

Building Great Neighbourhoods

BACKGROUND

Almost all municipalities across Canada face a large infrastructure deficit due to inadequate sustained funding for renewal work. Edmonton is no different. Neighbourhood renewal occurred sporadically with funding from other orders of government, yet it failed to address the full life-cycle requirements of preventative maintenance, rehabilitation, and reconstruction. Over time, the condition of roads, sidewalks and sewers deteriorated, resulting in more frequent collapsed sewers, increased sidewalk trip hazards, and dramatically increased maintenance needs like pothole repairs.

CITY OF EDMONTON APPROACH

Edmonton has three main funding programs for infrastructure support in local neighbourhoods.

1. In 2008 City Council established a *Neighbourhood Renewal Program*, first by allocating funds from Provincial funding programs (AMIP and MSI), and secondly by the establishment of a funding pool developed from a dedicated tax levy from 2009 to 2011 continuing into 2012 to 2014. This source of ongoing funding is required to develop a sustainable program which will eventually replace funding commitments from other orders of government.
2. As part of the City's ongoing investment in the physical and social infrastructure of Edmonton neighbourhoods, Edmonton City Council approved the *Great Neighbourhoods Capital Program*, a 10-year \$150 million capital budget. This program (approximately \$23 million in 2010-2011 and \$45 million from 2012-2014) is funded through tax-supported debt. These funds are invested *in addition* to the core Neighbourhood Renewal investments in each of the selected neighbourhood renewal locations.

Once areas are identified for Neighbourhood Renewal, the Office of Great Neighbourhoods takes on a corporate coordination role providing one voice to citizens on behalf of all departments involved. Work continues with the residents to identify investments that move neighbourhoods closer to the vision for that community. These are usually unique to the neighbourhood and fall outside of the scope of the *Neighbourhood Renewal Program*. Additional investments include infrastructure such as paving pathways that improve access to neighbourhood parks or community league buildings, landscaping features and creating sidewalks to further connect people in the neighbourhood.

3. A *Drainage Neighbourhood Renewal Program* also supports neighbourhood infrastructure rehabilitation. With the approval of the Neighbourhood Renewal Program to augment above-ground renewal, Infrastructure Services must deliver a proportionate increase in the corresponding investment in underground infrastructure. The three components of Drainage Renewal are
 - a. coordinating with the Neighbourhood Renewal work on roads and sidewalks,
 - b. renewal work in coordination with other franchised utilities such as ATCO gas, and
 - c. work where sewers are the only infrastructure in need of immediate renewal.



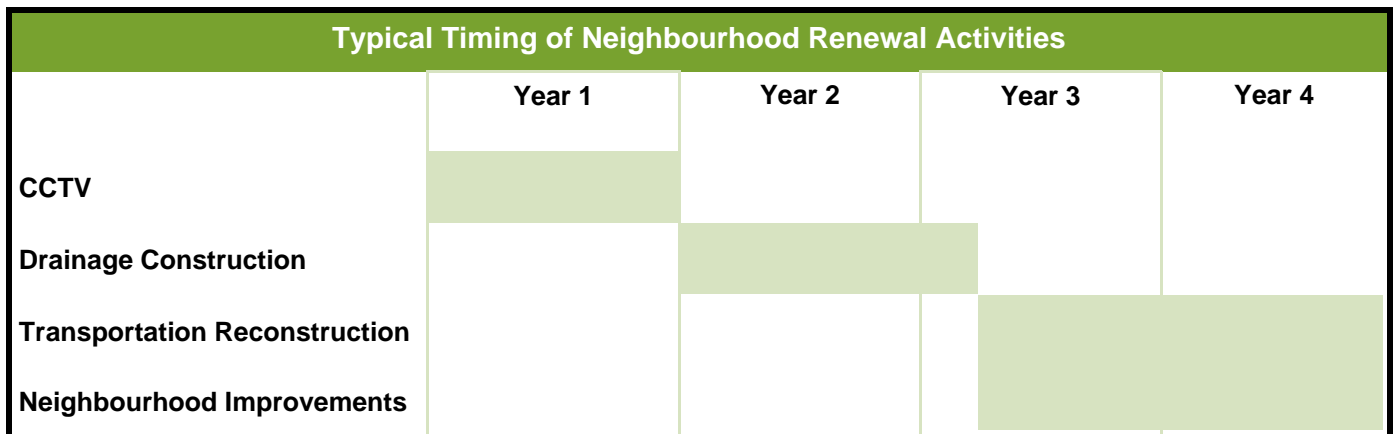
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COORDINATED NEIGHBOURHOOD INVESTMENT

Infrastructure Services (Drainage Services), Transportation Services, Community Services (Office of Great Neighbourhoods) and Sustainable Development are integrating and aligning the planning and implementation of the City's investments in neighbourhood improvement. City staff also work with the community to identify neighbourhood-specific needs. This meets City Council's 10-year strategic goal of improving Edmonton's livability and transforming Edmonton's urban form.

It is essential to the effectiveness of the Neighbourhood Renewal Program that the renewal of underground infrastructure (storm and sanitary sewers) be integrated into the planning and funding of the above ground infrastructure (roads, sidewalks, streetlights, etc.) To this end, Drainage Services is working closely with the Transportation Services Department in the administration of the program.

Coordination between Drainage Services and Transportation Services under the Neighbourhood Renewal Program means that Drainage Services will go into those neighbourhoods targeted for reconstruction first. Drainage completes CCTV inspection of the sewers, and then starts renewal work (generally using a re-lining method) ahead of the scheduled roadway reconstruction work. This drainage work will often start 2 years prior to the road work, and finish in the same year the road work begins. This timing sequence is shown in the following chart.



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NEIGHBOURHOOD RENEWAL CAPITAL PROGRAM UPDATE

Scope and Funding Sources

Coordinated by the Transportation Services Department, the *Neighbourhood Renewal Program* delivers a cost-effective, long-term strategic approach to renew and rebuild Edmonton's roads, sidewalks, and streetlights in existing neighbourhoods and collector roadways throughout Edmonton. The Neighbourhood Renewal Program balances the immediate need to rebuild some neighbourhoods with an ongoing need to provide preventative maintenance and rehabilitation supporting long-term asset management. Neighbourhood renewal work includes:

- Microsurfacing (Operating Program)- roads are resealed with a thin asphalt ride surface. Microsurfacing candidates have good road conditions and are applied 10-12 years after road reconstruction or resurfacing
- Neighbourhood Overlay (Capital Program) - roads are repaved and sidewalk panels treated to eliminate trip hazards. Overlay neighbourhood candidates have poor road condition and good sidewalk condition
- Neighbourhood Reconstruction (Capital Program) – roads are repaved, sidewalk, curb and gutter, and street lights are replaced. Reconstruction neighbourhood candidates have poor sidewalk and fair to poor road conditions
- Collector Renewal (with priority on bus routes)
- Northeast road reconstruction (replacement of road with special drainage enhancement, selective concrete repair due to soft subgrade conditions that exist in the area)

By effectively combining reconstruction, rehabilitation, and preventative maintenance, the goal was to have all Edmonton neighbourhoods receive improvements within 30 years, whereas a total reconstruction only program would take many more years to complete, at a significantly higher cost.

Neighbourhood Renewal — Summary

The 2012 – 2014 Capital Budget includes the approval for a total of 4 new neighbourhoods per year in each of the years from 2012—2014. The City funds its contribution towards the *Neighbourhood Renewal Program* from three main funding sources: dedicated tax levy, MSI grants and local improvement fees.

Transportation Services				
Neighbourhood Renewal Capital Budget				
2010—2014 (\$000's)				
2010	2011	2012	2013	2014
\$72, 229	\$144, 079	\$105, 008	\$112, 138	\$108, 573

The Neighbourhood Renewal Program (NRP) includes Residential and Industrial local and collector roadways and includes the following components:

- Roads
- Curbs and gutter
- Sidewalks
- Street lighting
- Missing links in Right of Way sidewalk/Multi-use trails and bike systems
- Pedestrian Safety
- Alley Renewal (currently not funded)

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There are approximately 300 neighbourhoods (including industrial) in Edmonton. The age of neighbourhood (assuming 40 - 50 year service life) and its renewal history influences the type of renewal required. As of 2010 Year End, over 169 neighbourhood's renewal needs are as follows:

- 111 require reconstruction
- 58 require overlay

The City uses a Life cycle approach to residential roadway renewal to provide for maximum efficiency and life expectancy of neighbourhood infrastructure. New Construction Standards have been developed and implemented over the past 10 years and now provide proper treatment during life cycle to allow for a 60 Year Life Span. These maintenance treatments are as follows:

- Microsurfacing (preventative maintenance) – year 10
- Roadway overlay – year 30
- Microsurfacing (preventative maintenance) – year 40
- Reconstruction – year 60
- Major drainage and cast iron renewal at time of reconstruction

Based on approximately 300 residential and industrial neighbourhoods, to achieve life cycle model, the following annual program would be required:

Operating:

- 5 microsurfacing neighbourhoods - \$0.5 million each

Capital:

- 6 overlay neighbourhoods - \$2.5 million each
- 5 - 6 reconstruct neighbourhoods - \$17.5 million each
Note: as these take 2 years to complete, work is being completed in 10 - 12 neighbourhoods per year
- Collector Renewal - \$20 million
- Alley renewal - \$8 million capital (annually)

Average annual ongoing funding would be approximately \$138 million, plus drainage and water. The funding model for this program is based on a combination of funding sources including the Neighbourhood Tax levy, Local Improvement levy and Provincial MSI funding.

This plan was originally intended to have sufficient sustainable funding from the Neighbourhood Tax levy so that the MSI component would be phased out in 2018. This funding model was initially set at an annual 2% tax levy increase and would provide for the following infrastructure targets to be achieved in approximately 25 years:

- Condition rating target for roads – 3.0 out of 5.0
- 0% sidewalks in "F" condition

Based on the 2012-2014 Capital budget these timelines will be extended beyond 30 years as the Provincial Funding sources have been reallocated from this program to other rehabilitation programs due to overall Capital Budget reductions to accommodate critical projects such as the Waltherdale Bridge Replacement. In the 2011 Budget, the Program Tax Levy requirements were approved at an annual 1.5% increase in property tax every year for the first 15 years however with the provision that there would be sufficient MSI funding through to the end of 2018. In order to meet this 15 year time frame the tax levy would need to be increase to 2%. Appendix 1 outlines the neighbourhood tax levy options from 2009 through 2018 budgets and impacts of the reallocation of MSI funding.

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Proposed 2012 Budget - Program Summary

	2010 Actual	2011 Budget	\$ Change '11-'12	2012 Budget*	% Change '11-'12
Expenditures & Transfers					
Transfer to Capital - Neighbourhood Renewal	29,069	41,379	18,812	60,191	45.5
Transfer to Reserve - Neighbourhood Renewal	2,586	4,297	(4,297)	-	
Net Operating Requirement	\$ 31,655	\$ 45,676	\$ 14,515	\$ 60,191	31.8
Full-time Equivalents	-	-	-	-	

* The timing difference between the taxes collected in the current year and capital expenditures are transferred to the Neighbourhood Renewal Reserve, available to fund neighbourhood renewal capital expenditures in future years.

2011 Program (In Progress)

The 2011 program includes the following neighbourhood renewal projects:

- 6 reconstruction neighbourhoods (completion of Fulton Place, Parkallen, Rio Terrace and Sherbrooke. Starting of West Jasper Place, and Capilano.)
- 15 overlay neighbourhoods
- 5 microsurfacing neighbourhoods
- Approximately 39 kilometres collector renewal
- Approximately 1 kilometre of residential roads were reconstructed under the Northeast Soft Subgrade Mitigation project
- 2 alley reconstruction (50/50 cost share pilot) neighbourhoods

2011 Neighbourhood Renewal Program

Collector Renewal

Britannia Youngstown	Jamieson Place	Strathearn
Norwester Industrial	Ormsby Place	Henderson Estates
Potter Greens	Oliver	Empire Park
Terra Losa	Queen Mary Park	Greenfield
White Industrial	Cromdale	Pleasantview
Huff Bremner Estate Industrial	Edmonton Northlands	Rideau Park
Lauderdale	Glengarry	River Valley Fort Edmonton
Kilkenny	Kildare	Skyrattler
Lago Lindo	CPR West	Cornet Industrial
Belmont	Ottewell	Ritchie
Gorman Industrial	Queen Alexandra	Southeast Industrial
Matt Berry	Strathcona	Wild Rose

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2011 Neighbourhood Renewal Program (Continued)

Northeast Soft Subgrade Mitigation

Hollick Kenyon

Overlay

Callingwood North	Duggan	Greenview
High Park Industrial/McArthur Industrial	Bears paw	Menisa
Hagmann Estate Industrial	Crawford Plains	McIntyre Industrial
Casselman	Weir Industrial	Richfield
Belvedere		Kameyosek

Reconstruction

Rio Terrace	Sherbrooke	Fulton Place
West Jasper Place	Parkallen	Capilano

Alley Reconstruction (50/50)

Sakaw* (50/50 Alley)	Mcleod* (50/50 Alley)
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Microsurfacing

Sherwood	Goldbar (N of 106 Ave, E of 50 St., S	Ritchie Industrial (W of 99 St)
Kensington	of 106B/107Ave)	

Collector Streetscape

108 St. - 99 Ave. to Jasper Ave.	99 Ave. - 107 St. to 109 St.
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2012—2014 Program (Proposed)

For 2012 - 2014 Neighbourhood Renewal program, the following is slated to be completed on an annual basis:

- 4-5 new reconstruction neighbourhoods
- 5-6 overlay neighbourhoods
- 2 microsurfacing neighbourhoods
- Approximately 17 kilometres collector renewal
- Reconstruction of approximately 2 kilometres of residential roads under the Northeast Soft Subgrade Mitigation project.

The project locations and neighbourhood benefiting from the Neighbourhood Renewal Program projects is portrayed in Appendix 2 and Appendix 3.

2012 Neighbourhood Renewal Program

Collector Renewal

Jasper Park	Fraser	Strathern
Terra Losa	Lynnwood	Carter Crest
Athlone	Boyle Street	Grandview Heights
Bonaventure Industrial	Downtown	Mill Woods Town Center
Caernarvon	Oliver	Parsons Industrial
Beaumaria	Northmount	Ritchie
Lorelei	Ottewell	Kiniski Gardens
Bannerman	Strathcona	Larkspur

Northeast Soft Subgrade Mitigation

Hollick-Kenyon	Matt Berry	Ozerna
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Overlay

Wilson Industrial	McNamara Industrial	Ekota
Alberta Park Industrial	Kennedale Industrial	Bisset

Reconstruction

Canora	Windsor Park	Woodcroft
King Edward Park		

Microsurfacing

Ritchie (Residential - E of 99 St)	Tweddle Place
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Collector Streetscape

108 St. - 99 Ave. to Jasper Ave.

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2013 Neighbourhood Renewal Program

Collector Renewal

Glenwood	Downtown	Skyrattler
Calder	McCauley	Davies Industrial East
Carlisle	Oliver	Pylypow Industrial
Cumberland	Beverly Heights	Roper Industrial
Oxford	Strathcona	Jackson Heights
Belle Rive	University of Alberta	Kiniski Gardens
Kilkenny	Bulyea Heights	Larkspur
Wedgewood Heights	Calgary Trail North	Weinlos
Boyle Street		

Northeast Soft Subgrade Mitigation

Hollick-Kenyon	Matt Berry	Ozerna
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Overlay

Belmead	Lago Lindo	Aldergrove
Bannerman	Pollard Meadows	Brander Gardens

Reconstruction

Dovercourt	Argyll	North Glenora
Terrace Heights	Delton	

Micro surfacing

Althlone	Rideau Park	
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2014 Neighbourhood Renewal Program

Collector Renewal

Inglewood	Rossdale	Twin Brook
Downtown	Garneau	Allendale
Oliver	Strathcona	Blue Quill
Riverdale	Blackburne	Calgary Trail North and South

Northeast Soft Subgrade Mitigation

Hollick-Kenyon	Matt Berry	Mayliewan
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Overlay

Dechene	Ormsby Place (E of 187 A St.)	Ramsay Heights
Newton	Sweet Grass	

Reconstruction

Hazeldean	Cromdale	Glenora
Grovenor		

Micro surfacing

York	Killarney	
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GREAT NEIGHBOURHOODS CAPITAL PROGRAM UPDATE

Scope and Funding Sources

Great neighbourhoods are the building blocks of a great city, and the City of Edmonton has an increased focus on investing in the physical and social infrastructure of neighbourhoods.

The City of Edmonton is committed to improving the livability of Edmonton's neighbourhoods and the lives of the people who live, work, visit and play in them. The City is doing this by investing in the physical and social infrastructure of neighbourhoods, working with residents to support their efforts to create the place they want their neighbourhood to be, working across City departments, and improving collaboration with other organizations to deliver neighbourhood services more efficiently. Through the Great Neighbourhoods Initiative, the City of Edmonton is:

- Investing in the redevelopment, revitalization and renewal of Edmonton neighbourhoods to create vibrant, sustainable, great neighbourhoods.
- Building community capacity by working with residents and supporting their efforts to create the place they want their neighbourhood to be.
- Coordinating city services and improving collaboration with other organizations and among City departments to deliver services in neighbourhoods more efficiently.

As part of this Initiative, the 2012 – 2014 *Great Neighbourhoods Capital Program* allocates \$15 million per year of funding in three areas:

- a) Revitalization in four Council approved revitalization areas involving 13 distinct neighbourhoods: From entrance signage and public art to improved landscaping, lighting and walking paths, these investments advance community-led visions and increase the neighbourhoods' attractiveness to visitors, residents and investors. The City also invests in buying and improving neighbourhood properties that contribute to the area's revitalization. Great Neighbourhoods staff will continue to engage Edmontonians and work across City Departments to present neighbourhood residents with a single, coordinated view of city proposals throughout the stages of revitalization. Residents are invited and encouraged to provide their views and input to help inform decisions that affect their community. Coordinating and integrating City work across departments continues throughout the planning, implementation and service delivery phases of the revitalization process.
- b) Coordinated Neighbourhood Redevelopment and Improvements. These investments address neighbourhood specific capital investments that contribute to improving the livability of the neighbourhood, yet fall outside of the *Neighbourhood Renewal Program*. Based on resident and property owner input, these investments advance the City's objectives of creating pedestrian-friendly, connected and attractive neighbourhoods. Such amenities and improvements include, but are not limited to, water features, public art, outdoor theatres, lighting upgrades, neighbourhood safety enhancements and leisure activities such as outdoor chess tables and seating. For 2009-2011, \$3.8 million was allocated to start this program with total funding of \$54 million from 2009 to 2023. Residents in the neighbourhoods of Canora, Windsor Park, King Edward Park, Dovercourt, and Woodcroft have been engaged in exploring the kinds of neighbourhood improvements they would like to see in their neighbourhoods. Suggested projects are currently being prioritized and assessed for feasibility. Future Neighbourhood improvement investments will be made in those neighbourhoods slated for reconstruction under the Transportation Renewal Program. This is when the City replaces neighbourhood roads, curbs, sidewalks and street lights usually over a two-year period. Coordinating public engagement and incorporating neighbourhood changes during the planning and design phases helps minimize disruption to residents and maximize efficiencies.

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- c) Neighbourhood Business Development, supporting rehabilitation related to business and commercial opportunities locally, complete communities, and Living Local efforts.

2011 Program (In Progress)

- Alberta Avenue Revitalization Initiative - Completion of Phase 3 (92 St to 97 St) and construction commencing on phase 4 (78 St. to 83 St.) which includes streetscape and arterial road improvements. Also part of the revitalization work is addressing building code deficiencies with the former Alberta Cycle Building, which the City purchased as part of the neighbourhood revitalization initiative.
- Construction to commence on 108 Street (Capital Boulevard) from 99 Avenue to Jasper Avenue and 99 Ave from 107 St to 109 St. Capital Boulevard is one of the catalyst projects of the new Capital City Downtown Plan and advances the goal of creating a vibrant well designed, sustainable and accessible downtown. When complete, the street will feature broad tree-lined sidewalks, enhanced road and sidewalk lighting, mid-block pedestrian crossings and high quality street furnishings. The enhanced appearance and improved walkability will contribute to making the downtown a more attractive place for working, living, learning and visiting.
- Great Neighbourhoods Capital Investments are made in coordination with the Neighbourhood Renewal program when neighbourhoods are chosen for reconstruction. This means the City of Edmonton is replacing neighbourhood roads, curbs, sidewalks and street lights. Currently, the neighbourhoods of Belvedere, Fulton Place, Meadowlark Park, Park Allen, Sherbrooke and Strathcona are benefiting from the investment of neighbourhood amenities like pathways, lights and connecting sidewalks that add to the livability of the area, yet are outside the scope of the Transportation Neighbourhood Renewal Program.
- The community-led, City supported McCauley Revitalization Strategy is being advanced through an investment in urban design focusing on creating valuable and vibrant public spaces. The City is engaging the community and the Business Revitalization Zone to create detailed designs for public realm enhancements that will provide the necessary infrastructure to attract and increase residential and commercial investments in the McCauley community.
- Jasper Place Revitalization Strategy – In 2011, work commenced for the Stony Plain Road Corridor:
 - Urban Design Vision - update for the area from 149 Street to 156 Street, bounded by 100 Avenue to the south and 102 Avenue to the north.
 - Statutory Plan - with accompanying zoning changes for the Stony Plain Road Corridor.
 - Streetscape Improvement Plan - including concept plan, preliminary plan and detailed design drawings. Construction to commence in 2012.



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Over the next three years, the proposed Great Neighbourhoods capital plan includes \$45 million to continue to improve the livability of Edmonton's mature neighbourhoods. Specifically, this includes investments in:

- Four City Council approved neighbourhood revitalization areas involving 13 neighbourhoods -- Alberta Avenue (\$9.6 million), Central McDougall/Queen Mary Park (\$5.8 million), McCauley (\$6.7 million), and Jasper Place (\$10.9 million).
- Alberta Avenue: Continuation of the City Council approved Avenue Revitalization Initiative (Alberta Avenue) will occur with the remaining two revitalization phases scheduled through to 2014.
- Central McDougall / Queen Mary Park Initiative: Design for the revitalization will occur in 2011/2012 with construction scheduled from 2012 to 2014.
- McCauley Initiative: Design for the revitalization is happening in 2011 with construction of the three subsequent revitalization phases scheduled from 2012 to 2014.
- Jasper Place Initiative: Design for the revitalization from 149 St to 156 St is under way with completion in 2012 and construction between 2012 and 2016.
- Enhancements in up to 10 mature neighbourhoods, such as walkways, public art, street furnishing and water features, in coordination with the Transportation and Drainage Renewal programs
- Inglewood Streetscaping along 118 Ave. from 121 St to 129 St. and 124 St. from 111 Ave. to 118 Ave.



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DRAINAGE NEIGHBOURHOOD RENEWAL PROGRAM UPDATE

Scope and Funding Sources

The *Drainage Neighbourhood Renewal Program* work is delivered by Infrastructure Services, Drainage Services, through two main methods:

- Relining – involves ‘cured in-place’ pipe material resulting in minimal disruption to pavement
- Open Cut – requires significant disruption to pavement

Currently, the Drainage Neighbourhood Renewal Program does not include renewal of sewers in alleys. Coordination with Transportation Services as the reconstruction program for alleys or other roadway infrastructure increases will require additional capital financing for Drainage Utilities.

On average, for every \$4 the Transportation Services Department spends on neighbourhood renewal work; Drainage Services spends \$1. The Drainage Utilities’ rate base is significantly smaller than the property tax base.

Whereas a 1% property tax increase provides approximately \$9.7 million in funding, a 1% utility rate increase for Sanitary and Stormwater combined provides \$0.9 million. For example, a 2% property tax increase generating \$19.4 million in funding for Neighbourhood Renewal for the Transportation component would require an investment of approximately \$4.9 million by Drainage Services or more than a 5.2% increase for the combined utilities.

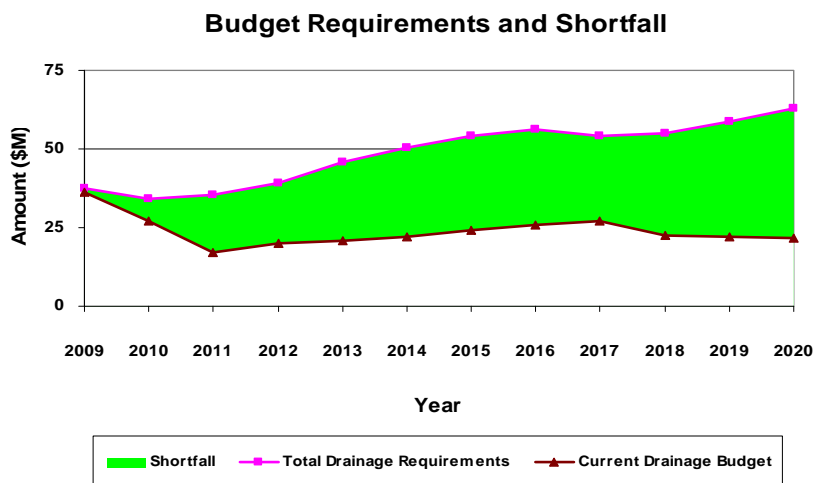
In 2012, a budget of \$36.8 million (\$18.4 million for the Sanitary Utility and \$18.4 million for the stormwater utility) is required to support the Neighbourhood Renewal Program. Since funds from the Alberta Municipality Infrastructure Program (AMIP) grant to Drainage Services were exhausted at the end of 2009, 100% of the *Drainage Neighbourhood Renewal* work has to be funded from utility rates in 2012.

The following table shows the actual and projected expenditure for the Drainage Neighbourhood Renewal Program during the period from 2010 to 2014:

Drainage Neighbourhood Renewal Expenditures (\$000's)					
	2010	2011	2012	2013	2014
	Actual	Projected	Budget	Budget	Budget
Neighbourhood Renewal	\$28,434	\$35,000	\$36,826	\$50,317	\$59,975

Prior to the approval of the Neighbourhood Renewal Program in 2008, the Drainage Services’ 10-year capital plan outlined a planned expenditure for co-ordination with Transportation Services of about 2 neighbourhoods per year. With the approved program’s plan for the completion of more than 2 neighbourhoods per year, Drainage Services is now experiencing a shortfall in funding for the Drainage Neighbourhood Renewal Program.

The following graph illustrates the expected shortfall for 2009 to 2020.



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Currently, the *Drainage Neighbourhood Renewal Program* is funded by both the Sanitary Utility and the Stormwater Utility. Within these two utilities, the *Drainage Neighbourhood Renewal Program* is funded largely through debt. As a result, the annual increases to the customer rate are currently being used for debt servicing. Over time, and with a continuation of annual increases to support Drainage Neighbourhood Renewal, the percentage of funding from borrowing should go down.

2011 Program (In Progress)

Drainage renewal work was undertaken in the following neighbourhoods in 2011:

2011 Drainage Neighbourhood Renewal Program

CCTV

Avonmore	Cromdale	Hazeldean
Delton		

Relining/Open Cut *

Alberta Avenue	Glenora	Sakaw
Aldergrove	Greenview	Sherbrooke
Argyll	Grovenor	Sherwood
Athlone	High Park Industrial	Summerlea
Belgravia	King Edward Park	Terrace Heights
Belvedere	Laurier Heights	Throncliffe
Bonnie Doon	Lendrum Place	Weir Industrial
Canora	McLeod	West Jasper Place
Capilano	Montrose	Westridge
Crestwood	North Glenora	Westwood
Dovercourt	Parkallen	Windsor Park
Duggan	Rio Terrace	Woodcroft
Empire Park	Ritchie	

*Relining/open cut work represents a combination of projects carried forward from 2010, as well as projects started in 2011.

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2012 Program (Proposed)

Neighbourhoods planned in 2012 include those identified by Transportation Services as requiring reconstruction in 2013 or beyond as well as other requiring only sewer renewal. Although the Drainage work is funded from the rate base, the tax levy supports the required follow up above ground work.

Some of the neighbourhoods with drainage renewal work that commenced in 2011 will need to be carried forward to 2012 since it normally takes 2-3 years to complete all the works in one neighbourhood. There are also neighbourhoods included that require only drainage work due to poor pipe conditions, and neighbourhoods to be completed in coordination with other franchised utilities such as ATCO Gas.

2012 Drainage Neighbourhood Renewal Program

Avonmore
Boyle Street

Delton
Gariepy

Laurier Heights West
Hazeldean

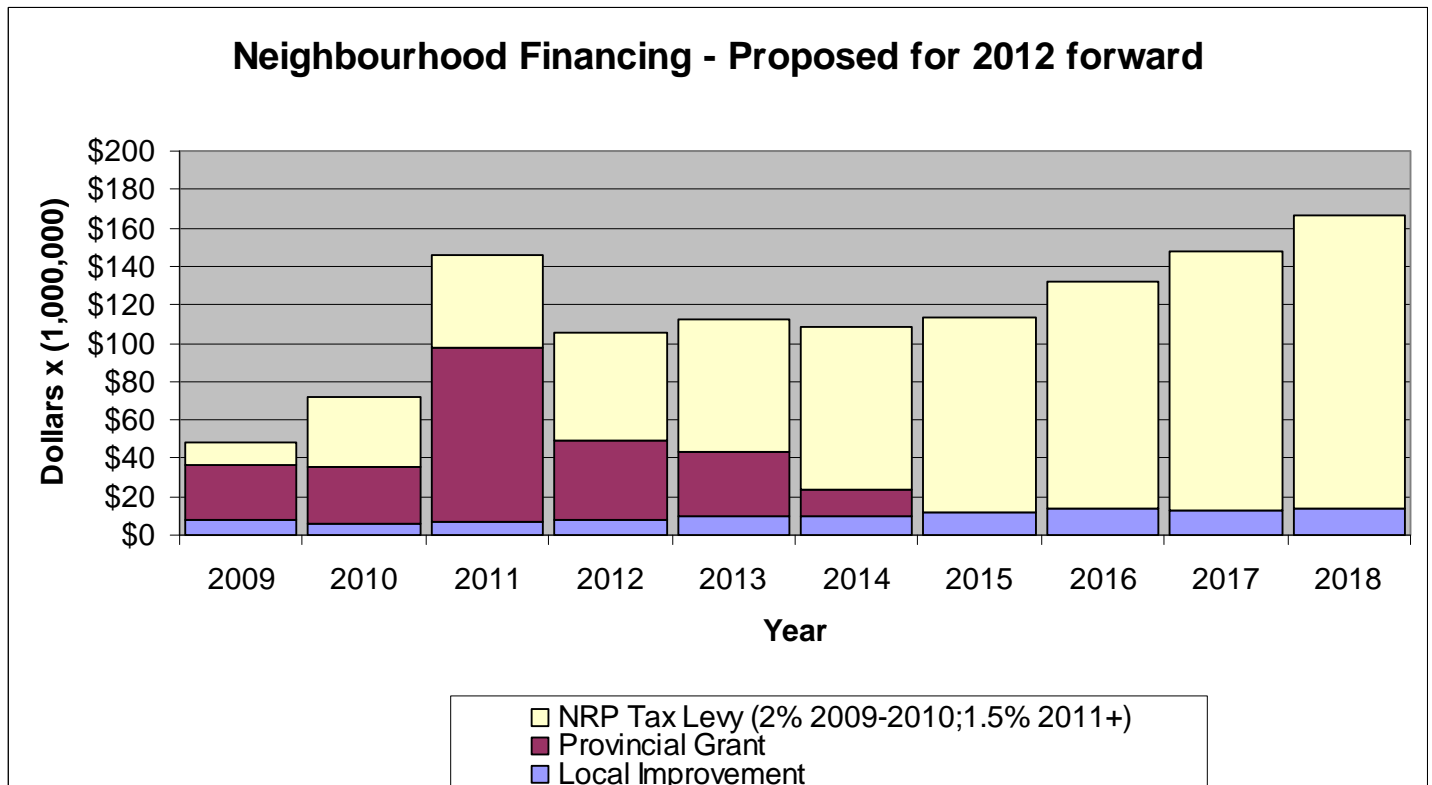
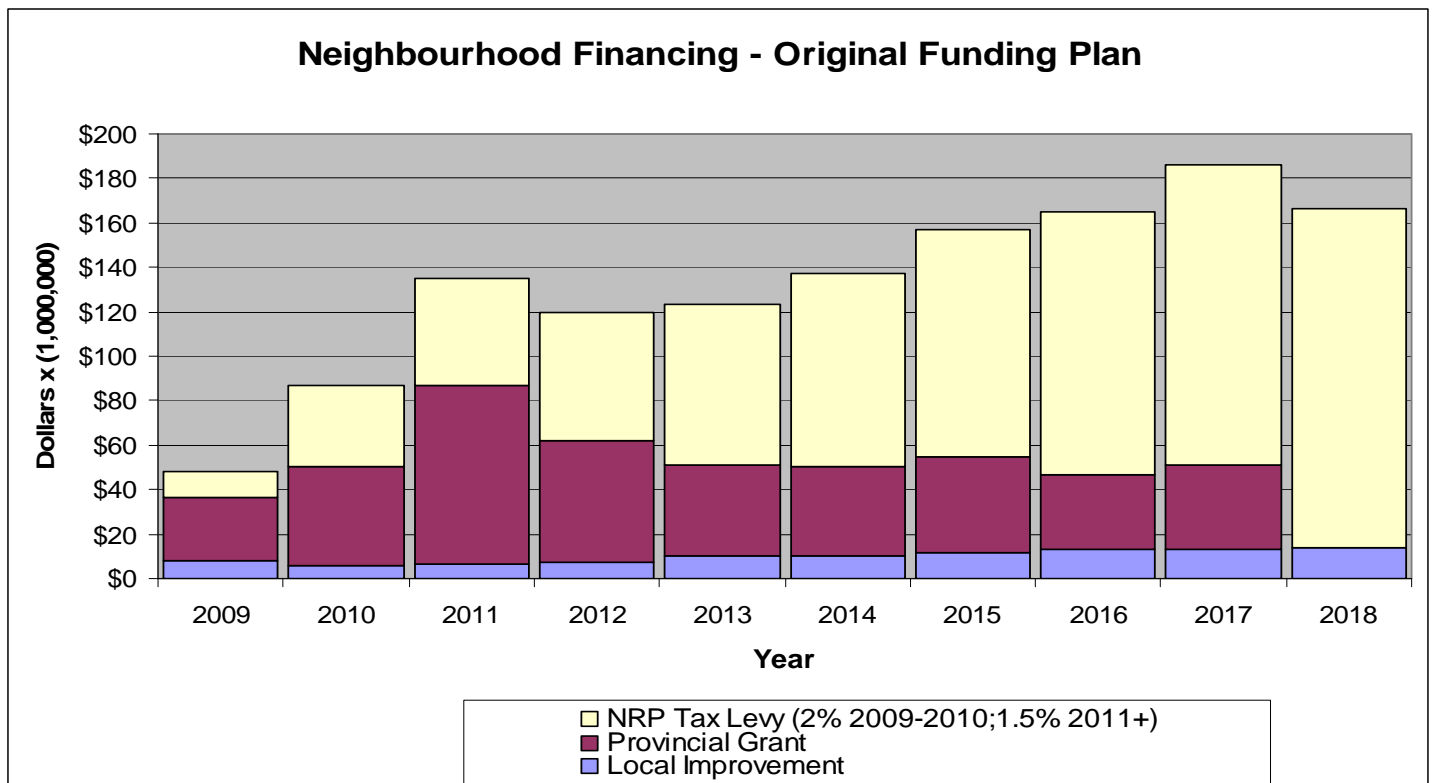
SUMMARY

The property tax dedicated to the *Neighbourhood Renewal Program* as a strategy to address infrastructure renewal in neighbourhoods will continue into 2012-2014 3-Year Capital Budget and be reviewed and re-evaluated over the course of the 3-year budget cycle. *The Great Neighbourhood Capital Program* is a ten-year program that will provide approximately \$45 million in funding for the 2012 to 2014 capital budget. A pre-determined, consistent and predictable dedicated tax provides significant benefits to the citizens. Increases in utility rates beyond 2012 to align with the dedicated tax for the Neighbourhood Renewal Program work will be identified in future Drainage Utilities Budget Submissions.

The dedicated property tax levy for Transportation Neighbourhood Renewal with corresponding proportionate increases in utility rates to fund Drainage Neighbourhood Renewal can provide a consistent predictable and stable long term flow of revenue for investment in Edmonton neighbourhood infrastructure if continued for a number of years. This in turn creates accountability and transparency.

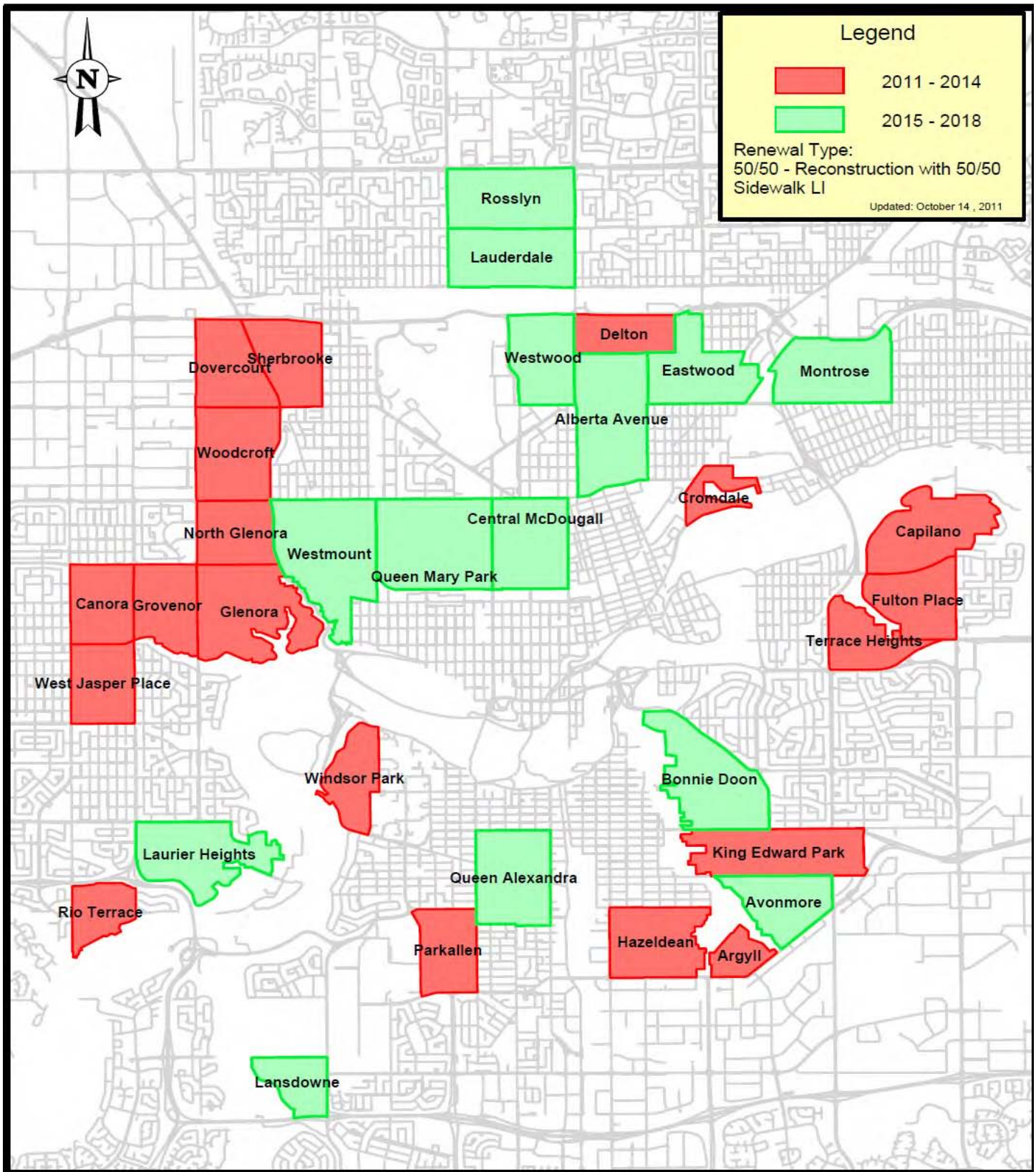
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Appendix 1 - Neighbourhood Funding Tax Levy Scenario Overview



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Appendix 2 - Neighbourhood Reconstruction Program – 2011 — 2018



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Appendix 3 - Neighbourhood Renewal 2012 - 2014: Neighbourhood Overlay, Microsurfacing and Collector Renewal Locations

