-	-	-	-	-
Subtotal	23,521	66,375	62,476	89,603	39,456	23,334
Intra-municipal Recoveries	(23,521)	(66,375)	(62,476)	(89,603)	(39,456)	(23,334)
Total Expenditure & Transfers	-	-	-	-	-	-
Net Income (Loss)	-	-	-	-	-	-
Full-time Equivalents	-	-	-	-	-	-

Explanatory Notes

1. Revenue projections will be incorporated into future budget submissions, pending Council's review and approval of land governance models which may include a proposed Municipal Development Corporation.

Land Enterprise

Budget Changes for 2016-2018 - Land For Municipal Purposes

(\$000)

Revenue - Changes

Total Revenue
No revenue changes expected through 2016-2018.

Expenditures - Changes

Total Expenditures
No total expenditure changes expected through 2016-2018.

Full-time Equivalents - Changes

No changes in full-time equivalents through 2016-2018.

Land Enterprise

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Land Development

Results to be Achieved

Industrial-commercial-institutional (ICI) and residential/mixed-use land development is achieved to further strategic objectives. ICI development projects support business-economic development initiatives. Residential projects support affordable housing initiatives. Business practices are consistent with the land development industry.

Cost Drivers

- Market competition, both supply/demand factors
- Economic conditions including the construction price index (land, consulting, and capital infrastructure cost changes)
- Land acquisition costs - shorter land holding periods may reduce profit

Policy and/or Legislation

- City Policy C511 - Land Development Policy, City Policy C516B - Land Enterprise Dividend Policy, Industrial Land Strategy

Resources

(\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	44,974	37,838	68,903	30,814	45,277	44,618
Expenditures & Transfers	38,311	25,417	53,764	25,511	39,092	41,512
Subtotal	6,663	12,421	15,139	5,303	6,185	3,106
Intra-Municipal Recoveries	-	-	-	-	-	-
Net Income (Loss)	\$6,663	\$12,421	\$15,139	\$5,303	\$6,185	\$3,106
Full-Time Equivalents	15.0	15.0	7.0	7.0	7.0	7.0

2015 Services

Land Development activities contribute to *The Ways*, advancing Council-approved strategic objectives while striving to enhance citizens' lives and to build Edmonton's global reputation. This is accomplished through involvement in innovative land developments, marketing of developed lots and including sustainability requirements in sales agreements.

- Laurel multi-family lot servicing for affordable housing (Habitat for Humanity) completed.
- Lot-draw for 166 Laurel residential lots occurred.
- Planning was completed for highway commercial land.

Changes in Services for 2016 - 2018

- Land servicing in Goodridge Corners for the Northwest EPS Campus will be completed.
- Industrial land development phases in Rampart and Goodridge Corners.
- Residential-mixed use development development phases in Laurel, Schonsee, and Goodridge Corners.

Land Enterprise

Approved 2016 - 2018 Budget - Program Summary (\$000)

Program Name - Land for Municipal Purposes

Results to be Achieved

The Land for Municipal Purposes program is a flow-through account for land acquisition that is required for various City Council-approved municipal projects where departments have funded capital profiles.

Cost Drivers

- Increasing values for land and higher expropriation costs
- Short timelines to acquire needed lands
- Acquisition file volume and complexity

Policy and/or Legislation

- *Municipal Government Act, Expropriation Act, City Policy C511 - Land Development Policy, City Policy C516B - Land Enterprise Dividend Policy*

Resources (\$000)	2013 Actual	2014 Actual	Adjusted 2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Transfers	-	-	-	-	-	-
Expenditures & Transfers	23,521	66,375	62,476	89,603	39,456	23,334
Subtotal	23,521	66,375	62,476	89,603	39,456	23,334
Intra-Municipal Recoveries	(23,521)	(66,375)	(62,476)	(89,603)	(39,456)	(23,334)
Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Full-Time Equivalents*	-	-	-	-	-	-

* Capacity to acquire land for municipal purposes is located in the Property Sales and Acquisitions section within Real Estate Housing and Economic Sustainability. This section provides real estate acquisition and disposition services.

2015 Services

- Acquired land for City Council approved capital projects (e.g. Valley Line LRT, The Quarters etc.)
- Land expropriation providing foundational land components for City Council approved capital projects

Changes in Services for 2016 - 2018

- A design/build competition will pilot new infill development on surplus city land located within existing neighbourhoods to advance infill.
- Corporate review of over 9,300 City land holdings based on new land governance guidelines and processes.

Land Enterprise

Pro-Forma Income Statement - Land Development ^{1,2}

Land Development (\$000)	2016 Projection	2017 Projection	2018 Projection	2019 Projection
Revenues				
Land Sales	\$ 30,714	\$ 45,177	\$ 44,518	\$ 37,524
Cost of Land Sold ³	20,886	34,429	36,817	27,660
Gross Margin ⁴	9,828	10,748	7,701	9,864
Gross Margin %	32%	24%	17%	26%
Other Revenue	100	100	100	100
Net Revenues ⁵	9,928	10,848	7,801	9,964
Expenditures				
Personnel	895	915	934	953
Materials, Goods and Supplies	8	8	8	8
External Services	108	108	108	110
Intra-municipal Services	3,606	3,624	3,637	3,710
Utilities & Other Charges	8	8	8	8
Net Expenditures	4,625	4,663	4,695	4,789
Net Income⁶	5,303	6,185	3,106	5,175
Retained Earnings ⁷ , Beginning of Year	177,660	179,178	184,037	185,597
Dividends Payable to General Government	(3,785)	(1,326)	(1,546)	(777)
Retained Earnings, End of Year	\$ 179,178	\$ 184,037	\$ 185,597	\$ 189,995

Explanatory Notes

1. Land development estimates measure the cost of sales prior to all costs being committed or known. These accounting estimates are necessary for the purposes of reporting annual earnings and resultant dividend. Budget preparation is therefore conservative in nature.
2. The nature of a land development pro forma requires forward looking assumptions and involves risks and uncertainties related to the business and general economic environment.
3. When land is sold, total costs incurred to bring the land to market are included in the Cost of Land Sold.
4. Margins fluctuate depending on timing of land development, regulatory approval, and projected sales timing including absorption and market trends.
5. The forecast revenue is premised on industry-standard pro forma calculations. Revenue and dividend may be impacted when including City-building initiatives.
6. Net income from land development may be proportionately lower than industry when:
 - Land development for resale is diverted to meet City operational requirements; Land Enterprise forgoes a profit opportunity as the land may be transferred to the operating department at lower than market value.
 - Development of affordable lots, priced lower than average market rates, are created in accordance with City Policy C511 - Land Development Policy.
 - Investments are made in infrastructure to facilitate private sector development.
7. Retained Earnings represents the accumulated profit of Land Enterprise that has been reinvested to grow the land development asset base and facilitate ongoing operations. Land Development net income (revenues in excess of expenses) has been used historically to return dividend to the City, reduce City debt, and invest in municipal real estate.

Land Enterprise

Pro-Forma Balance Sheets - Land Development

Land Development (\$000)	2016 Projection	2017 Projection	2018 Projection	2019 Projection
Financial Assets				
Accounts Receivable	\$ 2,078	\$ 2,375	\$ 2,208	\$ 560
Land Inventory - Land Development ¹	154,513	178,071	208,978	189,184
Land Inventory - Other ²	59,137	46,557	33,768	26,296
Total Assets	215,728	227,003	244,954	216,040
Liabilities				
Accounts Payable and Accrued Liabilities ³	11,372	9,007	6,087	640
Due to the City of Edmonton	25,178	33,959	53,270	25,405
Total Liabilities	36,550	42,966	59,357	26,045
Net Financial Assets (Net Debt)	179,178	184,037	185,597	189,995
Equity				
Retained Earnings ⁴	179,178	184,037	185,597	189,995
Total Retained Earnings	\$ 179,178	\$ 184,037	\$ 185,597	\$ 189,995

Explanatory Notes

1. Land Inventory - Development includes the original acquisition cost of undeveloped land plus any servicing and other costs. Other costs may include land acquisition, planning and design, servicing assessments, construction costs, infrastructure investment, marketing, and sale costs.
2. Land Inventory - Other includes the original acquisition cost of land surplus by other City departments plus any servicing and other costs. Other costs may include land acquisition, planning and design, servicing assessments, construction costs, infrastructure investment, marketing, and sale costs. The 2016 projected balance includes lands that will be used for future development - those lands are removed in the year that they are sold.
3. Accounts payable and accrued liabilities are primarily an estimate related to outstanding development costs for work completed by a year end.
4. Retained Earnings represents the accumulated profit of Land Enterprise that has been reinvested to grow the land development asset base and facilitate ongoing operations. Land Development net income (revenues in excess of expenses) has been used historically to return dividend to the City, reduce City debt, and invest in municipal real estate.

Land Enterprise

Pro-Forma Income Statement - Land for Municipal Purposes

Land for Municipal Purposes (\$000)	2016 Projection	2017 Projection	2018 Projection	2019 Projection
Revenues ¹				
Land Sales	-	-	-	-
Cost of Land Sold	-	-	-	-
Gross Margin				
Gross Margin %				
Other Revenue				
Net Revenues	-	-	-	-
Expenditures				
Cost Of Land Transferred - City Use ²	89,603	39,456	23,334	-
Personnel	-	-	-	-
Materials, Goods and Supplies	-	-	-	-
External Services	-	-	-	-
Intra-municipal Services	-	-	-	-
Utilities & Other Charges	-	-	-	-
Subtotal	89,603	39,456	23,334	-
Intra-Municipal Recoveries - Land Transfer	(89,603)	(39,456)	(23,334)	-
Net Expenditures	-	-	-	-
Net Income	-	-	-	-
Retained Earnings, Beginning of Year	-	-	-	-
Dividends Payable to General Government	-	-	-	-
Retained Earnings, End of Year³	-	-	-	-

Explanatory Notes

1. Revenue projections will be incorporated into future budget submissions, pending Council's review and approval of land governance models, which may include a proposed Municipal Development Corporation.
2. Land acquisition and transfer of land for municipal use is based on current information for approved and proposed capital projects in the 2015-2018 capital budget cycle, expected settlement of expropriations, and repayment of strategic land acquisition for other City departments. Future land acquisitions will be determined through future capital budget cycles.
3. Retained Earnings represents the accumulated profit of Land Enterprise that has been reinvested to grow the land development asset base and facilitate ongoing operations. Land Development net income (revenues in excess of expenses) has been used historically to return dividend to the City, reduce City debt, and invest in municipal real estate.

Land Enterprise

Pro-Forma Balance Sheets - Land for Municipal Purposes

Land for Municipal Purposes (\$000)	2016 Projection	2017 Projection	2018 Projection	2019 Projection
Financial Assets				
Land for Municipal Purposes ¹	57,138	45,464	44,464	44,464
Total Assets	57,138	45,464	44,464	44,464
Liabilities				
Accounts Payable and Accrued Liabilities ²	22,196	339	339	339
Due to the City of Edmonton ³	34,942	45,125	44,125	44,125
Total Liabilities	57,138	45,464	44,464	44,464
Net Financial Assets (Net Debt)	-	-	-	-
Equity				
Retained Earnings ⁴	-	-	-	-
Total Retained Earnings	-	-	-	-

Explanatory Notes

1. Land for municipal purposes identifies lands purchased for the needs of other departments that were not capitalized at the time of acquisition and where an outstanding debt remains to Land Enterprise. A significant portion of this land is associated with parkland acquisition.
2. Accounts payable and accrued liabilities is primarily an estimate related to outstanding expropriation commitments.
3. Due to the City of Edmonton represents the City's working capital contribution to finance land purchases for municipal purpose on an interim basis. Administration has implemented a number of strategies to effectively manage this balance.
4. Revenue projections will be incorporated into future budget submissions, pending Council's review and approval of land governance models, which may include a proposed Municipal Development Corporation. Revenues should be sufficient to cover the current net income shortfall. If not, it will be rolled up into Land Enterprise and be covered by surplus land sales and will not impact the tax levy

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