

Integrated Infrastructure Services

Infrastructure Planning and Design



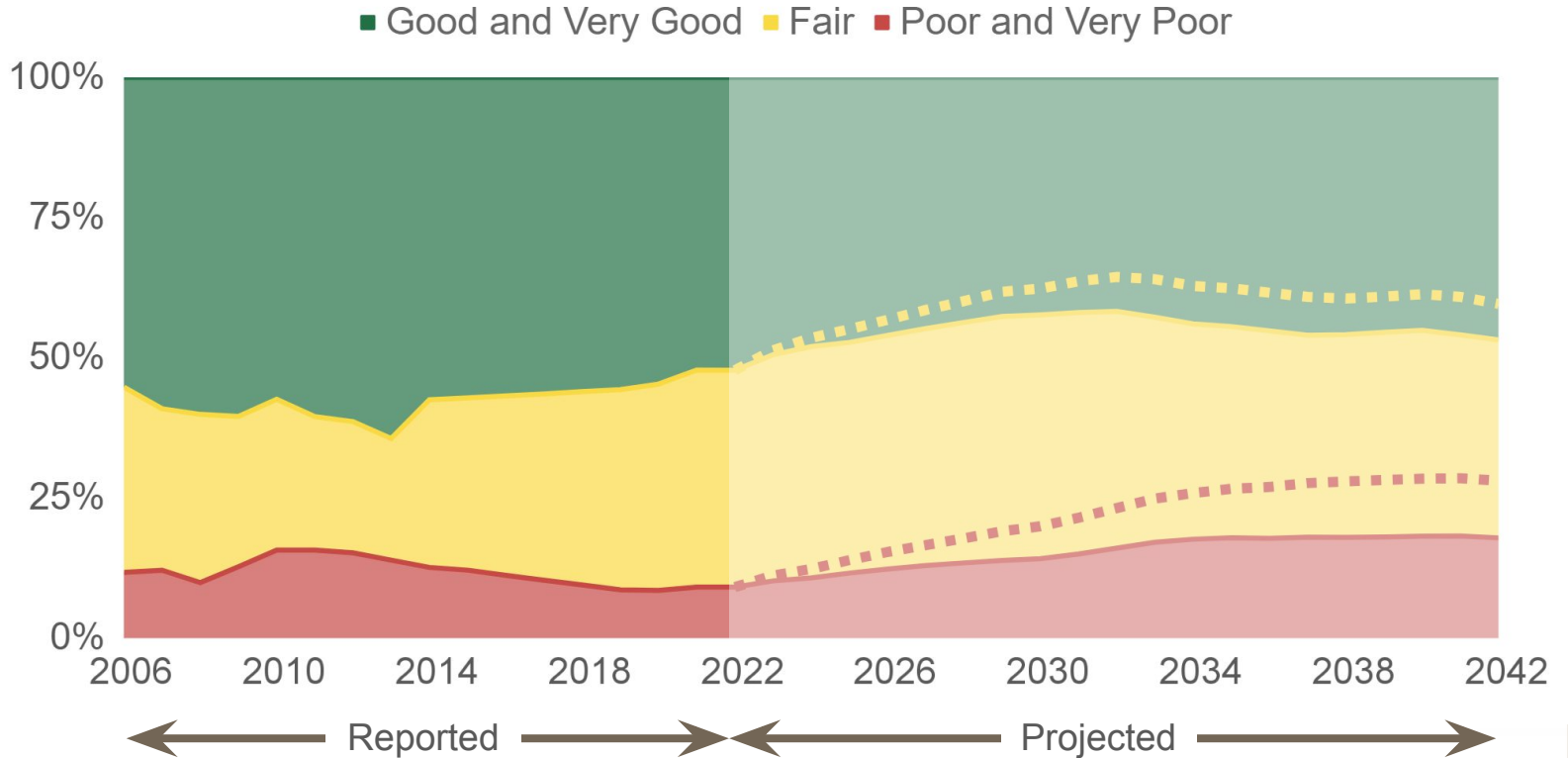
Renewal Program Funding

Neighbourhood Renewal Funds and
Options for a New Dedicated Tax Levy: Allocation
of Property Tax Levy to a Dedicated Renewal Fund

City Council
October 17, 2022

IIS01330 & IIS01338

Projected Condition of All City Assets

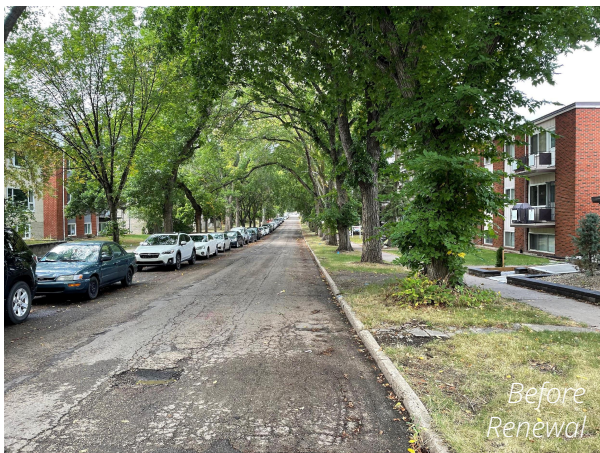


Short Term Options

Re-Allocation From Neighbourhood Renewal Program

Overview of Neighbourhood Renewal

- Neighbourhood Renewal Program commenced in 2009
- Dedicated Tax Levy of \$158M annually (excluding Alleys)
- 35 Neighbourhood projects begin construction in 2023-2026.
- On track to meeting objectives of the Program



Analysis of Re-allocating NRP Funds

- 25% and 35% reduction scenarios for 2023-26 were analyzed
- These ranges were chosen as they provide meaningful benefit to other assets without comprising ability to meet long-term objectives

25% Reduction

- \$151 million available to other renewal priorities
- 6 year delay in achieving long-term targets
- 15 neighbourhood-wide projects delayed

35% Reduction

- \$212 million available to other renewal priorities
- 10 year delay in achieving long-term targets
- 18 neighbourhood-wide projects delayed

Potential Re-Allocation Opportunities

Risks of Underfunded Renewal	Opportunities for Re-Allocated Funds
ETS Service interruptions due to track and train failures	Deliver 5-10 additional LRT facility and track projects in 2023-2026
Unplanned facility shutdowns due to failed building systems	Deliver 15-20 additional facility projects in 2023-2026
Lane closures along major arterial roads	Deliver 8-10 additional arterial roadway projects in 2023-2026

Long Term Options

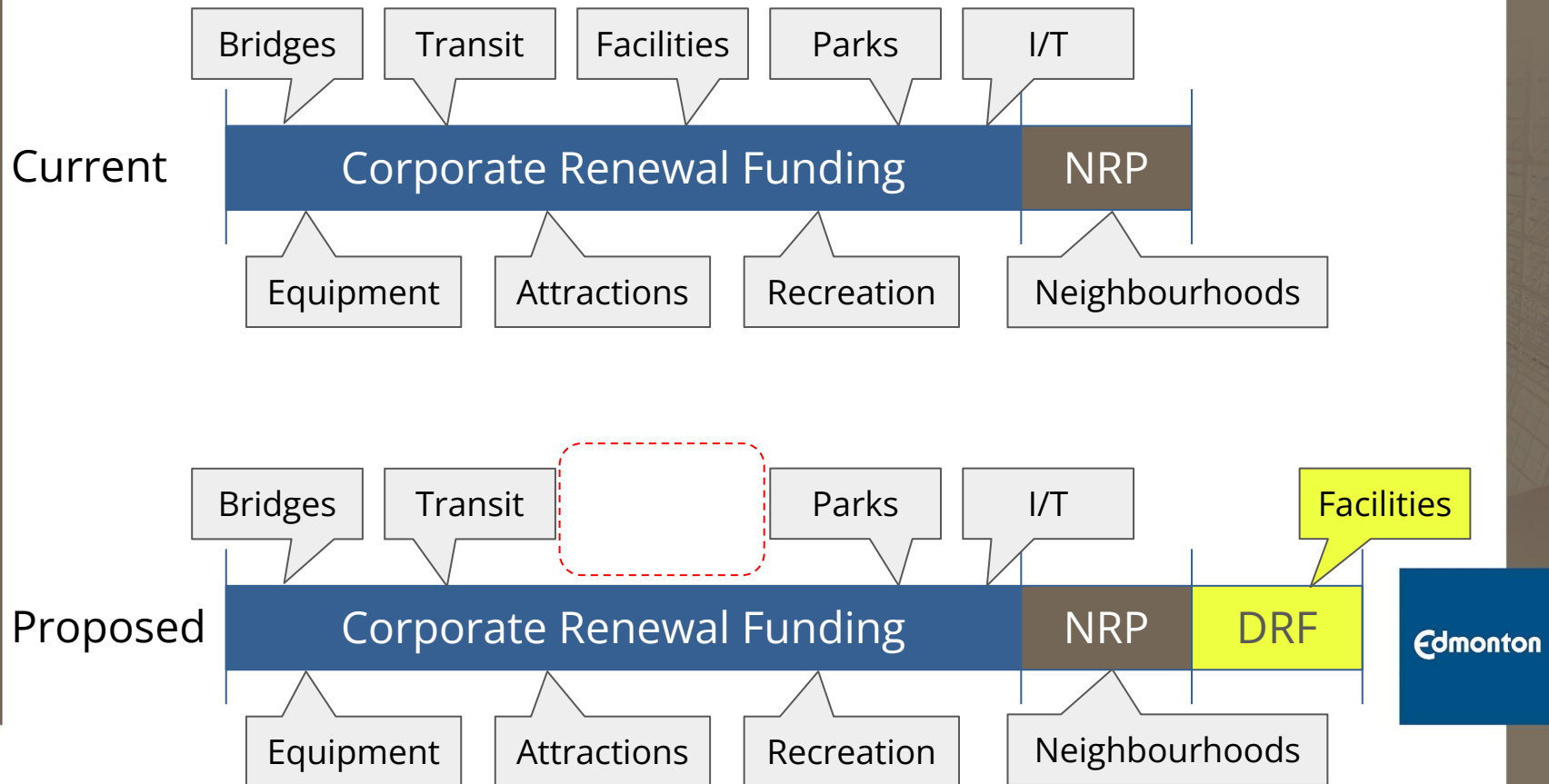
Allocation Of Property Tax Levy To A Dedicated Renewal Fund

New Dedicated Renewal Fund Modelled After NRP

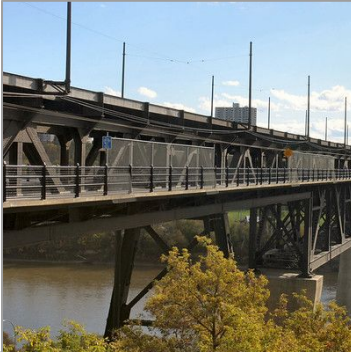




- Benefits of consistent funding from cycle to cycle:
 - Long range, strategic programming of renewal priorities
 - Enables more complex projects / programs aligned with strategic initiatives
 - Better coordination / coordination with partners

Example of New Dedicated Renewal Fund



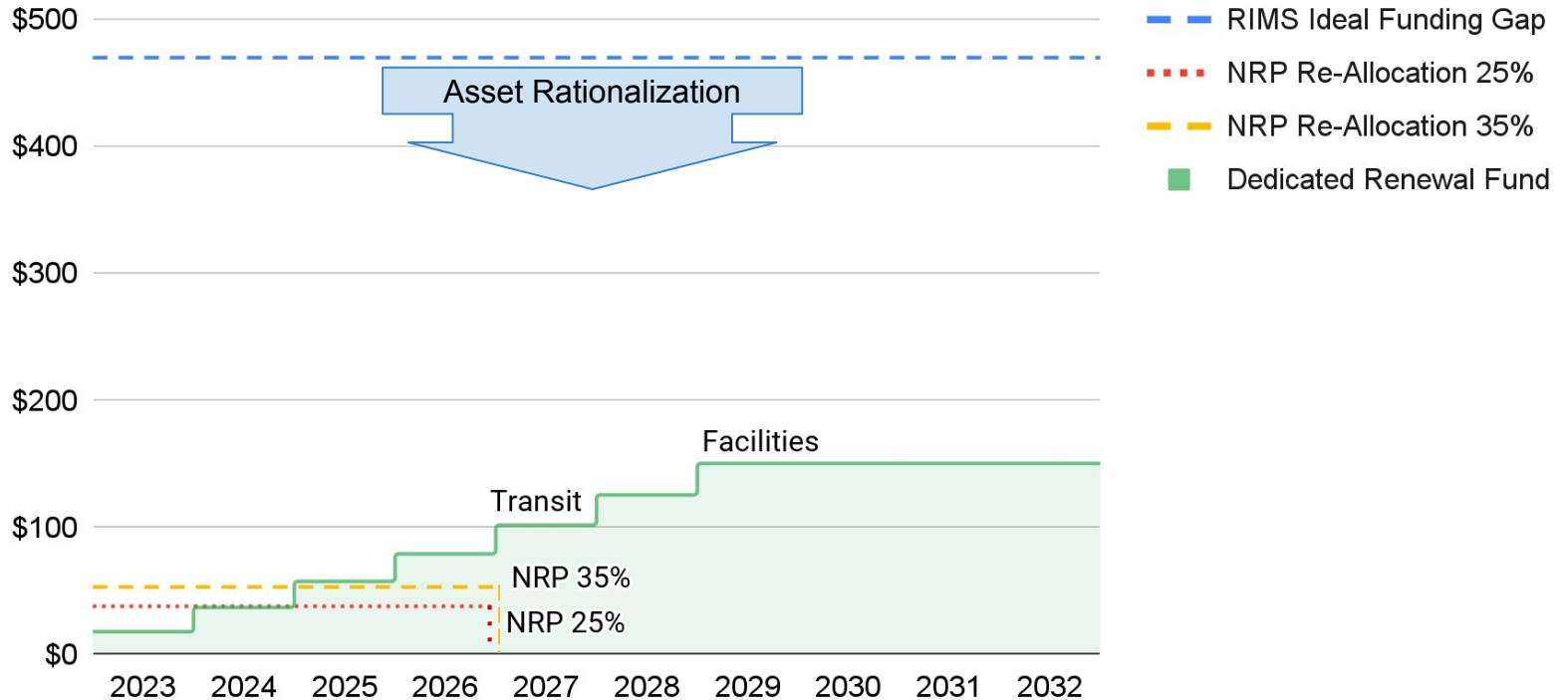
Dedicated Renewal Programs

	Bridges and Aux. Structures	Transit Service	Facilities
			
Annual Value at Full Allocation	\$75 million	\$100 million	\$150 million
Years to Full Value	4 years	5 years	7 years
Revenue Generated in 2023-2026	\$191 million		



* Timelines and revenues shown are based on successive 1% tax increases until full value is achieved

Financial Impact of NRP Re-Allocation and Dedicated Renewal Fund Creation



Opportunities for Council Direction

Short Term Options		Long Term Options		
25% NRP Re-Allocation	35% NRP Re-Allocation	Bridges and Aux. Structures DRF	Transit Service DRF	Facilities DRF
<p>\$151M total (2023-2026)</p> <p>6 year delay to reach condition goal</p>	<p>\$212M total (2023-2026)</p> <p>10 year delay to reach condition goal</p>	<p>\$191M total (2023-2026)</p> <p>Revenue generated by successive 1% tax increases</p>		
<p>Supplements the Dedicated Revenue Funds in 2023-2026 while generating enough funding to be self sufficient</p>		<p>\$300M (2023-26 need)</p> <p>4 years to fully fund</p> <p>Ongoing (\$75M per year)</p>	<p>\$400M (2023-26 need)</p> <p>5 years to fully fund</p> <p>Ongoing (\$100 per year)</p>	<p>\$600M (2023-26 need)</p> <p>7 years to fully fund</p> <p>Ongoing (\$150M per year)</p>

Thank you.

Questions?

Integrated Infrastructure Services
Building Great Neighborhoods and
Infrastructure Planning and Design

Edmonton