

# City of Winnipeg Financing Growth Study Stakeholder Meeting #2



Thursday, August 18<sup>th</sup>, 2016

**HEMSON**  
Consulting Ltd.

# Agenda

- Results of growth financing analysis:
  - Growth forecast
  - Key City-wide services
  - Development-related capital budget
  - Service-by-service residential and non-residential apportionments
- Policy options
- Discussion

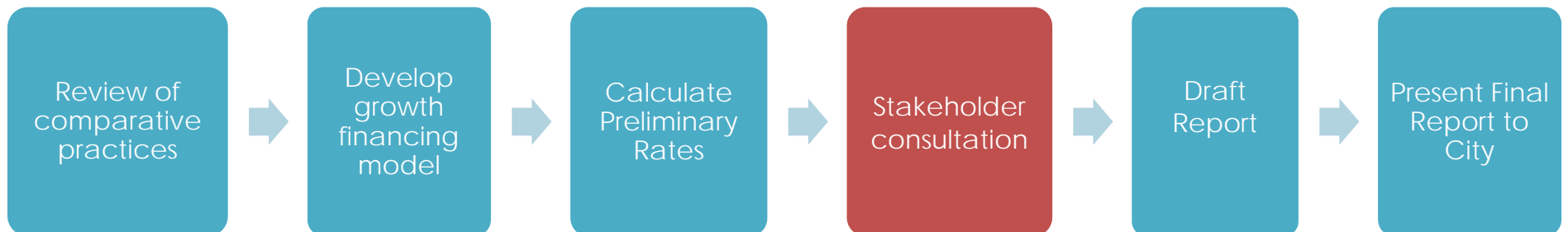
# The Growth Study is Nearing Completion

## Phase 1: Funding Options and Determination of Development-Related Costs and Revenues



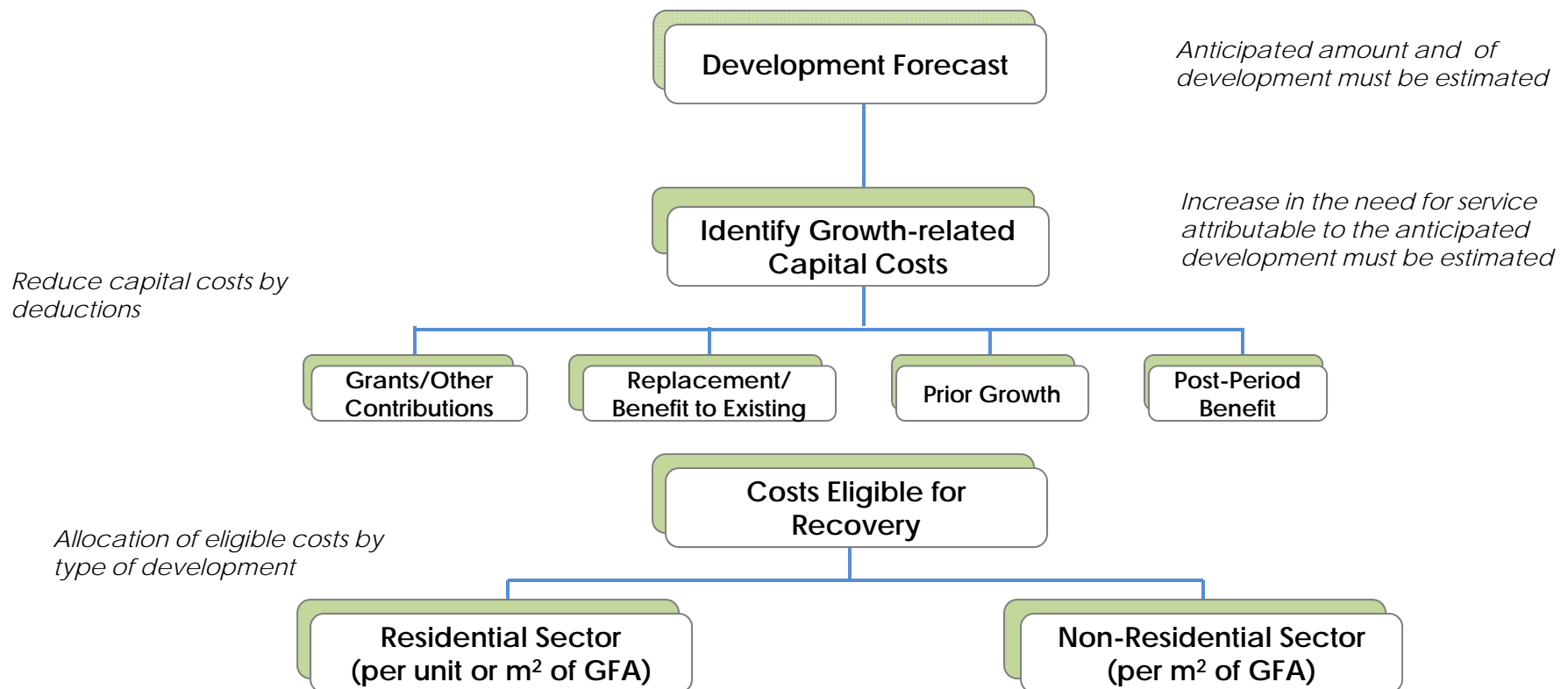
Early June → Late July 2016

## Phase 2: Determination of Growth Financing Implementation Framework

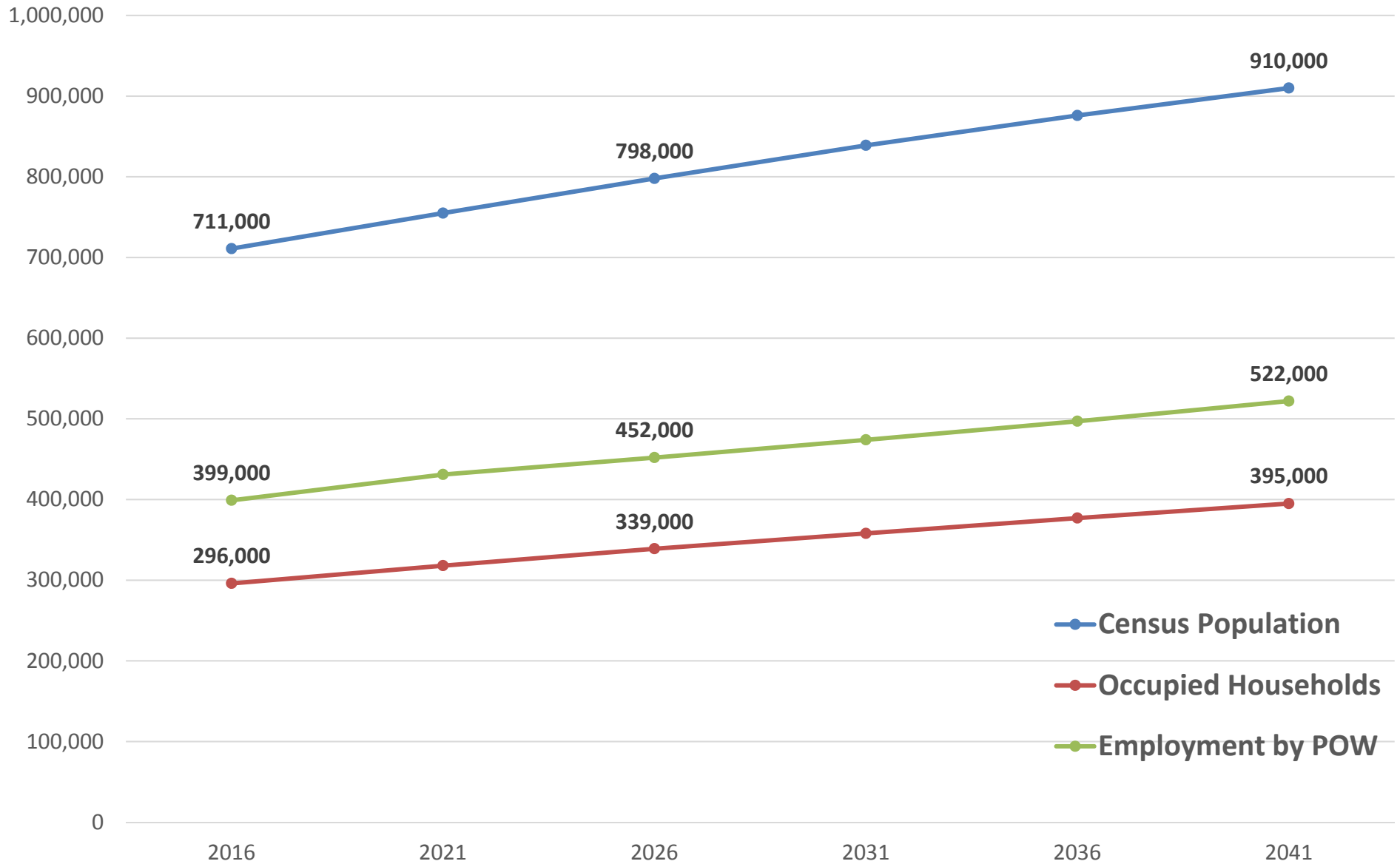


Late July 2016 → September 2016

# Study Process

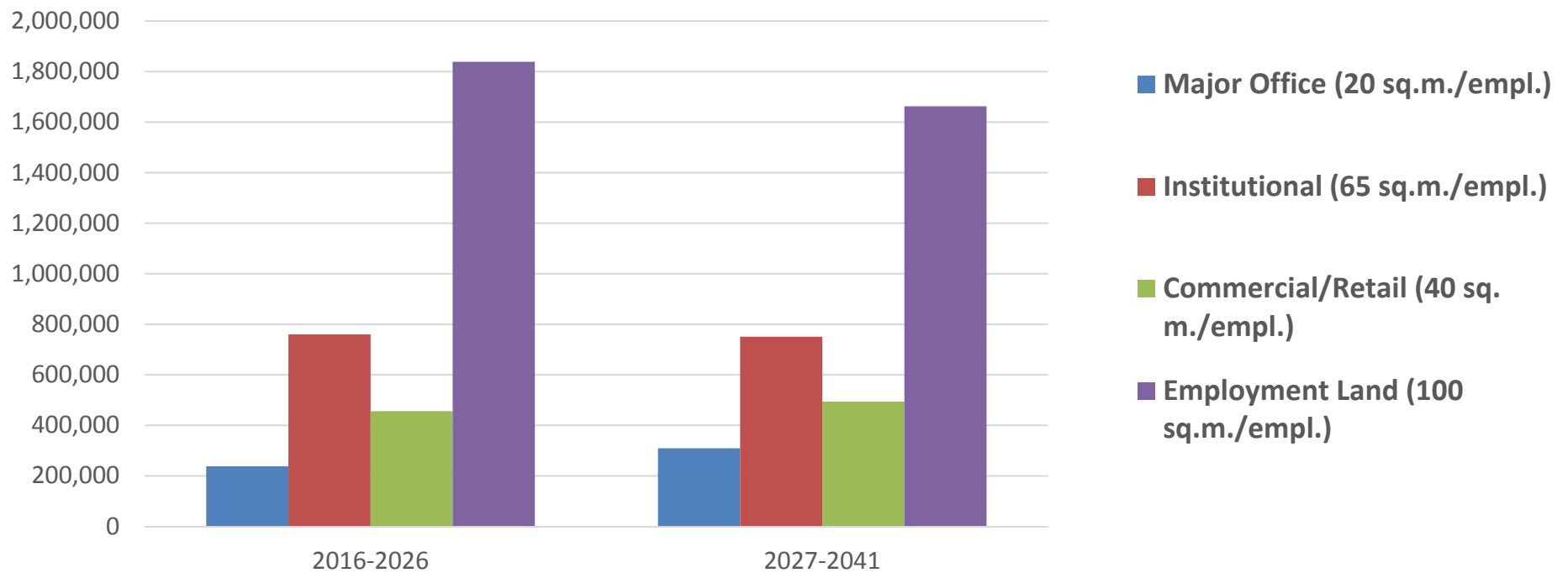


# Growth Forecasts



# Employment Growth Forecast: Non-Residential Space Needs

Growth in New Space (sq. m.) by Employment Type



# Key City-wide Services

## Services considered in the growth financing model include:

- Public Works
  - Yards & Active Transportation
  - Roads and Related
- Parks & Open Spaces
- Community Services
- Police
- Fire & Paramedic Services
- Planning, Property & Development
- Transit
- Water
- Wastewater and Stormwater
- Solid Waste

# Development-Related Capital Projects

## Public Works

- Roads: New roads, major improvements, extensions
- Bridges: New structures and major rehabilitations
- New walking and cycling facilities

## Parks and Open Spaces

- Park and athletic field improvements
- New parks
- Park buildings

## Community Services

- Libraries
- Recreation facilities
- Major park infrastructure

## Police

- New stations and equipment

## Fire & Paramedic Services

- New stations and equipment (none planned for 2017-2026)



# Development-Related Capital Projects

## Planning, Property and Development

- Land acquisition
- Riverbank stabilization
- Downtown enhancement

## Transit

- BRT infrastructure
- New mechanical and storage facilities
- Additional buses

## Water

- Water treatment plants and upgrades
- Plant capacity validation

## Wastewater and Stormwater

- New interceptor sewers
- Water Pollution Control Centres
- Overflow & Flood Management

## Solid Waste

- Resource Management Facility construction
- Waste Management Strategies

# Cost Offsets

- Provincial and federal grants and subsidies
- Replacement shares and benefits to existing population and employment
  - E.g. equipment and vehicle replacement, road resurfacing, facility rehabilitation
  - May be funded through property taxes, utility rates or frontage levies
- Benefits assigned to prior growth
  - Applicable to prior expansions to water and wastewater plant infrastructure

# Capital Projects Considered

- Projects are based on capital budget, *OurWinnipeg*, Transportation Master Plan and similar studies
- Both funded and unfunded projects are considered
- Project lists are not finalized and costs are based on preliminary estimates
- Calculations are for illustrative purposes

# Preliminary Capital Costs: 10-year benefitting period

Service	Gross Project Costs	Grants / Subsidies	Replacement / Benefit to Existing	Prior Growth	Total Eligible Costs
<b>PARKS AND OPEN SPACES</b>	\$298,565,000	\$54,000,000	\$188,228,000	\$ -	\$56,337,000
<b>COMMUNITY SERVICES</b>	\$562,718,000	\$108,720,000	\$311,593,000	\$ -	\$142,405,000
<b>POLICE</b>	\$20,678,000	\$ -	\$ -	\$ -	\$20,678,000
<b>FIRE &amp; PARAMEDIC SERVICES</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>PLANNING, PROPERTY AND DEVELOPMENT</b>	\$37,069,000	\$ 4,750,000	\$25,802,000	\$ -	\$6,517,000
<b>YARDS AND ACTIVE TRANSPORTATION</b>	\$92,164,000	\$ -	\$43,787,000	\$ -	\$48,377,000
<b>TOTAL</b>	<b>\$1,011,194,000</b>	<b>\$167,469,700</b>	<b>\$569,411,000</b>	<b>\$0</b>	<b>\$274,314,000</b>

# Preliminary Capital Costs: 25-year benefitting period

Service	Gross Project Costs	Grants / Subsidies	Replacement / Benefit to Existing Tax/Rate	Replacement / Benefit to Existing Frontage Levy	Prior Growth	Total Eligible Costs
<b>ROADS AND RELATED</b>	\$1,888,313,000	\$1,250,000	\$561,198,000	\$45,500,000	\$ -	\$1,280,364,000
<b>TRANSIT</b>	\$1,217,000,000	\$690,220,000	\$60,000,000	\$ -	\$ -	\$466,780,000
<b>WATER</b>	\$311,868,000	\$ -	\$225,075,000	\$ -	\$20,282,000	\$66,511,000
<b>WASTEWATER AND STORMWATER</b>	\$1,455,338,000	\$267,680,000	\$853,784,000	\$ -	\$399,000	\$333,474,000
<b>SOLID WASTE</b>	\$34,600,000	\$ -	\$ -	\$ -	\$ -	\$34,600,000
<b>TOTAL</b>	<b>\$4,907,119,000</b>	<b>\$959,150,000</b>	<b>\$1,899,110,000</b>	<b>\$45,500,000</b>	<b>\$20,947,000</b>	<b>\$2,181,729,000</b>

# Residential and Non-Residential Apportionments

- Parks and Open Spaces, Community Services: 100% residential
- All other services: 62% residential / 38% non-residential
  - Based on ratio of forecast population growth to employment growth

# Non-Residential Apportionments

- Non-residential apportionment per employment category:
  - Major Office: 22.3%
  - Institutional: 21.9%
  - Commercial/Retail: 21.4%
  - Industrial: 34.5%
- Based on relative job growth forecasts

# Preliminary Calculated Amounts: Residential

Service	Amount Per Square Metre	Estimated Amount By Typical Unit Type		
		Single / Semi Detached	Multiples	Apartments
<b>PARKS AND OPEN SPACES</b>	\$10.67	\$1,735	\$1,395	\$916
<b>COMMUNITY SERVICES</b>	\$27.02	\$4,393	\$3,532	\$2,319
<b>POLICE</b>	\$2.84	\$461	\$371	\$243
<b>FIRE &amp; PARAMEDIC SERVICES</b>	\$0.00	\$0	\$0	\$0
<b>PLANNING, PROPERTY AND DEVELOPMENT</b>	\$0.77	\$125	\$101	\$66
<b>YARDS &amp; ACTIVE TRANSPORTATION</b>	\$6.17	\$1,003	\$806	\$530
<b>ROADS AND RELATED</b>	\$85.01	\$13,821	\$11,112	\$7,297
<b>TRANSIT</b>	\$28.24	\$4,592	\$3,692	\$2,424
<b>WATER</b>	\$4.94	\$803	\$645	\$424
<b>WASTEWATER AND STORMWATER</b>	\$18.24	\$2,966	\$2,385	\$1,566
<b>SOLID WASTE</b>	\$2.30	\$373	\$300	\$197



# Preliminary Calculated Amounts: Non-Residential

Service	Amount Per Square Metre			
	Major Office	Institutional	Commerical/ Retail	Employment Land
<b>PARKS AND OPEN SPACES</b>	\$0.00	\$0.00	\$0.00	\$0.00
<b>COMMUNITY SERVICES</b>	\$0.00	\$0.00	\$0.00	\$0.00
<b>POLICE</b>	\$8.42	\$2.59	\$4.21	\$1.68
<b>FIRE &amp; PARAMEDIC SERVICES</b>	\$0.00	\$0.00	\$0.00	\$0.00
<b>PLANNING, PROPERTY AND DEVELOPMENT</b>	\$2.31	\$0.71	\$1.15	\$0.46
<b>YARDS &amp; ACTIVE TRANSPORTATION</b>	\$18.32	\$5.64	\$9.16	\$3.66
<b>ROADS AND RELATED</b>	\$253.99	\$78.15	\$126.99	\$50.80
<b>TRANSIT</b>	\$84.54	\$26.01	\$42.27	\$16.91
<b>WATER</b>	\$14.72	\$4.53	\$7.36	\$2.94
<b>WASTEWATER AND STORMWATER</b>	\$54.50	\$16.77	\$27.25	\$10.90
<b>SOLID WASTE</b>	\$6.85	\$2.11	\$3.42	\$1.37

# Policy Issues

- Timing of payment
  - Building permit or development approval?
- Unit of measure and groupings
  - Per sq. m or units for residential uses?
  - Groupings for non-residential uses?
- Common exemptions/discounts
  - Government buildings?
  - Public schools?
  - Intensification areas?
  - Affordable housing?

# Next Steps

- Receive stakeholder comments
- Refine analysis
- Report: August 31, 2016