

Scope and Magnitude of Priority Industrial Opportunities

The following provides a brief update on initiatives related to infrastructure investment that are currently being addressed by City Council, and that provide an opportunity to achieve the intended results defined in a new Industrial Transformation Roadmap (Attachment 4). Administration has identified some costs associated with these initiatives which are simply intended to frame the scope and magnitude of the potential overall investments required. Considerable further work will be needed to develop business plans that recognize market realities, Council commitment, available funding and desired outcomes.

Edmonton Energy and Technology Park

Administration continues to advance technical work to increase the investment readiness of the Edmonton Energy and Technology Park (EETP). The EETP will build out over the next 20 to 50 years and will add 25 percent to Edmonton's industrial land base. To date, the City has focused its effort and resources on customizing land use plans and zoning, and has invested in technical studies for drainage, stormwater, pipeline corridor, electric power, potable and waste water solutions. An area structure plan amendment has been carried out, along with a review of arterial road alignments.

Investments in both roadway and stormwater drainage infrastructure have been identified as immediate priorities to stimulate near-term development in the EETP. It is becoming increasingly apparent that without some investment by the City, development is unlikely to proceed.

Scope and Magnitude – *The Manning interchange could cost the City and the Government of Alberta in the range of \$120 million. A signalized intersection may provide an interim solution.*

Internal arterial roadways and an innovative approach to stormwater management may also require some upfront contribution by the City. Pre-engineering, land and infrastructure costs in excess of \$300 million are anticipated to position EETP to compete for significant industrial investments. Considerable additional work is needed to confirm these order of magnitude costs.

Infrastructure for the Edmonton Energy and Technology Park is dealt with in more detail as part of CR_2615 Anthony Henday Drive Interchange and the Manning/Meridian Interchange Report.

Revolving Industrial Servicing Fund

The City's Revolving Industrial Servicing Fund (RISF) was created in 2009 to overcome some of the barriers to servicing industrial land, with the ultimate goal of increasing the City's industrial tax revenue and regional competitiveness. The

program lightens the burden for developers who are required to install oversized services into new areas, by allowing them to recover their investment more quickly through a rebate for cost-sharable infrastructure.

The RISF has allowed significant projects to proceed in the Mistatim Industrial, Kinokamau Plains, and Southeast Industrial neighbourhoods. Commitments have also been made to support additional development in Mistatim. In September 2013, Council approved a special RISF rebate to help unlock 150 hectares of land for industrial development in Maple Ridge. Development is expected to proceed in the next one to two years.

Currently, the RISF has stimulated investment that has resulted in an incremental increase of over \$2.4 million in annual tax revenue to the City. This revenue stream will continue to grow as more buildings within these projects are constructed, and as adjacent areas are serviced and developed.

Scope and Magnitude – *Based on the existing fund limit, the Revolving Industrial Servicing Fund is fully subscribed at this time. Over the longer term, an expansion of the Fund could help the City to catalyze additional private sector investment. Over the next five years, depending on market conditions, an additional \$45 million investment in the Revolving Industrial Servicing Fund may be reasonable.*

Winterburn

Administration continues to work with the business community in Winterburn Industrial Park to address the limitations of rural standard services in the area. Transportation Services continues to maintain existing infrastructure, and a Roadway and Infrastructure Upgrading in Winterburn Industrial Area Report (CR_2630) will be brought to Executive Committee in the fall outlining a pilot program to install paved roads and new underground sanitary and water to support the retention and expansion of businesses in the area.

Scope and Magnitude – *Costs in the range of \$155 million have been estimated to complete roadway and infrastructure upgrades.*