



THE DOWNTOWN COMMUNITY REVITALIZATION LEVY (CRL)

The Government of Alberta introduced Community Revitalization Levies to help cities and towns stimulate activity and economic growth. The philosophy behind the CRL program is:

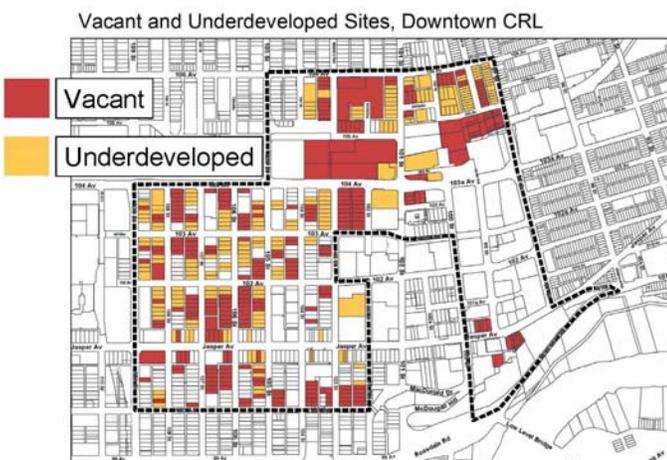
1. Major revitalization projects attract and increase local activity, investment and development;
2. Economic growth creates additional tax revenue for all orders of government;
3. Additional municipal and provincial property taxes from the economic growth will help fund the original project.

EDMONTON'S DOWNTOWN CRL

The downtown CRL encompasses a number of projects meant to transform the core into a vibrant, accessible and sustainable community.

A list of projects has been approved by Council. These include the arena, Jasper Avenue revitalization, two parks, increasing the capacity of the sewer system, and increasing walkability.

The City estimates the CRL will generate approximately \$941 million in revenue in a medium-growth scenario.



HOW THE CRL WORKS

The City borrows money to pay for the construction of CRL projects.

Once built, projects funded by the CRL spark new developments, and property values rise on existing developments.

The City then uses the growth in taxes from new developments and increased property values to pay back the borrowed funds for the CRL projects. Only the tax growth within the CRL boundary is dedicated, and taxes from other areas of the city are not affected.

The Province also contributes to the CRL, as the City also receives the education portion of the tax growth. This amounts to approximately one-third of the CRL revenues.

As only the growth in taxes is used, the tax base in the boundary is determined and fixed at the start of the CRL. That base amount continues to support City programs and services.

A CRL is limited to 20 years in length. Once complete, the taxes dedicated to the CRL return to civic and provincial general revenues, leaving both the City and the Province in a better position.

THE CRL APPROVAL PROCESS

The Province of Alberta legislates and regulates the use of CRLs.

- The provincial government has approved the downtown CRL regulation.
- Council approved the CRL plan and Bylaw.
- The plan and bylaw have been advanced to the provincial government for final approval.