

Councillor Request Inquiry

32-2018

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Mayor Frank,

In response to your June 5th Information Request for updated information on the financial impact of, and major assumptions relating to the proposed Bremner, please find our response as follows:

We do not have the updated costs as of yet with regards to offsite water, sewer and roads, so at this time, we are unable to provide you with the changes to the original costs associated with the Fiscal Impact Assessment from the Bremner Growth Management Strategy. With that being said, we are getting closer to having these costs as we continue to work through, with EPCOR and Alberta Transportation, on the various infrastructure options.

Once we have acceptance from EPCOR on the alignment of the water transmission line (as we are currently working through 3 different alignment options), as well as acceptance from Alberta Transportation for the locations and number of interchanges (currently AT is modelling the scenarios), we will be in a position to provide you with those costs. We also require the ultimate alignments to finalize the land use concept which in turn will allow us to finalize the Financial Viability Analysis.

In the meantime, I think it may be helpful to provide Council with a more detailed overview and methodology of the Bremner Financial Viability Analysis. This will help explain what information Council can expect to come forward in the fall to help Council with decisions moving forward.

Bremner Financial Viability Analysis (FVA):

Bremner is being planned, at full completion, to accommodate an anticipated population of approximately 85,000+/- . This planning exercise requires a land use concept that will support logical, efficient, and financially-sustainable smart growth that minimizes the footprint of development, while optimizing existing and new infrastructure.

As outlined at the last PCM, the land use plan for Bremner will be quite different than the surrounding areas in terms of population density, infrastructure, and the development footprint. This requires more detailed assessment to understand the financial feasibility of the project. In response to this, as a component of the Bremner Area Project, we commissioned a Financial Viability Analysis (though SMA Consulting) of the proposed development, weighing capital construction costs, along with maintenance and operations costs against the additional assessment that the proposed development would generate in order to manage our existing and future infrastructure as a complete asset.

Next Steps:

Once we have all the costs and the financial model has been populated, we will bring forward the initial costs as well as the FVA assumptions to Council for discussion and direction. At this time, we are working on the starting point for this discussion. We appreciate that Council will need enough time and solid information to help make an informed decision.

We do not have a definitive date as to when the FVA will be brought to Council as we are still working through the infrastructure alignments with EPCOR and Alberta Transportation (AT). We expect we will have an alignment confirmed with EPCOR within the next two months as they are currently modelling the options. AT, however has indicated that they require additional time to model the interchanges and downstream traffic impacts. We anticipate this occurring over the summer. It is our hope that we will have confirmation in the fall from AT in order to complete the FVA. At that time, we will come back to Council for initial discussion and direction on assumptions such as funding strategies and development staging, etc.

I hope this provides some clarity on where we are today with the Bremner FVA and what you will be seeing in the fall (contingent on timing of EPCOR and AT).