

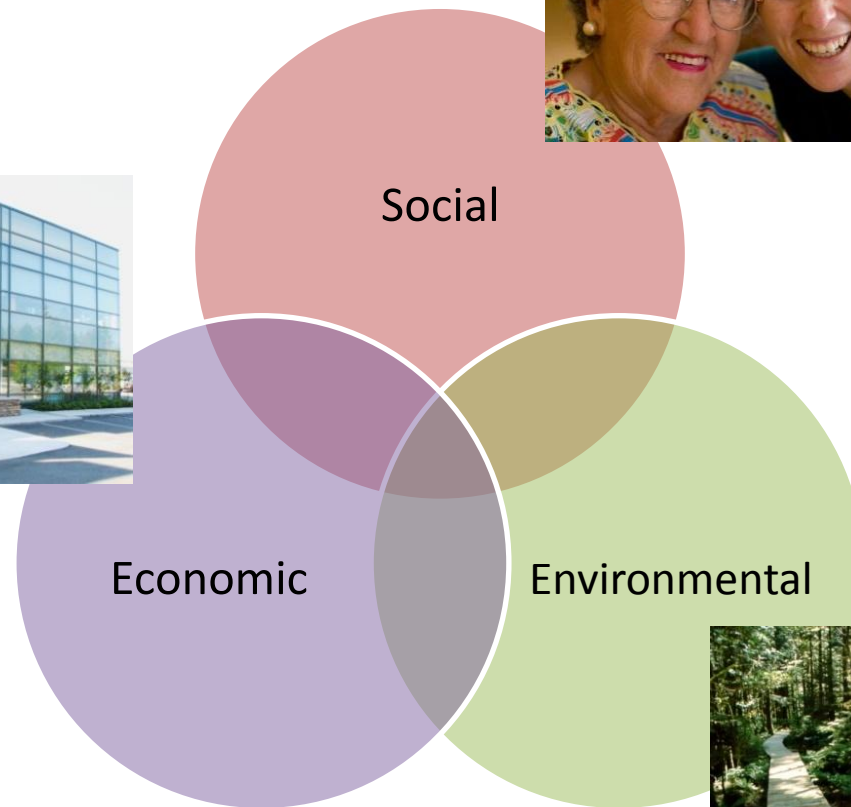


The OCP Network of Centres – *Is it Affordable?*

Council Workshop
OCP Financial Implications
January 24, 2011



OCP - An Integrated Community Sustainability Plan

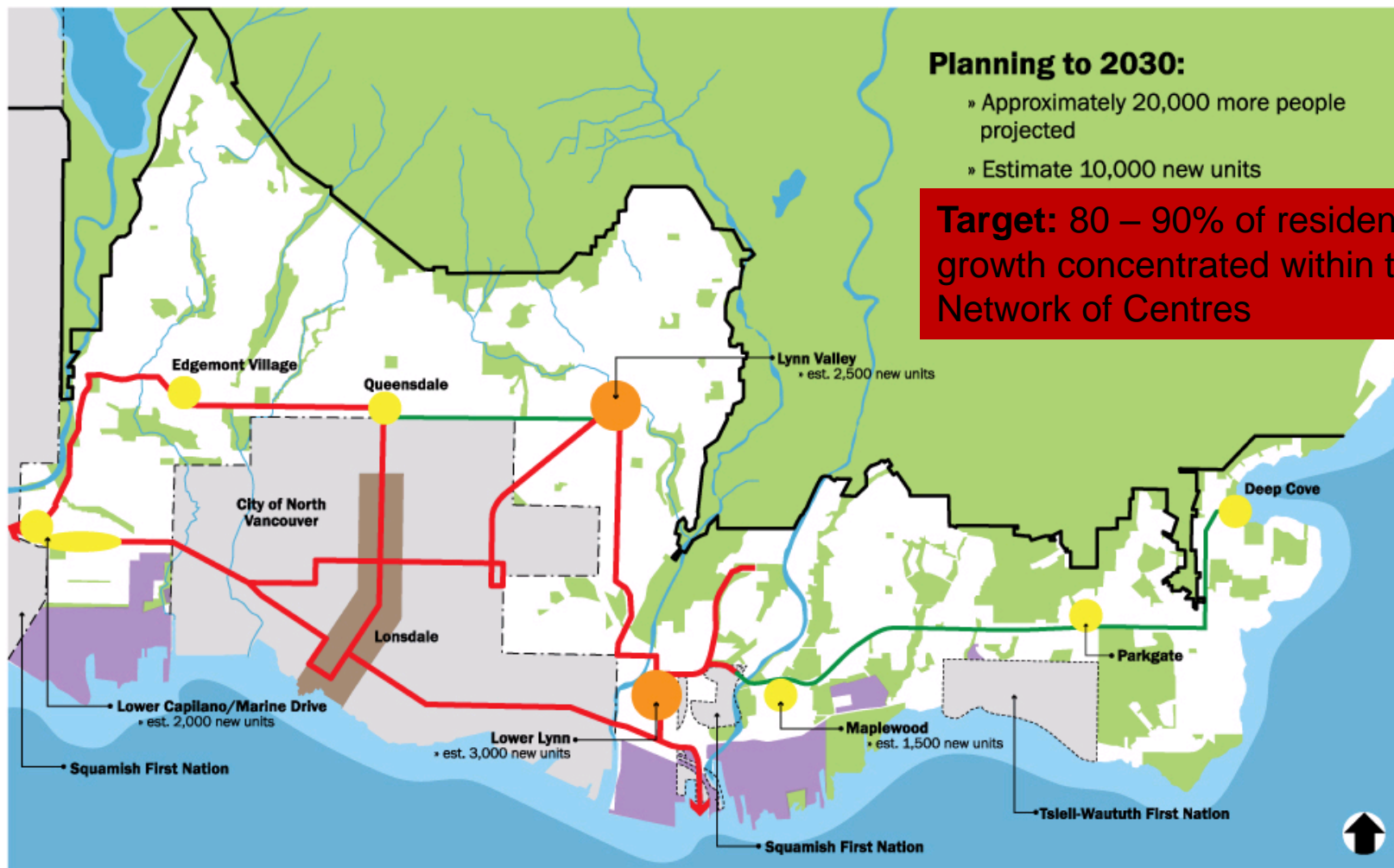


Network of Centres Concept








Planning to 2030:

- » Approximately 20,000 more people projected
- » Estimate 10,000 new units

Target: 80 – 90% of residential growth concentrated within the Network of Centres



Legend

	Town Centre		Frequent Transit Network Concept		Industrial & Light Industrial
	Village Centre		Transit Corridor		Parks & Conservation Areas
			Urban Containment Boundary		

Triple Bottom Line Evaluation



Social



Environmental



Economic

Social Benefits



- Increased diversity of housing type, tenure, affordability
 - Increased access to community services , facilities and jobs in centres
 - Increased community diversity and vibrancy (e.g. lost generation returns)
 - Enhanced walk-ability in centres ; health benefits
 - Improved transit system linking centres
- **Target: 80-90% new residential units within the Network of Centres**
- Baseline: 70-80% residential units outside of Network of Centres

Environmental Benefits



- Reduced greenhouse gas emissions
- Increased use of renewable energy (non fossil fuel)
- Increased park space provided in centres; expanded trail system
- Enhanced habitat and maintenance of ecological services
- Enhanced natural hazard management

➤ Target: 33% reduction in GHG emissions overall

- Baseline: 410,000 tonnes of CO₂ emitted annually by the community

Economic Benefits

- Increased number and diversity of jobs
- Protection of industrial lands/ functions
- Efficiencies in infrastructure, facilities and services

- **Target: 36,000 jobs**
 - **Baseline: 27,000 jobs**



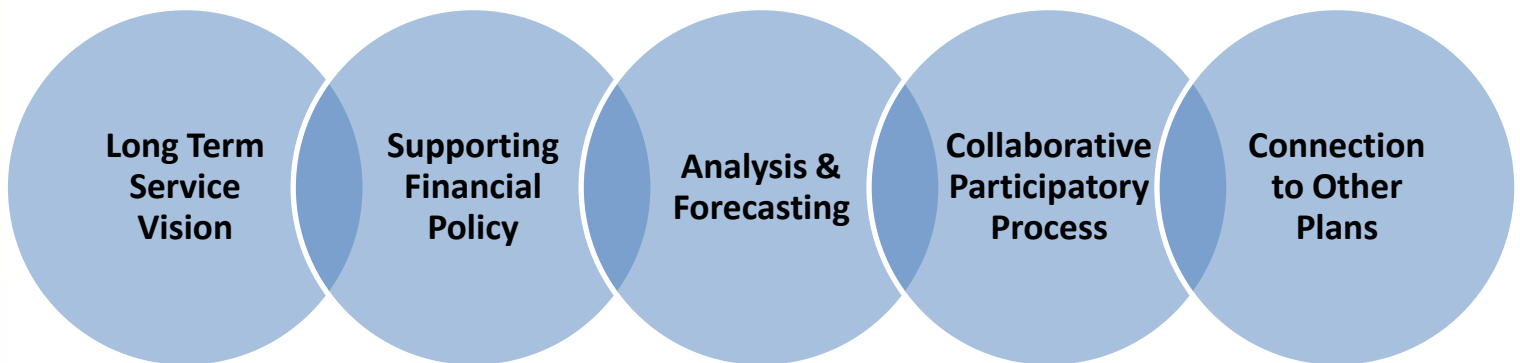
What are the financial implications of the OCP directions, namely developing the Network of Centres?

Financial Plan

Objective

Achieve long term financial resiliency in pursuit of the vision, goals and services included in the OCP

Building Blocks



Financial Policy

Areas under development

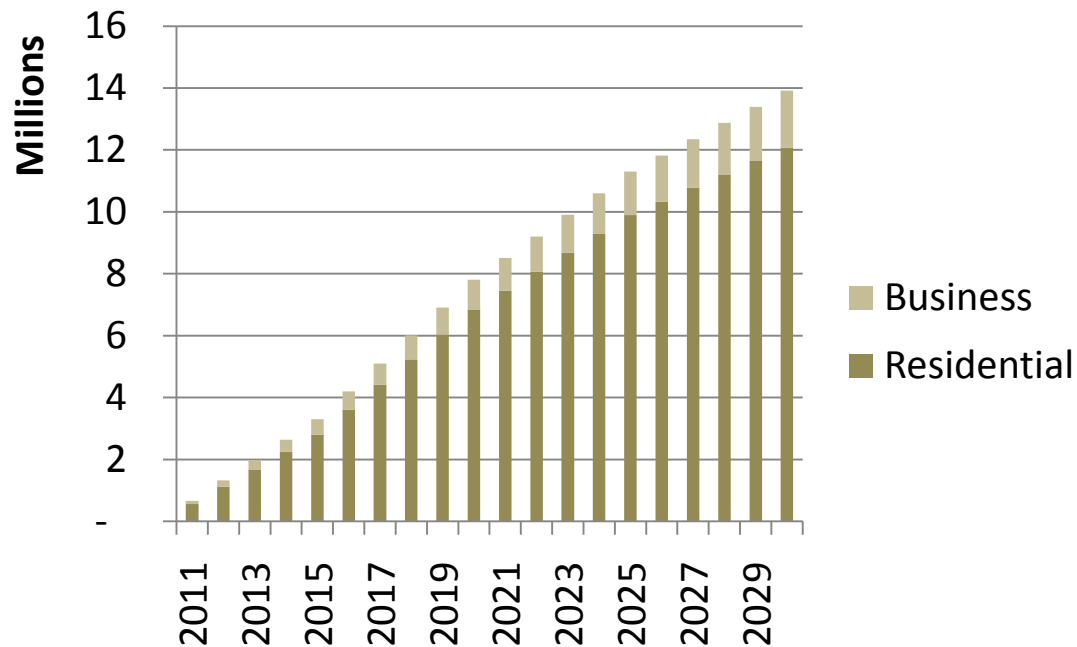
- Maintaining infrastructure in good working order
- Maximizing infrastructure efficiencies
- Promoting financial efficiency through environmental protection and energy efficiency
- Integrating life costing in infrastructure planning
- Achieving long term fiscal health (funding and reserves)
- Setting fee policy based on public versus private benefits
- Advancing priority based budgeting (service inventory)

OCP Analysis

- Operating Impacts
- Developer contributions
- Utility Impacts
- Risk

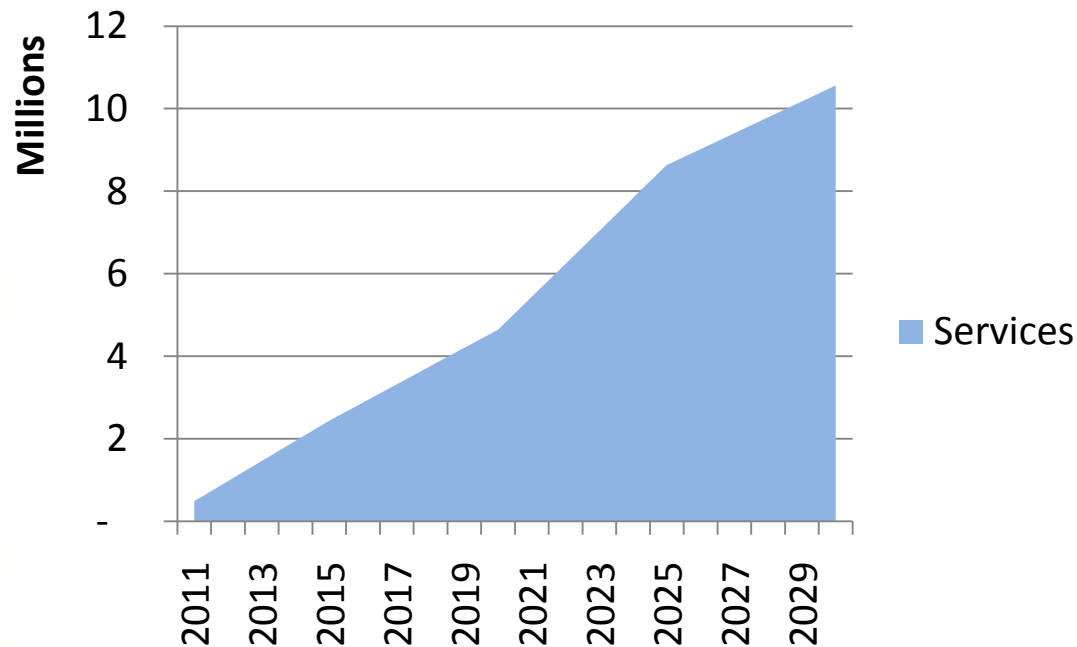
Operating Impacts

- \$14 M ongoing tax revenue by 2030 / \$154 M cumulative
- Assume no tax increase (2010 rate)



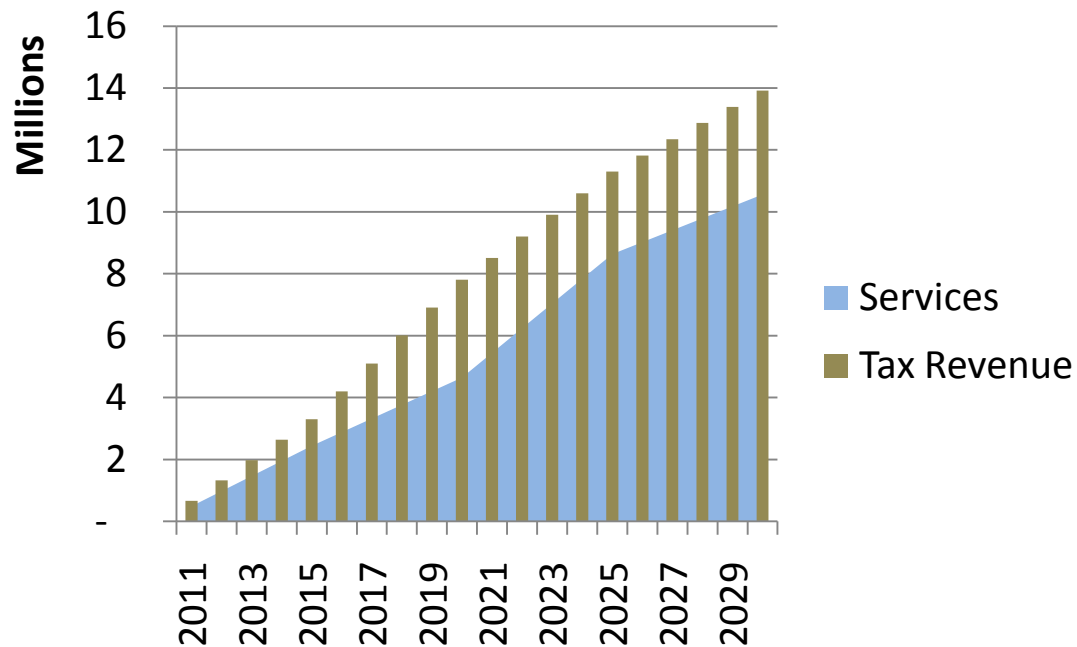
Operating Impacts

- Services assessments by each Director
- \$10.5 M ongoing increase by 2030 / \$110 M cumulative
- Police and Fire Services 50%



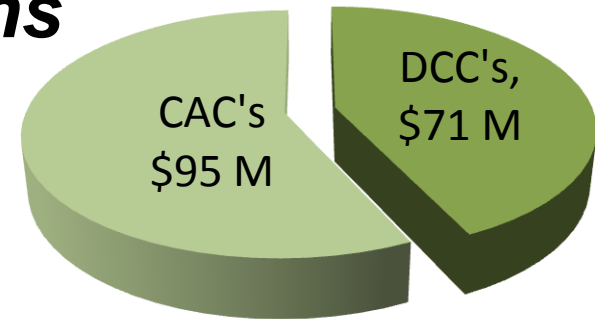
Operating Impacts

- Net \$3.5 M by 2030, \$44 M cumulative
- Sufficient financial flexibility



Developer Contributions

Total funding \$166 M



- Development Cost Charges, \$71 M
 - Fund impacts from growth (parks, roads, utilities)
 - Parks largest investment

- Community Amenity Contributions, \$95 M
 - District share of improved land values
 - Funding for community centres and other OCP initiatives

Utility Impacts

- Impacts from growth funded by DCC's
- Limited network expansion improves financial position
- Potential integrated utilities (waste, energy)



Model Risks

- High level analysis
- Tax revenue driven by growth and unit values
- Service costs can be impacted by external variables
- Matching revenue increase with service commitments
- Development cost charge restrictions and timing
- Timing of asset replacement program with pace of growth
- Community amenity contribution targets are achieved

Financial Implications Summary

Network of Centres:

- Likely improves District's financial position over time
- Leverages developer contributions to fund improvements
- Acceptable levels of risk from an operating perspective
- Financial flexibility sufficient

Financial Plan next steps

- Integrate into Long Term Financial Plan on adoption

Summary and Discussion

