Agenda

1. Council History and Context
2. Planning Hierarchy
3. Final Area Concept Plan (ACP) Document
4. Financial Viability Analysis
5. Phase 3 Engagement
6. Next Steps
Council History and Context
Edmonton Metropolitan Region Growth Plan anticipates 2.2 million people and 1.2 million jobs by 2044.

Surrounding municipalities are looking at accommodating their share of the region’s projected population growth.

The County is expected to grow between 40,000 and 60,000 people.

Growth may be slow or fast, but if a place is desirable for people to live.

People will come whether the growth is planned or unplanned.
Why are we Discussing Growth?

• The County is a major employment generator.

• Our non-residential tax base accounts for approximately 60% annually of tax revenue.
Council History and Context

Why are we Discussing Growth?

• Based on historical non-residential growth, the Financial Viability Analysis anticipates an extra 6 billion in industrial growth (excludes commercial and the LEA) will be added every 10 years.

• To be conservative, a scenario of half that growth, 3 billion, has also been completed.
Council History and Context

Why are we Discussing Growth?

• Example of Industrial growth:
  o Interpipeline Heartland Petrochemical Complex, scheduled for late 2021 has an estimated value of approximately $3.5 billion.
Council History and Context

Why are we Discussing Growth in Bremner?

• 2016 - Council endorsed the Bremner Growth Management Strategy.

• Council approval Municipal Development Plan (MDP) Amending Bylaw 15-2016.

• Council approval new MDP Bylaw 20-2017.
2016 - Council made a motion to prepare an ACP for Bremner.

MDP - Bremner is part of the Urban Service Area.

MDP Policy, Bremner is the next greenfield area for future urban growth.

The LEA is part of the Rural Service Area.
• Bremner would not be a separate hamlet from Sherwood Park.
• Bremner is a contiguous expansion of the Sherwood Park Urban Service Area.
• Example residential areas Summerwood, Cambrian or Hillshire.
• Example Industrial Areas North of Yellowhead and West of 21.
Planning Hierarchy
The Bremner and LEA ACP must comply with the MDP as well as the EMRB Growth Plan.

It has been informed by previous work done through the Bremner Growth Management Strategy (GMS).

The GMS is not a statutory document but the ACP is.
Planning Hierarchy

Where Does the ACP Fit in the Process?

- If the ACP is adopted by Council, the next step is Bremner Sub-Area Structure Plans (ASP).
- Sub-ASPs are detailed plans for smaller community and neighbourhood areas.
- Sub-ASPs will be completed by developers.
Following each Sub - ASP would be multiple stages of rezoning, subdivision and development.

Rezoning, subdivision and development occurs over many years.

**Example: North of Lakeland Drive ACP**
Bremner and the LEA Sub - ASP boundaries and stages of development.
The Area Concept Plan:

- Acts as a strategic roadmap for an ultimate destination.
- Council is in control throughout the timeline and has numerous decision points to provide course correction.
Final Area Concept Plan
Final Area Concept Plan
POLICY AREA: TOWN CENTRE

What will the Town Centre in Bremner look like?

The Bremner Town Centre will contain a series of main streets and a mixture of uses that serve the entire Bremner Area such as regional commercial and community services and high density residential.

Regional Commercial and Community Services
The Town Centre will be the largest service centre in Bremner, containing major community and public services, employment and commercial uses.

High Density Residential
To complement the regional level of service focused within the Town Centre, housing will be provided in a variety of apartment-style and mixed use-buildings greater than four storeys.
POLICY AREA: VILLAGE CENTRES

What would a Village Centre in Bremner look like?
There are four (4) village centres; one located in the centre of each community. These centres contain a main street and a mixture of uses such as neighbourhood services and medium density housing.

Neighbourhood Services
Village Centres will serve the surrounding neighbourhoods, offering local services such as grocery stores, restaurants, recreation, and employment.

Medium Density Housing
Village Centres will also contain housing in the form of row housing, as well as low rise apartment and mixed use buildings less than five storeys.
POLICY AREA: COMMUNITY NODES

What is a Community Node in Bremner?
The main purpose is to provide a location for schools and community parks. These nodes may also integrate complementary uses such as community services. Additionally, there may be potential for commercial and residential such as community or seniors housing.

Primary Community Nodes
Are primary schools and community parks with the opportunity for shared school sites or potential complementary uses, located within walking distance. There are thirteen (13) primary community nodes.

Secondary Community Nodes
Are secondary schools and community parks with potential complementary uses, located adjacent to centres. There are four (4) secondary community nodes.
Final Area Concept Plan

POLICY AREA:
NEIGHBOURHOOD

What does the Neighbourhood Policy Area in Bremner look like?

The Neighbourhood Policy Area contains the majority of residential neighbourhood development. Residential development will include a range of housing forms that accommodate the diversity of resident needs. This area also includes open space for outdoor recreation and opportunities for local neighbourhood business.

Low Density Housing
- Includes single family, duplex and semi-detached housing

Medium Density Housing
- Includes triplex, stacked townhouses, row housing and apartments less than five storeys

Open Space
- Neighbourhood parks
- Trails
- Community gardens

Neighbourhood Business
- Can include live-work units
- Local corner store
• Bremner is designed as walkable.

• Village / Town centre are community focal points.

• Community nodes act as neighbourhood and community activity hubs.

• Additional local neighbourhood parks, playgrounds and trails will be located within 400 meters of all residents.
POLICY AREA: BUSINESS PARK

What will be in the Business Park Policy Area in Bremner?

The Business Park Policy Area is located within Bremner on the north side of Highway 16. This area is urban and functions as a major employment generator for Bremner.

- Urban level utilities
- Light Industrial Urban Development such as research facilities, large format warehouse, distribution and office complexes
Final Area Concept Plan

POLICY AREA: PRIORITY ENVIRONMENTAL FEATURES AND OPEN SPACE

What Priority Open Spaces are in this policy area in Bremner?

A Major Open Space Corridor
A looped continuous trail network connects the two creeks and all of Bremner.

The Regional Park
A large central public space located adjacent to the Town Centre will contain community facilities, schools, park and gathering spaces.
POLICY AREA: PRIORITY ENVIRONMENTAL FEATURES AND OPEN SPACE

What Priority Environmental Features are included in this policy area in Bremner?

Pointe-Aux Pins Creek and Old Man Creek
These important watercourses are highly sensitive and require conservation.

Priority Uplands and Priority Wetlands
These environmental features have been identified in the Biophysical Assessment for conservation.
• The LEA.

• Located in the Rural Area as opposed to the Metropolitan Area under the Edmonton Metropolitan Region Growth Plan.

• Located in the Rural Service Area of the County.
Final Area Concept Plan

LOCAL EMPLOYMENT AREA

What is the Local Employment Area (LEA)?

The Local Employment Area is located outside of Bremner on the south side of Highway 16 and functions as a rural industrial area for Strathcona County.

- Rural level utilities
- Rural Medium Industrial Development such as industrial storage and manufacturing facilities
Final Area Concept Plan

Bremner Design and Construction Standards

COLLECTOR STREET STREET ORIENTED
Final Area Concept Plan

Bremner Utilities Master Plan: Water

Off-site Water Connection

- Preferred Supply from Clareview Reservoir.
- Alternate Supply from 34 Street and 92 Avenue (County’s current supply).
Bremner Utilities Master Plan: Wastewater

Off-site Wastewater Connection

- New trunk through West of 21 to Alberta Capital Region Wastewater Commission’s system.
Final Area Concept Plan

Bremner and LEA Agriculture Impact Assessments

CLI Soil Capability for Agriculture
Final Area Concept Plan

Bremner and LEA Biophysical Assessments
Financial Viability Analysis
Financial Viability Analysis

- Model
- Main Assumptions
- Capital Costs
- Funding and Financing
- Results and Scenarios
- Conclusion
Model Structure

- Complex and detailed with many assumptions.
- The Base Model represents expert opinion as to the most likely scenario.
- 15 other scenarios to explore other possible outcomes.
For the Bremner Area Project, it has been defined that for growth in Bremner and the LEA to be financially viable, it must consider the following:

**Main Assumptions:**

- **Definition of Viability**

  What happens to tax rates, utility rates and user fees as a result of Bremner and the LEA?

  What are the impacts to debt limits as a result of Bremner and the LEA?

  Will the County be able to address other priorities if development occurs in Bremner and the LEA?
Financial Viability Analysis

Main Assumptions:

- **Industrial Development**
- **Population Growth**
- **Grants**
- **No Inflation**

**Base model assumptions:**

- Industrial Development
  - Base model assumption: $6 billion in industrial growth (excluding commercial and LEA) every 10 years
  - Scenario for $3 billion every 10 years
- Population Growth
  - Base model assumption: 1.79% annual population growth
  - Scenarios for 0.5%, 1.3% and 2.5% annual population growth.
- Grants
  - Base model assumption: 75% of current grant levels ($11 million per year)
  - Scenario for half of that, $5.5 million per year
- No Inflation
  - Inflation is not included. All costs are in 2018 dollars.
Financial Viability Analysis

Funding and Financing Sources

<table>
<thead>
<tr>
<th></th>
<th>County</th>
<th>County</th>
<th>County</th>
<th>County</th>
<th>County</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bremner Developer</td>
<td>Other Developer</td>
<td>Province</td>
<td>Utilities &amp; Utility Rates</td>
<td>Grants</td>
<td>Taxes</td>
</tr>
<tr>
<td>On-Site</td>
<td>●</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Off-Site Hard Capital</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>●</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Soft Capital</td>
<td>●</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>●</td>
<td>●</td>
</tr>
<tr>
<td>Operating</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>●</td>
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<td>●</td>
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<tr>
<td>Renewal</td>
<td>–</td>
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<td>●</td>
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</tr>
</tbody>
</table>
## Financial Viability Analysis

Total Capital Infrastructure Costs spread over the 39 years to full build-out for Bremner and the LEA (costs rounded to nearest million)

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Cost at full buildout (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developers</td>
<td>$1,139</td>
</tr>
<tr>
<td>County</td>
<td>$757 (includes reservoirs)</td>
</tr>
<tr>
<td>Other (Province, EPCOR, ACRWC)</td>
<td>$240</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2,135</strong></td>
</tr>
</tbody>
</table>

*Note that rounding may mean totals are slightly different*
Financial Viability Analysis

Capital Costs: On-site Infrastructure

Infrastructure paid for and constructed by the developer that **benefits solely that specific development.**

<table>
<thead>
<tr>
<th>On-site Infrastructure</th>
<th>Examples - Sherwood Park</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water Distribution Mains</strong></td>
<td>Water distribution mains constructed within a specific subdivision to service solely that specific subdivision. Typically constructed within the local collector roadway.</td>
</tr>
<tr>
<td><strong>Sanitary Distribution Mains</strong></td>
<td>Sanitary distribution mains constructed within a specific subdivision to service solely that specific subdivision. Typically constructed within the local collector roadway.</td>
</tr>
<tr>
<td><strong>Collector and Local Roads</strong></td>
<td>Roads constructed within a specific subdivision to service solely that specific development. Examples – Emerald Drive, Jim Common Drive, Regency Drive, Clarkdale Boulevard, etc.</td>
</tr>
</tbody>
</table>
Financial Viability Analysis

Capital Costs: On-site Infrastructure

- Infrastructure paid for and constructed by the developer that benefits solely that specific development.
- No Capital Cost to County
- Not Paid Through Levies

<table>
<thead>
<tr>
<th>On-site Infrastructure</th>
<th>Cost Share</th>
<th>Total Cost (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEA</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Bremner</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Costs rounded to nearest million
Capital Costs: Off-site Hard Infrastructure

- Infrastructure constructed by either the Developer or the County that will benefit multiple developments in a defined development basin.

<table>
<thead>
<tr>
<th>Water Transmissions</th>
<th>Lakeland Drive and Sherwood Drive Water Transmission Mains</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Major water transmission mains that service multiple development areas such as Emerald Hills, Aspen Trails, Broadview Park, Summerwood, etc.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sanitary Mains</th>
<th>Sherwood Park NE Sanitary Trunk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Major sanitary trunk that services multiple development areas such as Lakeland Ridge, Clarkdale Meadows, Aspen Trails, Summerwood, etc.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Arterial Roads, Flyovers and Interchanges</th>
<th>Clover Bar Road</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Major Arterial Road that services multiple development areas such as the Ridge, Heritage Hills, Foxboro, Clarkdale, Lakeland Ridge, Aspen Trails, Summerwood, etc.</td>
</tr>
</tbody>
</table>
Financial Viability Analysis

Capital Costs: Off-site Hard Infrastructure

- Infrastructure constructed by either the Developer or the County that will benefit **multiple developments** in a defined development basin.

- Can Levy to Developers

- Example of Third Party Cost Share: EPCOR, ACRWC, Alberta Transportation.

<table>
<thead>
<tr>
<th>Off-site Hard Capital Infrastructure</th>
<th>Cost Share (estimated)*</th>
<th>Total Cost (millions)</th>
<th>Total Cost County (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads</td>
<td>Third Party: Cost Share Varies</td>
<td>$535</td>
<td>$25</td>
</tr>
<tr>
<td>Watermain</td>
<td>100%</td>
<td>0%</td>
<td>$53</td>
</tr>
<tr>
<td>Reservoir</td>
<td>0%</td>
<td>100%</td>
<td>$114</td>
</tr>
<tr>
<td>Sewer main</td>
<td>100%</td>
<td>0%</td>
<td>$50</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$752</td>
<td>$139</td>
</tr>
</tbody>
</table>

*Costs rounded to nearest million
## Financial Viability Analysis

### Capital Costs: Soft Infrastructure

<table>
<thead>
<tr>
<th>Soft Infrastructure</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recreation Centers, Fire Halls, Libraries, Police Stations</strong></td>
<td>Under Section 648 of the Municipal Government Act, these specific infrastructure items can be levied to developers and are therefore considered off-site infrastructure. The base model follows current practice and assumes that these assets will be funded by the County and grants, with a one-time developer contributed Major Recreation Facility fee of $825 per unit developed. Soft Capital Infrastructure provides a benefit to a larger geographical area than just local residents. For example, the response area for a new fire hall may extend into existing Sherwood Park or the Rural Service Area. Likewise, residents in the Rural Service Area or existing Sherwood Park may use recreation centres in Bremner.</td>
</tr>
<tr>
<td><strong>Operations Yards, Park Infrastructure for school sites, Enviro-station etc.</strong></td>
<td>Additional County owned land and infrastructure needed to maintain and operate a community that does not qualify for off-site levy or municipal reserve under the Municipal Government Act. Land and building cost would be at the at the cost of the County or funded through grants.</td>
</tr>
</tbody>
</table>
Capital Costs: Soft Infrastructure

- Primarily financed and funded through the County and Grants.
- Current one-time developer contributed Major Recreation Facility fee of $825 per unit developed.
- Could Levy some soft infrastructure to Developers.

<table>
<thead>
<tr>
<th>Total Soft Infrastructure</th>
<th>Cost Share</th>
<th>Total Cost (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Developer</td>
<td>County</td>
</tr>
<tr>
<td>LEA</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Bremner</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Fleet and Transit Buses</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Costs rounded to nearest million
Population Drives Infrastructure

- Population growth over time.
- Infrastructure built as required.
Financial Viability Analysis

### Funding and Financing Sources

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<td></td>
</tr>
<tr>
<td>Renewal</td>
<td></td>
</tr>
</tbody>
</table>

- Funding varies by type of cost.
- Multiple sources can be used.
- Assumed County not front-ending off-site hard infrastructure (exception reservoirs).
Financial Viability Analysis

Results and Scenarios

BREMNER VIABILITY DEFINITION

- Taxes, Fees and Utility Rates
- Debt Levels
- Ability to Pursue Other Priorities
Base Scenario

- Range of possible outcomes.
- Ratio of residential to non-residential rate is kept constant.
- Does not include inflation.
- Does not include education (2.51 in 2018).
- Industrial growth is the key factor.

Proportion of Taxes by Type

Tax Rates by Type

Average Residential: 2.69

Average Non-Residential: 5.46
Scenario 5: Half non-Bremner industrial growth

- Range of possible outcomes.
- Does not include inflation.
- Does not include education (2.51 in 2018).
- Industrial growth is the key factor.

Proportion of Taxes by Type

Tax Rates by Type

Average Residential: 3.21
Average Non-Residential: 6.53
Financial Viability Analysis

- Slight increase in utility rates.
- Rates return to current levels.

Utility Rates:

- $1 more per month per household compared to 2019 rates
- $2 more per month per household compared to 2019 rates
- $3.60 more per month per household compared to 2019 rates
Debt Limits – Debt Service to Budget Ratio

Peak: 5.6%
PRESENT DAY
Current Debt: $165M (5% debt servicing)
Current Utility Rate: 2.55/m³
Current Residential Tax Rate: 4.48

All Bremner + LEA Scenarios
Half industrial growth

Faster population growth

Slower population growth

Lower taxes, higher debt

Higher taxes, higher debt

Note: Tax rates do not include education 2016 rate of 2.5.
Financial Viability Analysis

Conclusions:

- Property tax rates are offset by historical industrial growth projections, fees remain constant, and development has a small impact on water rates which return to current levels after buildout.

- The projected debt levels show that even at its highest point, debt as a result of Bremner and the LEA remain well below the County’s debit limits.

- The debt levels also remain well below the County’s debt limits even when projecting the County’s current debt along with the debt as a result of Bremner and the LEA.
Phase Three Public Engagement
Phase 3 Public Engagement

- Comments both in favour and opposed to Bremner.
- Need for more affordable housing.
- Benefits of location and walking options.
- Concerns about taxes and agriculture.
- Prefer other locations for growth.
Next Steps
Next Steps

- May 21 - Public Hearing and First Reading of the ACP and related MDP amendments.

- If given First Reading, would be referred to Edmonton Metropolitan Region Board (EMRB).

- Following EMRB approval, would be back in July for 2nd and 3rd Reading.
Questions?