

APPENDIX H

IMPLEMENTATION PLAN 3

NEW ARENA AT DCC COMES FIRST

Project Timing Summary

The overall capital cost at the completion of the Implementation Plan 3 is \$87.2 million. The operating impact associated with these projects is \$3.2 million, and reaches \$6.2 million when adding debenture and one time capital tax contribution.



TABLE 1A

Implementation Plan 3
List of Short-term Projects (M = million)

Implementation Plan 2 Short-term Projects	Start	End	Capital Cost @ Time of Project	Operating Impact @ Time of Project
Arena				
Municipal Partnership	2016	2016	\$150,000	-
New Arena at DCC	2016	2018	\$12.5 M	\$106,000
Aquatic				
Harbour Pool Universal Change Room	2016	2017	\$1.0 M	-
Plebiscite for new Aquatic Centre/ Fitness expansion @ DCC	2016	2016	\$75,000	-
New Aquatic Centre / Fitness @ DCC	2017	2020	\$29.0 M	\$2.1 M
West River's Edge				
New Dog Park	2016	2017	\$600,000	\$25,000
Access Road & Parking	2016	2016	\$100,000	\$5,000
New Dow Field Diamonds	2016	2017	\$1.0 M *	-*
New Picnic Sites	2017	2017	\$155,000	\$8,000
Reforestation (Phase 1)	2017	2019	\$300,000	-
Outdoor Fields				
High Performance Sports Field & Amenities	2016	2017	\$7.7 M	\$390,000
Skateboard / BMX Park				
Expansion	2016	2017	\$465,000 *	\$6,500
Curling Club				
Full Revitalization	2017	2018	\$2.5 M	\$160,000
Total Short-term (Rounded)			\$56.4 M	2.9 M
Total Implementation Plan			87.2 M	3.2 M

(*) Community driven and funded



TABLE 1B
Implementation Plan 3
Mid-term Projects (M=million)

Implementation Plan 1 Mid-term Projects	Start	End	Capital Cost @ Time of Project	Operating Impact @ Time of Project
West River's Edge				
Trails (Phase 1)	2022	2022	\$420,000	\$24,000
Reforestation (Phase 2)	2020	2021	\$200,000	-
Family Fun Play Area	2022	2022	\$3.6 M	\$120,000
Total Short-term (Rounded)			\$4.2 M	\$145,000
Total Implementation Plan			87.2 M	3.2 M



TABLE 1C
Implementation Plan 3
Long-term Projects (M=million)

Implementation Plan 1 Long-term Projects	Start	End	Capital Cost @ Time of Project	Operating Impact @ Time of Project
Arena				
JRC Revitalization	2024	2026	\$13.2 M	\$67,000
Aquatics				
Harbour Pool Revitalization	2024	2025	\$10.0 M	-
West River's Edge				
Trails (Phase 2)	2024	2024	\$510,000	\$25,000
Obstacle Course	2026	2027	\$130,000	\$13,000
Community Facility	2026	2027	\$2.8 M	\$76,000
Total Short-term (Rounded)			\$26.6M	\$180,000
Total Implementation Plan			87.2 M	3.2 M

Financial Impact

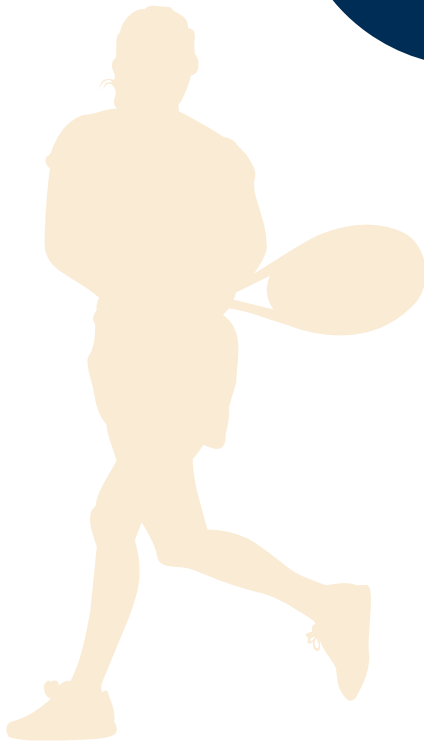
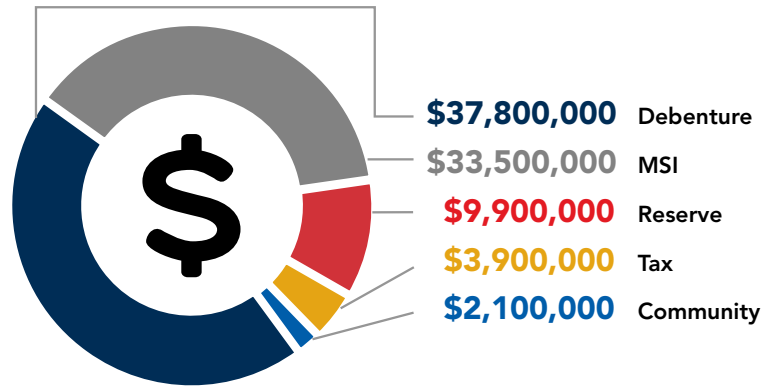
► SOURCES OF FUNDING

Figure 1 shows the distribution of funding sources for the 12 year implementation plan. Debenture and MSI grants total 82% of the funding, each contributing \$37.8 million and \$33.5 million respectively. Reserve funding (\$9.9 million), one-time capital tax (\$3.9 million) and community funding such as conditional grant programs and community group contribution (\$2.1 million) provide the remaining 18% of the funding.

FIGURE 1

Implementation Plan 3 Source of Funding Allocation

(Capital Cost =
\$87.8 million)

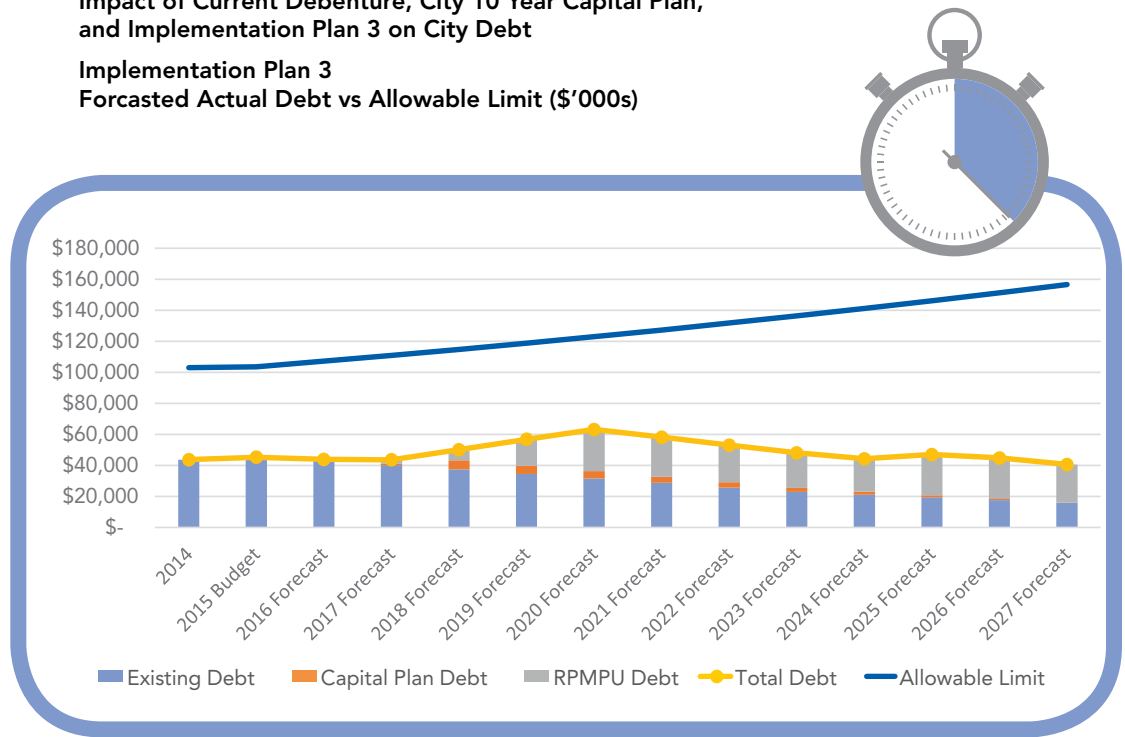


► DEBT IMPACT

The impact on the debt limit is illustrated in Figure 2. For each year, the chart shows the existing debt in blue, the current 10 Year Capital Plan debt (which includes a new Fire Hall) in orange, and the full impact of the Recreation & Parks Master Plan Update Plan (RPMPU) Debt financing in gray. The blue curve represents the projected City’s debt limit.

Most of the debenture (29.0 million) is used between 2017 and 2020 to accommodate a new arena and the aquatic centre / fitness expansion at the DCC. Overall the debenture amount is projected to remain below 51% of our allowable debt limit.

FIGURE 2
Impact of Current Debenture, City 10 Year Capital Plan, and Implementation Plan 3 on City Debt
Implementation Plan 3
Forecasted Actual Debt vs Allowable Limit (\$'000s)



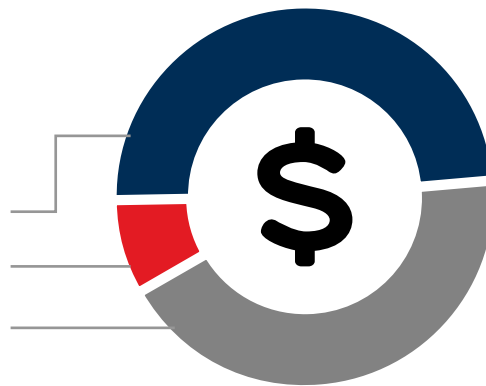
▶ OPERATIONAL IMPACT

The additional operating cost to service the 12 year plan with impact on the property tax is illustrated in Figure 3. Overall the cost is \$6.2 million spread over 12 years, split between one time operating cost, operating impact of projects and debenture payment. The average yearly operating cost is \$515,000 per year, ranging from a low \$37,000 to a high of in \$2.5 million in 2021 to offset the operation of a new aquatic centre / DCC fitness expansion.

FIGURE 3

Additional Operating Impact Cost of Implementation Plan 3 over 12 Years

- \$3,200,000** Operating Impact
- \$510,000** One Time Tax Funded
- \$2,500,000** Debenture Payment



▶ TAX IMPACT

The impact on residential tax illustrated in Figure 4A and 4B while non-residential tax impact is illustrated in Figure 5A and 5B. The current split mill rates apply at 40% residential and 60% non-residential. Residential tax increase is presented for an average \$400,000 home, and non-residential rate for a \$24 million commercial box store.

The impact reaches a peak in 2021 due to the debt payment and operation of a new aquatic centre and fitness centre expansion at the Dow Centennial Centre. This one time effect on tax can be progressively addressed by adjusting property tax over the next 5 years, following the strategy established in 2015. This strategy is not reflected in this figure.



FIGURE 4A
Implementation Plan 3
Residential Tax Impact \$400,000 Home

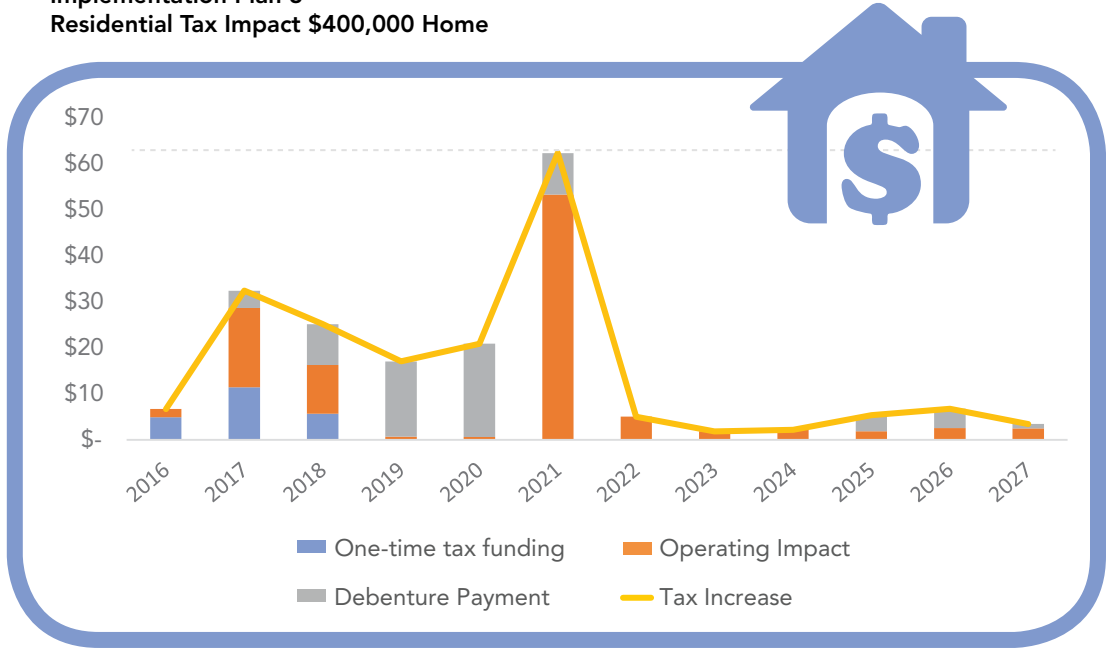


FIGURE 4B
Implementation Plan 3
Annual Tax Increase \$400,000 Home

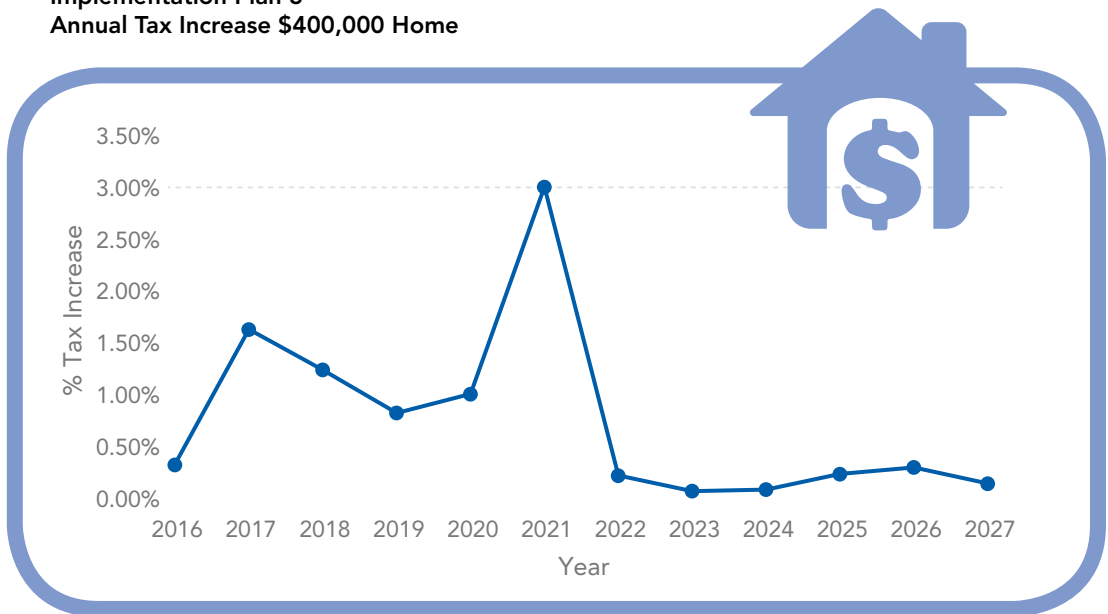


FIGURE 5A

Implementation Plan 3
Non-Residential Tax Impact \$24 Million Commercial Box Store

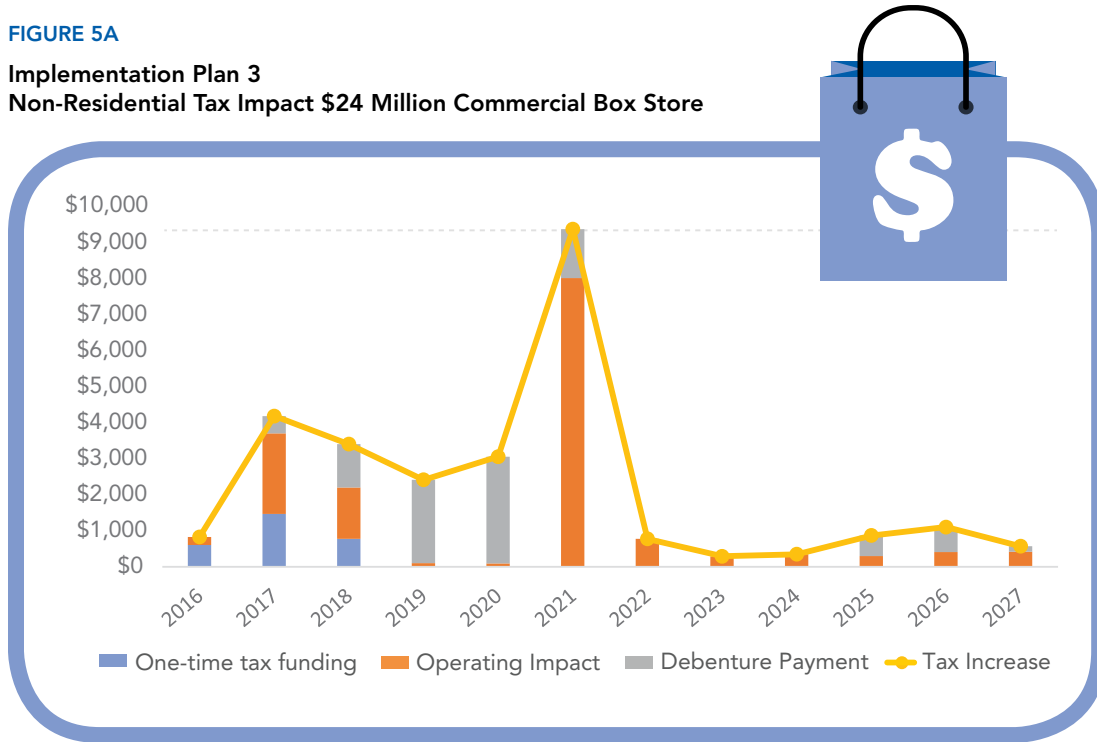


FIGURE 10B

Implementation Plan 3
Annual Tax Increase \$24 Million Commercial Box Store

