



City Council Meeting Agenda

Monday, March 20, 2023 – Council Chambers, City Hall

Call to Order:	10:30 AM
Recess:	12:30 PM to 1:00 PM
Public Hearing(s):	5:00 PM

1. Closed Meeting

1.1. Motion to go into Closed Meeting

1.1.a. Westerner Exhibition Association (WEA) Relationship Agreement Update – FOIP Sections 21(1): Disclosure harmful to intergovernmental relations; 24(1)(a): Advice from officials; 25 Disclosure harmful to economic and other interests of a public body

1.1.b. Land Matter - FOIP Section 24(1)(a) Advice from Officials

1.2. Motion to Revert to Open Meeting

2. Points of Interest

3. Consent Agenda

3.1. March 20, 2023 Consent Agenda

(Page 3)

3.1.a. Confirmation of the Minutes of the March 2, 2023 Special Council Meeting

(Pages 4 – 5)

3.1.b. Confirmation of the Minutes of the March 6, 2023 Regular Council Meeting

(Pages 6 – 14)

3 . 1 . Capstone Bridge Briefing and Project Estimate: Request for Postponement
(Page 15)

3.1.d. Land Use Bylaw Amendment 3357/F-2023. To rezone 3718 46 Street
from R1A to R2 (First Reading Only)
(Pages 16 - 33)

4. Reports

4.1. Adoption of Approved 2023 Budget
(Pages 34 - 42)

4.2. Westerner Exhibition Association (WEA) Relationship Agreement Update
(Pages 43 - 55)

4.2.a. Bylaw 3697/2023. Westerner Exhibition Association (WEA) Loan Bylaw
(Pages 56 - 60)

5. Public Hearing

5.1. Land Use Bylaw Amendment 3357/B-2023 and Road Closure Bylaw 3690/2023
(Pages 61 - 76)

5.1.a. Motion to resume consideration of Land Use Bylaw Amendment
3357/B-2023 and Road Closure Bylaw 3690/2023. Item postponed from
the February 21, 2023 Council Meeting

5.1.b. Consideration of Second Reading of Bylaw 3357/B-2023

5.1.c. Consideration of Third Reading of Bylaw 3357/B-2023

5.1.d. Consideration of Second Reading of Bylaw 3690/2023

5.1.e. Consideration of Third Reading of Bylaw 3690/2023

6. Adjournment



March 20, 2023

March 20, 2023 Consent Agenda

Prepared by: Jennifer Hankey, Corporate Meeting Administrator
Department: Legal and Legislative Services

Proposed Resolutions

Resolved that Council of The City of Red Deer having considered the Consent Agenda from Legal & Legislative Services hereby approves the following:

- Confirmation of the Minutes of the March 2, 2023 Special Council Meeting
- Confirmation of the Minutes of the March 6, 2023 Regular Council Meeting
- Capstone Bridge Briefing and Project Estimate postponement to April 3, 2023

Resolved that Council of The City of Red Deer having considered the Consent Agenda from Legal & Legislative Services hereby approves the following Bylaw:

- Bylaw 3357/F-2023
 - **FIRST READING:** That Bylaw 3357/F-2023 (an amendment to the Land Use Bylaw to rezone 3718 46 Street from R1A to R2) be read a first time



MINUTES - UNAPPROVED

**of the Red Deer City Council Special Meeting,
held on Thursday, March 2, 2023
commenced at 1:02 P.M.**

Present:

Mayor Ken Johnston
Councillor Kraymer Barnstable
Councillor Bruce Buruma
Councillor Michael Dawe
Councillor Victor Doerksen
Councillor Vesna Higham
Councillor Cindy Jefferies
Councillor Lawrence Lee
Councillor Dianne Wyntjes (Videoconference)

City Manager, Tara Lodewyk
General Manager Community Services, Sarah Tittlemore
General Manager Protective Services, Ken McMullen
General Manager Development Services, Erin Stuart

Safe & Healthy Communities Supervisor, Ryan Veldkamp
Acting City Clerk, Jackie Kurylo
Corporate Meeting Administrator, Jennifer Hankey
Legislative Assistant, Rebecca Derwanz



1. REPORTS

1.1. Housing/Recovery 101

Council recessed at 2:05 p.m. and reconvened at 2:13 p.m.

2. ADJOURNMENT

Moved by Councillor Bruce Buruma, seconded by Councillor Michael Dawe

Resolved that Council of The City of Red Deer hereby agrees to adjourn the Thursday, March 2, 2023 Regular Council Meeting of Red Deer City Council at 3:24 p.m.

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

MAYOR

CITY CLERK



MINUTES - UNAPPROVED

**of the Red Deer City Council Regular Meeting,
held on Monday, March 6, 2023
commenced at 9:03 A.M.**

Present:

Mayor Ken Johnston
Councillor Kraymer Barnstable
Councillor Bruce Buruma
Councillor Michael Dawe
Councillor Victor Doerksen
Councillor Vesna Higham (Videoconference)
Councillor Cindy Jefferies
Councillor Lawrence Lee
Councillor Dianne Wyntjes

City Manager, Tara Lodewyk
General Manager Community Services, Sarah Titemore
General Manager Corporate & Employee Services, Lisa Perkins
General Manager Development Services, Erin Stuart
Acting General Manager Protective Services, Bart Rowland
Controller—Property Taxation, Roxane Preedin
Emergency Management Coordinator, Carol Line
Senior Planner, David Girardin

Acting City Clerk, Jackie Kurylo
Corporate Meeting Administrator, Jennifer Hankey
Legislative Assistant, Rebecca Derwanz



1. PROCEDURAL RESOLUTIONS

Moved by Councillor Bruce Buruma, seconded by Councillor Dianne Wyntjes

Resolved that Council of the City of Red Deer, hereby agrees to suspend the following sections of the Procedure Bylaw:

- Section 48 (members to speak through the Chair) for item 2.1a.
- Section 51 (members speak once for questions, once for debate) for item 2.1a.
- Section 56 (time limit for members to speak) for item 2.1a.

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

2. CLOSED MEETING

2.1. Motion to go into a Closed Meeting

Moved by Councillor Bruce Buruma, seconded by Councillor Lawrence Lee

Resolved that Council of The City of Red Deer hereby agrees to enter into a Closed Meeting of Council on Monday, March 6, 2023 at 9:05 a.m. and hereby agrees to exclude the following:

- All members of the media;
- All members of the public;
- And all non-related staff members

to discuss the following:

- Utilities Governance - FOIP Sections 16 Disclosure harmful to business interests of a third party and 25 Disclosure harmful to economic and other interests of a public body
- Westerner Exhibition Association (WEA) Agreement Relationship Update - FOIP Sections 21: Disclosure harmful to intergovernmental relations; 24(1)(a): Advice from officials; 25: Disclosure harmful to economic and other interests of a public body



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IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

2.1.a. Utilities Governance - FOIP Sections 16 Disclosure harmful to business interests of a third party and 25 Disclosure harmful to economic and other interests of a public body

The following people were in attendance:

Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham (Videoconference), Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

City Manager Tara Lodewyk, General Manager Corporate & Employee Services Lisa Perkin, General Manager Development Services Erin Stuart, General Manager Community Services Sarah Tittlemore, Business Excellence Manager Tricia Hercina, Utilities Manager Jim Jorgensen, Chief of Staff Sean McIntyre, Chief Financial Officer Ray MacIntosh, Acting City Clerk Jackie Kurylo,

The following Guests were in attendance:

PA Goranson Consulting Paul Goranson, Deloitte Energy Resources and Industrials Strategy Analytics and M&A Leader Stephanie Prior, Deloitte Alberta Infrastructure and Capital Projects Leader Ankit Bhargava, Deloitte Power and Utilities Strategy Max Seltzer, Deloitte Infrastructure and Capital Projects Usman Ejaz, Deloitte Power and Utilities Strategy Alex Antonini

Council recessed at 10:52 a.m. and reconvened at 11:02 a.m.

2.1.b. Westerner Exhibition Association (WEA) Agreement Relationship Update - FOIP Sections 21: Disclosure harmful to intergovernmental relations; 24(1)(a): Advice from officials; 25: Disclosure harmful to economic and other interests of a public

The following people were in attendance:

Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham (videoconference), Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes



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City Manager Tara Lodewyk, General Manager Development Services Erin Stuart, General Manager Community Services Sarah Tittlemore, General Manager Corporate & Employee Services Lisa Perkins, Acting General Manager Protective Services Bart Rowland, Chief of Police Sean McIntyre, Chief Financial Officer Ray MacIntosh, Acting City Clerk Jackie Kurylo, Corporate Meeting Administrator Jennifer Hankey, Legislative Assistant Rebecca Derwanz

2.2. Motion to Revert to Open Meeting

Moved by Councillor Kraymer Barnstable, seconded by Councillor Cindy Jefferies

Resolved that Council of The City of Red Deer hereby agrees to enter into an open meeting of Council on Monday, March 6, 2023 at 12:30 p.m.

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

Council recessed at 12:32 p.m. and reconvened at 1:08 p.m.

3. CONSENT AGENDA

Moved by Councillor Bruce Buruma, seconded by Councillor Cindy Jefferies

Resolved that Council of The City of Red Deer having considered the Consent Agenda from Legal and Legislative Services hereby approves the following Minutes:

- Confirmation of the Minutes of the February 21, 2023 Regular Council Meeting

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

Moved by Councillor Dianne Wyntjes, seconded by Councillor Cindy Jefferies

Resolved that Council of The City of Red Deer having considered the Consent Agenda from Legal and Legislative Services hereby approves the following Reports:

- Electric Utility Annual Report to Council for Alberta Regulation 582015



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IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

4. REPORTS

Councillor Bruce Buruma recused himself at 1:18 p.m. from open meeting item 4.1.

Councillor Kraymer Barnstable left the meeting at 1:21 p.m.

4.1. 2023 Tax Sale Reserve Bids

Moved by Councillor Lawrence Lee, seconded by Councillor Dianne Wyntjes

Resolved that Council of The City of Red Deer having considered the report from Revenue and Assessment Services department, dated March 6, 2023, re: 2023 Tax Reserve Bids, hereby approves the reserve bids for the following properties being offered for sale at the 2023 tax sale auction on April 26, 2023:

Item #	Roll #	Legal Description	Civic Address	Reserve Bid
1	300003428	00 PLAN 0227186; LOT 31 BLOCK 4	115 ASHTON CL	\$ 370,000
2	300004319	45 CDE PLAN 0726755; UNIT 29	41 BENNETT ST	\$ 72,500
3	300014309	45 PLAN 8121608; LOT 26 BLOCK 9	29 RUTLEDGE CR	\$ 225,000
4	300016213	90 PLAN 3591P; LOT 9,10 BLOCK F	4632 44 ST	\$ 140,000
5	300019451	80 PLAN 0526412; LOT 46 BLOCK 1	96 OAKWOOD CL	\$ 735,000
6	300023102	00 PLAN 1323308; LOT 30 BLOCK 7	61 TYSON CR	\$ 420,000
7	300023109	05 PLAN 1325361; LOT 22 BLOCK 9	36 TANNER ST	\$ 440,000
8	300029115	95 CDE PLAN 7820561; UNIT 22 F1 - 35	NASH ST	\$ 170,000
9	300031215	00 PLAN 0525914; LOT 12 BLOCK 10	341 JENNER CR	\$ 310,000



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10	30003312035	CDE PLAN 0125370; UNIT 49	40 81 ST	\$ 935,000
11	30003605050	MANUFACTURED HOME	505 - 6834 59 AV	\$ 10,000
12	30003700020	MANUFACTURED HOME	2 - 5344 76 ST	\$ 15,000
13	30003701280	MANUFACTURED HOME	128 - 5344 76 ST	\$ 15,000
14	30003801720	MANUFACTURED HOME	17 PARKVIEW AV	\$ 10,000

IN FAVOUR: Mayor Ken Johnston, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

ABSENT: Councillor Kraymer Barnstable, Councillor Bruce Buruma

MOTION CARRIED

Councillor Bruce Buruma returned to the meeting at 1:24 p.m.
Councillor Kramer Barnstable returned to the meeting at 1:24 p.m.

5. BYLAWS

5.1. Bylaw 3643/A-2023 Emergency Management Bylaw Amendment

Moved by Councillor Bruce Buruma, seconded by Councillor Kraymer Barnstable

FIRST READING: That Bylaw 3643/A-2023 (an amendment to Emergency Bylaw 3643/2020) be read a first time.

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

6. REPORTS

6.2. Land Use Bylaw Review Project Update

Moved by Councillor Kraymer Barnstable, seconded by Councillor Cindy Jefferies



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Resolved that Council of The City of Red Deer having considered the report from City Planning and Growth dated March 6, 2023 re: Land Use Bylaw Review Project Philosophy & Framework hereby directs Administration to proceed with the Philosophy & Framework as shown in Appendix A.

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

7. BYLAWS -Continued

7.1. Bylaw 3611/A-2023 Revenue and Assessment Service Fee

Moved by Councillor Lawrence Lee, seconded by Councillor Vesna Higham

FIRST READING: That Bylaw 3611/A-2023 (an amendment to Revenue and Assessment Service Bylaw 3611/2018) be read a first time.

Prior to consideration, the following amendment was introduced:

Moved by Councillor Dianne Wyntjes, seconded by Councillor Kraymer Barnstable

Resolved that Council of The City of Red Deer hereby amends Bylaw 3611/A-2023 by deleting \$25.00/request for Payment Error in Schedule 'A' and replacing it with \$15.00/request.

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Dianne Wyntjes

OPPOSED Councillor Bruce Buruma, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee,

MOTION CARRIED

The original motion as amended was then back on the floor

Moved by Councillor Lawrence Lee, seconded by Councillor Vesna Higham



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FIRST READING: That Bylaw 3611/A-2023 (an amendment to Revenue and Assessment Service Bylaw 3611/2018) be read a first time as amended.

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

Moved by Councillor Lawrence Lee, seconded by Councillor Vesna Higham

SECOND READING: That Bylaw 3611/A-2023 be read a second time.

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

Moved by Councillor Bruce Buruma, seconded by Councillor Michael Dawe

Resolved that with the unanimous consent of Council members present, that Bylaw 3611/A-2023 be presented for third reading.

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

Moved by Councillor Lawrence Lee, seconded by Councillor Vesna Higham

THIRD READING: That Bylaw 3611/A-2023 be read a third time.

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes



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Monday, March 6, 2023

MOTION CARRIED

8. ADJOURNMENT

Moved by Councillor Lawrence Lee, seconded by Councillor Bruce Buruma

Resolved that Council of The City of Red Deer hereby agrees to adjourn the Monday, March 6, 2023 Regular Council Meeting of Red Deer City Council at 3:48 p.m.

IN FAVOUR: Mayor Ken Johnston, Councillor Kraymer Barnstable, Councillor Bruce Buruma, Councillor Michael Dawe, Councillor Victor Doerksen, Councillor Vesna Higham, Councillor Cindy Jefferies, Councillor Lawrence Lee, Councillor Dianne Wyntjes

MOTION CARRIED

MAYOR

CITY CLERK



March 20, 2023

Clerks Note re: Postponement Request

Administration is requesting additional time to complete information and analysis. Original resolution:

Resolved that Council of The City of Red Deer having considered the 2023-2024 Multi Year Budget dated November 28, 2022 - December 5, 2022 hereby directs Administration to return to Council with a Capstone bridge briefing and project estimate including timing to complete the initial design work in Q1 2023. **Consent to return date of April 3, 2023.**



March 20, 2023

Land Use Bylaw Amendment 3357/F-2023 Proposal to Rezone 3718 46 St from R1A to R2

Prepared by Dayna Facca, Senior Planner
Department City Planning and Growth

Report Summary

Administration has received an application to amend the Land Use Bylaw to rezone 3718 46 Street, in the Eastview neighbourhood, from R1A Residential (Semi Detached Dwelling/Du District to R2 Residential (Medium Density) District. The amendment will enable a small increase in density on the site. Currently the site is undeveloped.

Administration recommends first reading of Land Use Bylaw 3357/F-2023 as it is consistent with City policy.

Proposed Resolution

That Bylaw 3357/F-2023 be read a first time.

If first reading is given these bylaws will be advertised with a Public Hearing to be held on March 17, 2023.

Rationale for Recommendation

1. Proposed amendment aligns with City policy.

The Municipal Development Plan (MDP) includes policies encouraging infill residential development on vacant or underutilized parcels of land in established areas, intensification in established neighborhoods through residential and mixed-use infill where there is adequate capacity in major municipal infrastructure. The Neighbourhood Planning and Design Standards (NPDS) also encourage a mix of housing forms.

2. The Eastview neighbourhood includes a mix of housing types.

Regardless of zoning, there are apartments, duplexes, multiplexes, row housing, and family homes throughout Eastview. A map outlining the variety of housing types is included in Appendix B.

3. The Eastview neighbourhood has capacity for increased density.

Neighbourhood density for new neighborhoods is 17.0 dwelling units per net developable hectare as per the NPDS. Eastview is considered a mature neighbourhood and its current density is estimated to be 13.25 dwelling units per net developable hectare.

1. Administration has no concerns with the application

Supporting evidence.

Background

An application has been received to amend the Land Use Bylaw to rezone 3718 46 Street, the Eastview neighbourhood, from R1A Residential (semi detached dwelling/duplex) District to R2 Residential (medium density) District. The applicant is applying to rezone the property to gently increase the density. The applicant would like to construct a new residential development on the vacant property that is non-intrusive in its design and contains slightly more units than adjacent properties.

The site is currently vacant. The immediate street context is zoned R1A with a mix of semi-detached housing and single family homes. The property has a rear lane. An overview of the property is outlined in Appendix A.

Strategic Alignment:

The 2023-2026 Strategic Plan is divided into three key focus areas: Thriving City, Community Health & Wellbeing, and Connected & Engaged City. These focus areas contain aspirational goals and outcomes to achieve by 2026. The application is consistent with Community Health & Wellbeing as it creates housing diversity and neighbourhood inclusivity for different demographics.

Policy Linkage:

The Municipal Development Plan (MDP) provides policy direction to encourage infill development. The application is consistent with the MDP.

The Neighbourhood Planning Design Standards (NPDS) encourages a variety of housing types within neighbourhoods and a density target of 17.0 dwelling units per net developable hectare. The application is consistent with the NPDS.

The Community Housing & Homelessness Integrated Plan (CHHIP) reflects on where the community has been, what the current housing and homelessness situation looks like, and projects our future housing needs. The application complements CHHIP goals.

Appendix C contains relevant policies identified above.

Stakeholder Consultation:

The application was circulated to City departments and external agencies for review. No concerns were raised.

A public consultation package was sent to property owners within 100m of the subject site, a total of 60 letters.

Two comment sheets and one phone call were received regarding the application. A copy of the comments received can be found attached in Appendix D. Concerns raised related to traffic, parking, noise, overcrowding, and the type of building that could be developed.

The concerns regarding parking availability and development type can be addressed through the Development Permit process should the rezoning application be approved.

Analysis

The application proposes to gently increase the density in the area by rezoning the property from R1A to R2. Small scale infill projects are a sensitive way to provide more housing options, increase density, limit traffic and parking conflicts, and efficiently use existing infrastructure.

Eastview currently includes a variety of housing forms: apartments, duplexes, multiplexes, townhouse housing, and single family homes. It is a mature neighbourhood that is slowly transitioning and redeveloping into more modern housing. The proposed application aligns with this trend.

The current estimated density for Eastview is 13.25 dwelling units per net developable hectare. Neighbourhood density for new neighborhoods is 17.0 dwelling units per net developable hectare.

Possible residential developments under the R2 District include a single family home, a single family home with a secondary suite, a semi-detached dwelling unit (duplex), or a multi-unit dwellings (tri-plex/fourplex). Each development type would be guided by R2 District regulations such as landscaping, parking, and setback requirements which would limit the number of units that could be constructed. The size of the property also limits what could be developed. The maximum size of development, should the application be approved, is four units (fourplex) based on site limitations and R2 District regulations.

The Land Use Bylaw (LUB) Mature Neighbourhood Overlay District ensures redevelopment that occurs in mature neighbourhoods is compatible with the existing residential development within the immediate street context. For example, redevelopment needs to fit with existing buildings in terms of the scale and form. The Mature Neighbourhood Overlay District is applicable in this area and will apply to the redevelopment design.

Should the rezoning application be approved, the next step for the applicant would be to apply for a development permit to allow a specific use. See Appendix C for a comparison table of existing R1A zoning and the proposed R2 zoning,

Appendices

Appendix A - Location Map, Land Use Map, and Air Photo

Appendix B - Map of Housing Types in Eastview

Appendix C - Relevant City Policies, Objectives, and Regulations

Appendix D - Neighbourhood Referral and Comment Sheets

Appendix E - Applicant Rationale



Schedule "A"
Proposed Amendment to Land Use Bylaw 3357/2006



Change District

☒ R1A to R2 - Residential (Medium Density) District

Proposed Amendment

Map: 5/2023
Bylaw: 3357/F-2023
Date: Jan. 19, 2023



Appendix A - Location Map, Land Use Map, and Air Photo



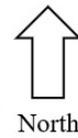
Land Use Map



Property – 3718 46 ST



Aerial Photo



North



Appendix B - Map of Housing Types in Eastview

The map below outlines the existing housing types in the Eastview neighbourhood. There are apartments, duplexes, multiplexes, row housing, and single family homes.





Appendix C - Relevant City Policies, Objectives, and Regulations

Municipal Development Plan

5.18 Infill Development The City should support infill residential and commercial development on vacant or underutilized parcels of land in established areas, particularly along major transit routes

10.9 Intensification shall be encouraged in established neighbourhoods through residential and mixed use infill projects where there is adequate capacity in major municipal infrastructure and in accordance with the infill guidelines referred to in Policy 10.10, unless otherwise determined through an approved area structure plan or area redevelopment plan.

Neighbourhood Planning Design Standards

Principle 6: Housing Opportunity and Choice - Neighbourhoods provide a mixture of unit sizes and housing types. Housing options provide choice within the neighbourhood, appealing to a range of incomes, family types and opportunities for 'aging in place'.

4.1 Achieve an overall housing density of 17.0 dwelling units per net developable hectare (6.9 du/net developable acre) calculated on a quarter section basis.

Community Housing & Homelessness Integrated Plan

Priority 3: Housing Options - Housing needs to be diverse, integrated in communities, affordable, safe, and appropriate. Innovative housing solutions, increasing development capacity, a more equitable lense towards ownership and housing retention and engagement of the private sector are within reach.

Land Use Bylaw

R1A Residential (Semi-Detached Dwelling) District	R2 Residential (Medium Density) District
Floor Area Minimum Detached dwelling: Frontage in m x 6 m but not less than 72.0 m ² Semi-detached dwelling: 72.0 m ² for each unit	Floor Area Minimum Detached dwelling: Frontage in m x 6.0 m Semi-detached dwelling: 65.0 m ² for each unit Multi-attached: 60.0 m ² for each unit
Site Coverage Maximum 40% (includes garage and accessory buildings)	Site Coverage Maximum 40% (includes garage and accessory buildings)
Building Height Maximum 2 storeys with a maximum of 10.0 m measured from the average of the lot grade	Building Height Maximum 2 storeys with a maximum total height of 10.0 m measured from the average of the lot grade except: <ul style="list-style-type: none"> ▪ Multiple family building 3 storeys ▪ 3 storeys for an Assisted Living Facility
Front Yard Minimum 6.0 m	Front Yard Minimum 6.0 m except multi-family which shall have a 7.5 m minimum
Side Yard Minimum	Side Yard Minimum



<p>Detached dwelling: 1.5 m Semi-detached dwelling unit (without side entry):1.5 m Semi-detached dwelling unit (with side entry): 2.4 m Special residential: 3.0 m</p>	<p>Detached dwelling: 1.5 m Semi-detached dwelling unit (without side entry):1.5 m Semi-detached dwelling unit (with side entry): 2.4 m Special residential: 3.0 m Multi-attached (without side entry):1.8 m Multi-attached (with side entry): 2.4 m Multiple Family Building, Assisted Living Facility, or Temporary Care Facility: <ul style="list-style-type: none"> • Buildings up to 2 storeys: 3.0m • Buildings of 3 storeys: 4.5m </p>
<p>Rear Yard Minimum 7.5 m</p>	<p>Rear Yard Minimum 7.5 m</p>
<p>Lot Depth Minimum 30.0 m</p>	<p>Lot Depth Minimum 30.0 m</p>
<p>Landscaped Area 35% of site area</p>	<p>Landscaped Area 35% of site area</p>
<p>Lot Area Minimum Detached dwelling 360.0 m² Semi-detached dwelling unit: 232.0 m² per dwelling unit</p>	<p>Lot Area Minimum Detached dwelling 360.0 m² Semi-detached: 232.0 m² per dwelling unit Multi-attached:185.0 m² per dwelling unit Multi-family: <ul style="list-style-type: none"> ▪ no separate bedroom: 74.0 m² per dwelling unit ▪ one bedroom:111.0 m² per dwelling unit ▪ more than one bedroom:139.0 m² per dwelling unit </p>
<p>Frontage Minimum Detached dwelling 12.0 m Semi-detached dwelling unit 7.6 m per unit</p>	<p>Frontage Minimum Detached dwelling unit: 12.0 m Semi-detached:7.6 m per dwelling unit Multi-attached building: 15.0 m except, if all units are side by side town or row housing units: 6.1 m per dwelling unit Multiple family building: 18.0 m</p>
<p>Parking Detached Dwelling, Semi-detached Dwelling fronting onto a public roadway: 2.0 per unit</p>	<p>Parking Detached Dwelling, Semi-detached Dwelling, Multi-attached Building fronting onto a public roadway: 2.0 per unit Multiple Family Building: 1.0 per one bedroom unit; 1.5 per two bedroom unit; 2.0 per three bedroom unit, plus 1.0 additional space for every 5.0 units which must be clearly identified as guest parking.</p>



Appendix D - Neighbourhood Referral and Comment Sheets

January 25 2023

«Prime_Owner_Name»

«Owner_Address_1»

«Owner_Address_2»

To: Landowners within 100 m of 3718 46 Street

**Re: Proposed Rezoning of 3718 46 Street from R1A to R2
Bylaw 3357/F-2023**

Why have you received this letter?

You are being notified of a proposed amendment to the Land Use Bylaw (Bylaw 3357/F-2023). As part of the City's overall evaluation process, landowners within 100 metres of the site are provided with an opportunity to review and comment on the proposed amendment. As you are a landowner within 100 metres of the subject site, you are invited to review and provide comments on the proposed amendments by **February 16th, 2023**.

What is being proposed?

The City Planning & Growth Department has received an application to amend the Land Use Bylaw to rezone 3718 46 Street from R1A Residential (Semi-Detached) District to R2 Residential (Medium Density) District to enable a greater density on the site. The site is currently vacant. Possible developments under the R2 District include Multi-Attached Dwellings or a Multiple Family Building. Either development type would be guided by landscaping, parking, and setback requirements which would limit the number of units constructed.

The definition of Multi-attached Building and Multiple Family Building are provided below for your reference.

Multi-attached Building means a residential building containing three or more dwelling units separated by common walls and located either on a single lot or each unit is on its own individual lot, and each dwelling unit having a separate, direct entrance from the exterior. This definition applies to forms of housing that include, but is not limited to, townhouses, row houses, triplexes and fourplexes.

A Multiple Family Building means a residential building containing three or more dwelling units having shared entrance facilities, in which the dwelling units are arranged in any horizontal or vertical configuration.



Should the rezoning application be approved, the applicant would then apply for a Development Permit to allow a specific use. Multi-attached Buildings and Multiple Family Buildings are discretionary uses in the R2 District. A discretionary use is a development that may be allowed by the City after considering the impacts to neighboring lands.

A map of the area has been attached for your reference (see below). The R1A and R2 districts can be found on the City's webpage at: <https://reddeer.ca/city-government/bylaws/land-use-bylaw/> (Scroll down and click on Land Use Bylaw 3357/2006 - Part 4 - Residential Districts and Regulations (pdf)).

Do I have to provide comments?

It is optional to provide comments. If you would like to submit comments, please do so by **February 16th, 2023**. Methods for submitting comments are outlined in the attached comment sheet.

What will happen if I submit comments?

All comments received will be reviewed by City of Red Deer City Planning & Growth staff. They will be incorporated into the report that will be presented to Council when they consider First Reading of the proposed amendment. The report containing your comments will form part of the public record. Personal information will not be redacted.

What is the next step for this amendment?

It is anticipated that the proposed bylaw will be presented to Council for consideration in the coming months. If Council gives First Reading to the proposed amending bylaw, Council must hold a Public Hearing prior to considering Second and Third Reading (adoption) of the proposed bylaw. Public Hearings are advertised in the Friday edition of the Red Deer Advocate and all landowners within 100 metres of the site will receive written notification of the Public Hearing. The Public Hearing is an opportunity for the public to speak directly to Council about any concerns they may have with the proposed bylaw.

Thank you for your consideration in this matter. Please do not hesitate to contact me if you require additional information or clarification.

Sincerely,

Dayna Facca, Senior Planner
403.406.8703
Dayna.facca@reddeer.ca



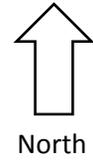
Land Use Map



Property – 3718 46 St



Aerial Photo



North



Comment Sheet

**We invite you to provide feedback regarding the proposed Land Use Bylaw amendment.
Your feedback is important to us.**

Collection & Release of Your Information: The City is collecting your information and comments to be included in a report submitted to Council that will form part of the public record. Personal information will not be redacted. This is part of the referral process that is described in Section 2.19(5) of The City of Red Deer Land Use Bylaw. The personal information on this form is collected under the authority of the Municipal Government Act Section 3 and is protected under the provisions of the Freedom of Information & Protection of Privacy (FOIP) Act. The City will seek to balance the dual objectives of open government and protection of privacy. If you have questions about the collection and use of this information, please contact the Manager of City Planning & Growth at The City of Red Deer, 4914- 48 Ave, Red Deer, AB 403-304-8383.

Land Use Bylaw Amendment:	Bylaw 3357/F-2023 (3718 46 ST Rezoning)
Planner:	Dayna Facca, Senior Planner

Contact Information (please print)
Please provide comments by February 16th, 2023

Name: _____

Mailing Address: _____ Postal Code: _____

Phone #: _____ E-mail Address: _____

General Comments



CITY PLANNING & GROWTH DEPARTMENT

Comment Sheet

We invite you to provide feedback regarding the proposed Land Use Bylaw amendment.
Your feedback is important to us.

Collection & Release of Your Information: The City is collecting your information and comments to be included in a report submitted to Council that will form part of the public record. Personal information will not be redacted. This is part of the referral process that is described in Section 2.19(5) of The City of Red Deer Land Use Bylaw. The personal information on this form is collected under the authority of the Municipal Government Act Section 3 and is protected under the provisions of the Freedom of Information & Protection of Privacy (FOIP) Act. The City will seek to balance the dual objectives of open government and protection of privacy. If you have questions about the collection and use of this information, please contact the Manager of City Planning & Growth at The City of Red Deer, 4914- 48 Ave, Red Deer, AB 403-304-8383.

Land Use Bylaw Amendment:	Bylaw 3357/F-2023 (3718 46 ST Rezoning)
Planner:	Dayna Facca, Senior Planner
Please provide comments by February 16th, 2023	

Contact Information (please print)

Name: Shameema Sologor

Mailing Address: 27 Ayers Close Postal Code: T4R 1G3
Red Deer Ab

Phone #: 403-347 4227 E-mail Address: _____

General Comments

- ① Multifamily units will increase the traffic on 46 st.
- ② Street parking is already crowded.
- ③ A duplex will be okay and will maintain a better aesthetic for the street.
- ④ Noise and overcrowding could become an issue.



CITY PLANNING & GROWTH DEPARTMENT

Comment Sheet

We invite you to provide feedback regarding the proposed Land Use Bylaw amendment.
Your feedback is important to us.

Collection & Release of Your Information: The City is collecting your information and comments to be included in a report submitted to Council that will form part of the public record. Personal information will not be redacted. This is part of the referral process that is described in Section 2.19(5) of The City of Red Deer Land Use Bylaw. The personal information on this form is collected under the authority of the Municipal Government Act Section 3 and is protected under the provisions of the Freedom of Information & Protection of Privacy (FOIP) Act. The City will seek to balance the dual objectives of open government and protection of privacy. If you have questions about the collection and use of this information, please contact the Manager of City Planning & Growth at The City of Red Deer, 4914- 48 Ave, Red Deer, AB 403-304-8383.

Land Use Bylaw Amendment:	Bylaw 3357/F-2023 (3718 46 ST Rezoning)
Planner:	Dayna Facca, Senior Planner
Please provide comments by February 16 th , 2023	

Contact Information (please print)

Name: Jason / Colleen Pilger
Mailing Address: 3710-46 ST. Postal Code: T4N 1L6
Phone #: 587-273-0701 E-mail Address: colleen@underhills.wing.ca

General Comments

Our major concerns involve street parking and type of building developed.

We are limited now in street parking. During street snow clearing so many cars were on the street that most of the street remained rutted and unpaved. The developer must provide on site parking



or we will all have no place to park.

The lot in question was a drug house originally. We wish to remind you that there are seniors and many young families in this area. Is this building going to be family friendly or low cost rentals for youth programs and group home situations.

The other empty lot was again a flophouse drug house with unsupervised youth living there. Keep our neighbourhood safe.

Please Note:

- Submissions from the public will appear on the Council Agenda in the same format that they were received. No personal information will be redacted.
- Anyone who submits materials marked "in confidence" or "confidential" will be contacted by Administration who will explain that materials cannot be submitted "in confidence" or "confidentially" as all material submitted for Council consideration must form part of the public record. The submitter will be given the option to withdraw their submission, submit a revised submission prior to the deadline or have their original submission included in the Agenda with the notation that the submission is not "confidential".
- Unsigned or anonymous letters or emails that do not provide a proper name for the party sending the email will not be accepted as there is no way for Council to properly weigh the contents of the letter.
- Administration may withhold a public submission from the Council Agenda if, after consulting legal counsel, they conclude the submission contains:
 - i. hate speech;
 - ii. discriminatory language; or
 - iii. defamatory language.

Administration shall contact the party making a submission that is being withheld under this section and advise them that the submission is being withheld and that if the party wants to make submissions to Council that they, or their delegate, can attend the Public Hearing to present their comments directly to Council during the Public Hearing.

Comment sheets may be submitted using the following options:

- Mail: The City of Red Deer, City Planning and Growth Department, Attention: Dayna Facca, Box 5008, Red Deer, AB, T4N 3T4
- Drop off: 4914 - 48 Avenue, Red Deer, AB
- Email: dayna.facca@reddeer.ca



Appendix E - Applicant Rationale

The rationale for our request of the proposed re zoning from R1A to R2 is to allow for slightly higher density on this site. Eastview location to schools, downtown and other amenities make it a great neighborhood to add density. Eastview currently has not fully filled secondary suite percentage of 15% which also shows there is room to add density as per the city. There are many positives to adding density in a very nonintrusive way. Some examples are efficient use of existing infrastructure, efficient utilization of land, creating a variety of housing and affordable housing, increase of safe rental stock and revitalizes communities.



March 20, 2023

2023 Adopted Operating Budget 2024 - 2026 Operating Plan 2023 - 2024 Capital Budget Adjustment

Prepared by Michelle Andrew, Corporate Controller, Budgets & Investments
Department Financial Services

Report Summary and Recommendations

Administration is recommending approval of the following:

1. The 2023 adopted budget:
Under the Municipal Government Act, Council must approve operating and capital budgets. **Interim** approval is provided at budget debate in late fall each year. Administration then completes updates that apply to each budget and requests approval for the **adopted** budget. These adjustments can include: wage settlements as a result of collective agreement bargaining, impacts from other levels of government, and administrative corrections. The adopted budget is used to derive the tax requirement for the Tax Rate Bylaw that is presented in April of each year.
2. The 2024 - 2026 operating plan:
The operating plan is presented for review as it is a Municipal Government Act requirement.
3. Adjustments to the 2023-2024 capital budget, due to corrections:
Two capital jobs were omitted at budget deliberations in November / December 2022. These jobs are long-standing, previously funded work and one was grant funded.

Proposed Resolution

Resolved that Council of The City of Red Deer having considered the report from Financial Services dated March 20, 2023 re: 2023 Adopted Operating Budget, 2024 - 2026 Operating Plan, 2023 - 2024 Capital Budget Adjustment hereby adopts the 2023 Adopted Budget.

Resolved that Council of The City of Red Deer having considered the report from Financial Services dated March 20, 2023 re: 2023 Adopted Operating Budget, 2024 - 2026 Operating Plan, 2023 - 2024 Capital Budget Adjustment hereby approves the 2024-2026 Operating Plan.

Resolved that Council of The City of Red Deer having considered the report from Financial Services dated March 20, 2023 re: 2023 Adopted Operating Budget, 2024 - 2026 Operating Plan, 2023 - 2024 Capital Budget Adjustment hereby approves the adjustments to the 2023 2024 Capital Budget

Rationale for Recommendation

1. **This recommendation allows The City of Red Deer to be compliant with Municipal Government Act requirements.**
Sections 242 and 247 describe the legislative requirements for approval of the operating and capital budgets. Section 283.1 describes the requirement to approve an operating plan.
2. **Approval of the Adopted Budget allows The City's Tax Rate Bylaw to be presented to Council for consideration.**
The Tax Rate Bylaw will be presented to Council in April 2023.

Background

Prior Council/Committee Direction

Council approved the 2023 and 2024 interim multi year operating and capital budgets on December 5, 2022.

Legislative Context

The Municipal Government Act (MGA) section 242 states:

- (1) Each council must adopt an operating budget for each calendar year by January 31 of that calendar year
- (2) A council may adopt an interim operating budget for part of a calendar year.
- (3) An interim operating budget for a part of a calendar year ceases to have any effect when the operating budget for that calendar year is adopted.

Section 247 further states: "No municipality may pass a property tax bylaw or a business tax bylaw in respect of a year unless the operating and capital budget for that year have been adopted by council or established by the Minister under section 244."

Section 283.1(2) states: "Each municipality must prepare a written plan respecting its anticipated financial operations over a period of at least the next 3 financial years."

Section 283.1(6) state: "Council must annually review and update its financial plan and capital budget plan."

Timelines and Impending Deadlines

Approval of the adopted operating and capital budgets must be completed prior to approval of the Tax Rate Bylaw, in April 2023. A chart with the next steps in Council's Financial Decision process is provided in Appendix C.

Analysis

Operating Budget:

The table below shows in summary the various changes that have had an impact on The City of Red Deer's 2023 operating budget since Council approved the budget on December 5, 2022.

These changes include:

- During Council debate on December 5, 2022, Council included additional amounts for community support for sport and community safety. These increased community supports are now reflected in the adopted budget. These are one-time costs and have no impact to tax rate.
- Reallocations and adjustments represent minor increases in revenue for self supported business units due to salary benefit rate changes. The increase in revenue will come from external third parties for work done by The City on their behalf and has no impact to tax requirements.
- Carryforwards are one-time approvals funded by the Operating Reserve – Tax Supported where the work is not complete at year end. These amounts are deducted from 2022 and added back to 2023. All carryforwards are reviewed by City Manager to ensure they are projects that must continue. All carryforwards have no tax impact.
- Any implications as a result of budget announcements from the Government of Alberta, tabled by the Government on February 28, 2023. Administration would note the following with potential direct City of Red Deer impacts:
 - Municipal Sustainability Initiative operating grant to double for 2023/2024. For The City of Red Deer this means an increase from approximately \$700,000 to \$1.4 million.
 - ☞ At this time Administration recommends to not adjust the 2023 City budget because this is one time funding. In this case the extra grant dollars would improve year end surplus and thus the transfer to our Operating Reserve – Tax Supported (ORTS) which is a strategy for financial sustainability.
 - ☞ Operating grant funding will still be spent in the years in which they are received.
 - MSI Capital remained unchanged in 2023/2024. This amount is unchanged from the interim budget and Administration is not aware of any plans from the Government of Alberta to increase The City's allocation at this time.
 - ☞ If MSI Capital were to increase:
 - Reprofile some of our project funding to reduce pressure on the Capital Projects Reserve (CPR)
 - Or it can be saved to be applied to projects in the 2024 year.

- Local Government Fiscal Framework increased funding for 2024/2025, to \$782 million for all municipalities across the province. We do not know the impact to Red Deer because the formula for the funding has not been announced by the province. Because that final amount is not known we would not suggest any changes be made to the capital budget for 2024 or capital plan at this time.
 - ☞ The City’s 2024 capital budget had a conservative 35% reduction in this program so any increase in funding is a good thing and while it may result in new projects it could also mean less debt needs to be taken or reserves used. Those would be options brought forward to Council in budget review 2024 late this fall.

- Education requisition is frozen for 2023/2024
 - ☞ This is a flow through that will be captured with the Tax Rate Bylaw.
 - ☞ This does not impact the City Budget.

Other provincial budget impacts may come to fruition during 2023 but is too early to amend the City budget. Administration does not account for revenue or grants until we are certain of the amounts.

A reconciliation between the 2023 interim operating budget and adopted operating budget for the financial statements is summarized as follows:

2023 Interim to Adopted Operating Budget Changes

Item	Revenues	Expenses	Internal Transfers (excluding reserve transfers)	Net Transfer to/(from) Reserves
2023 Interim Operating Budget	\$ (387,782,144)	\$ 410,286,568	\$ (52,610,198)	\$ 30,105,779
<u>Changes:</u>				
Carry-forwards (various items)	\$ (159,913)	\$ 3,306,168	\$ -	\$ (3,146,255)
DBA Annual Levy increase	\$ (12,500)	\$ 12,500		
Community Development Grants (Note 1)	\$ -	\$ 75,000	\$ -	\$ (75,000)
Reallocations and adjustments (Note 2)	\$ (3,039)	\$ 3,039	\$ -	
Total Changes	\$ (175,452)	\$ 3,396,707	\$ -	\$ (3,221,255)
2023 Adopted Operating Budget	\$ (387,957,596)	\$ 413,683,275	\$ (52,610,198)	\$ 26,884,524

The Adopted 2023 operating budget presented in a financial statements format is provided in Appendix B. The tax rate based on Council decisions in December 2022 was 4.61% and that amount is still the same.

Recommended

It is recommended that Council approve the adopted operating budget as presented.

Operating Plan:

The 3-year operating (financial) plan is presented below. It is an MGA requirement that Council review this plan every year. 2023 budget amount are included in this chart for continuity.

2024 - 2026 Operating Budget and Plan:

Revenues	City of Red Deer 2023 Adopted	Agencies 2023 Budget	Consolidated 2023 Budget	City of Red Deer 2024 Interim	City of Red Deer 2025 Plan	City of Red Deer 2026 Plan
Net municipal taxes	\$ 144,850,164		\$ 144,850,164	\$ 149,729,687	\$ 157,440,019	\$ 157,717,753
Operating government transfers	\$ 15,686,845	\$ 889,075	\$ 16,575,920	\$ 15,772,791	\$ 15,255,121	\$ 14,855,337
User fees and sale of goods and services	\$ 194,371,339	\$ 3,143,708	\$ 197,515,047	\$ 202,054,279	\$ 202,541,337	\$ 201,978,826
Investment income	\$ 4,080,778	\$ 30,500	\$ 4,111,278	\$ 4,087,224	\$ 4,087,224	\$ 4,087,224
Fines and penalties	\$ 5,870,556	\$ 10,000	\$ 5,880,556	\$ 5,925,556	\$ 5,925,556	\$ 5,925,556
Franchise fees	\$ 9,828,957		\$ 9,828,957	\$ 10,553,957	\$ 10,553,957	\$ 10,553,957
License and permits	\$ 3,582,250		\$ 3,582,250	\$ 3,582,250	\$ 3,582,250	\$ 3,582,250
Other	\$ 3,058,023	\$ 192,764	\$ 3,250,787	\$ 3,687,578	\$ 3,687,854	\$ 3,637,854
	\$ 381,328,912	\$ 4,266,047	\$ 385,594,959	\$ 395,393,322	\$ 403,073,318	\$ 402,338,757
Expenses						
General government services	\$ 48,241,736		48,241,736	48,218,633	46,709,264	46,018,669
Protective services	\$ 93,073,900		93,073,900	96,378,255	100,799,093	100,917,139
Transportation	\$ 66,239,508		66,239,508	66,071,155	65,016,319	65,207,621
Community services	\$ 18,522,449	308,020	18,830,469	16,810,855	16,922,023	16,423,588
Recreation, parks and culture	\$ 54,348,385	5,032,596	59,380,981	52,374,047	56,418,210	51,668,210
Water and wastewater	\$ 45,806,241		45,806,241	45,969,334	45,969,334	45,969,334
Waste management	\$ 13,979,249		13,979,249	14,780,857	14,670,857	14,670,857
Subdivisions, land, and development	\$ 1,641,896		1,641,896	1,823,286	1,823,286	1,823,286
Electric light and power	\$ 48,768,833		48,768,833	49,924,365	49,924,365	49,924,365
Parking	\$ 1,559,535		1,559,535	1,561,192	1,561,192	1,561,192
Fleet	\$ 21,501,548		21,501,548	23,054,303	22,696,084	22,696,084
	\$ 413,683,280	\$ 5,340,616	\$ 419,023,896	\$ 416,966,282	\$ 422,510,027	\$ 416,880,345
Contributed assets	6,628,683		6,628,683	6,628,683	6,628,683	6,628,683
Budgeted (deficit)/surplus	(25,725,685)	(1,074,569)	(26,800,254)	(14,944,277)	(12,808,026)	(7,912,905)

It is recommended that Council accept the 2024-2026 operating plan as presented.

Capital Budget:

Council approved the 2023-2024 capital budget on December 5, 2022. Approvals were for \$102.064 million in 2023 and \$106.283 million in 2024. After December 5, 2022, Administration found that two capital projects were omitted from the budget, and therefore not approved during budget deliberations. These two capital projects were not captured on spreadsheet used for capital budget analysis. Administration is presenting the omitted projects for approval. After adjustments, the capital budget for 2023 is \$104,736 million (an increase of \$2.673 million) and for 2024 is \$106,143 million (a decrease of \$0.140 million). These projects are:

- The Physical Security Infrastructure project focuses on standardization and upgrade of security hardware and related infrastructure across City facilities. This project is Capital Projects Reserve funded.

- The Pedestrian Connections/Missing Links project and the Road/Sidewalk rehabilitation project constructs trails, sidewalks, and transit stop infrastructure where they currently do not exist. This project is funded 69% by the COVID Resilience Grant and 31% by the Capital Projects Reserve. The reduction in the 2024 budget is due to the grant stipulations that require this work to be done in 2023.

Below is the presentation of the Capital Budget in the 2023-2024 Budget Workbook proposed changes, and the total Capital Budget after adjustments:

2023 & 2024 Budgets and Capital Plan - December 5, 2022 (000's)

Category	2023 Approval	2024 Approval	Capital Plan	2023-2032
Infrastructure: Rehabilitation & Replacement	89,215	99,803	815,127	1,004,146
Current Growth	12,364	5,939	112,895	131,198
Future Growth	361	334	34,651	35,346
Community Amenities	124	206	15,772	16,102
Grand Total	102,064	106,283	978,445	1,186,792

2023 & 2024 Budgets and Capital Plan adjustments (000's)

Category	2023 Addition	2024 Addition	Capital Plan	2023-2032
Infrastructure: Rehabilitation & Replacement	2,173	(140)	535	2,568
Current Growth	-	-	-	-
Future Growth	-	-	-	-
Community Amenities	500	-	-	500
Grand Total	2,673	(140)	535	3,068

Administration is recommending Council approve the increase of \$2,672,675 in 2023 capital budget and the reduction of \$139,630 in 2024 capital budget as follows:

2023 & 2024 Budgets and Capital Plan - Adjusted (000's)

Category	2023 Approval	2024 Approval	Capital Plan	2023-2032
Infrastructure: Rehabilitation & Replacement	91,388	99,663	815,662	1,006,714
Current Growth	12,364	5,939	112,895	131,198
Future Growth	361	334	34,651	35,346
Community Amenities	624	206	15,772	16,602
Grand Total	104,736	106,143	978,980	1,189,861

Recommended

It is recommended that Council approve the adjusted capital budget as amended.

Appendix A**2023 Operating Budget (Summary of Net Revenues & Expenditures)**

Description	2023 Interim Approved	Changes	2023 Adopted Approved
Revenues			
2022 Tax Levy	139,558,027	-	139,558,027
2023 Construction Growth	2,200,000	-	2,200,000
2023 Tax Increase required	6,501,750	-	6,501,750
Other Revenues & Transfers	28,589,631	4,560,884	33,150,515
Revenues	176,849,408	4,560,884	181,410,292
Net Expenditures			
City Manager's Office	537,970	-	537,970
Office of Mayor and Council	1,621,797	25,000	1,646,797
City Manager's Office	2,159,767	25,000	2,184,767
Corporate and Employee Services Director's	789,955	(3,816)	786,139
Corporate Communications	1,754,864	109,884	1,864,748
Financial Services/CFO	3,654,093	136,164	3,790,257
Human Resources	3,936,640	16,614	3,953,254
Information and Technology Services	8,832,162	84,757	8,916,919
Legal & Legislative Services	3,414,209	40,392	3,454,601
Revenue and Assessment Services	3,081,962	6,961	3,088,923
Corporate and Employee Services	25,463,885	390,956	25,854,841
Community Services Directorate	4,981,828	-	4,981,828
CSV Business Excellence	3,702,015	223,472	3,925,487
Electric, Light & Power	1,890,277	31,218	1,921,495
Environmental Services	1,219,105	140,313	1,359,418
Parks And Public Works	27,125,993	766,799	27,892,792
Safe And Healthy Communities	21,051,703	530,400	21,582,103
Transit & Fleet	14,154,317	7,499	14,161,816
Community Services	74,125,238	1,699,701	75,824,939
Development and Protective Services Director's	1,023,166	759,223	1,782,389
Emergency Services	28,989,867	40,562	29,030,429
Engineering Services	2,648,315	16,548	2,664,863
Inspection & Licensing	1,001,019	103,864	1,104,883
Land and Economic Development	3,549,609	1,392,250	4,941,859
City Planning and Growth	1,095,068	9,908	1,104,976
Municipal Policing Services	36,793,474	122,872	36,916,346
Development and Protective	75,100,518	2,445,227	77,545,745
Expenditures	176,849,408	4,560,884	181,410,292
Surplus (Deficit)	-	-	-
2023 Tax Increased Required	4.61%	0%	4.61%

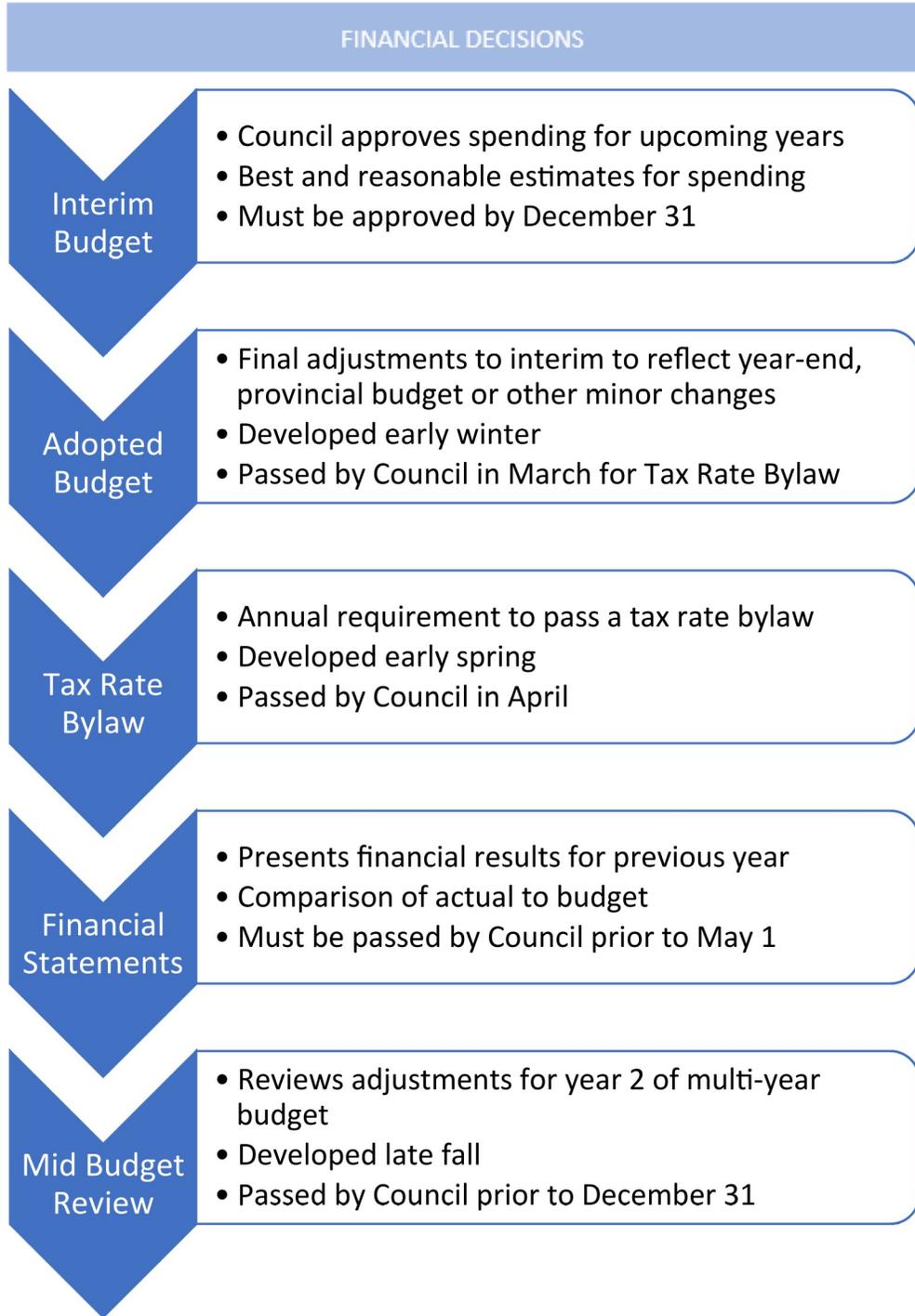
Appendix B

2023 Adopted Operating Budget- City of Red Deer

Revenues	City of Red Deer Adopted	Agencies	Consolidated Budget
Net municipal taxes	\$ 144,850,164		\$ 144,850,164
Operating government transfers	\$ 15,686,845	\$ 889,075	\$ 16,575,920
User fees and sale of goods and services	\$ 194,371,339	\$ 3,143,708	\$ 197,515,047
Investment income	\$ 4,080,778	\$ 30,500	\$ 4,111,278
Fines and penalties	\$ 5,870,556	\$ 10,000	\$ 5,880,556
Franchise fees	\$ 9,828,957		\$ 9,828,957
License and permits	\$ 3,582,250		\$ 3,582,250
Other	\$ 3,058,023	\$ 192,764	\$ 3,250,787
	\$ 381,328,912	\$ 4,266,047	\$ 385,594,959
Expenses			
General government services	\$ 48,241,736		48,241,736
Protective services	\$ 93,073,900		93,073,900
Transportation	\$ 66,239,508		66,239,508
Community services	\$ 18,522,449	308,020	18,830,469
Recreation, parks and culture	\$ 54,348,385	5,032,596	59,380,981
Water and wastewater	\$ 45,806,241		45,806,241
Waste management	\$ 13,979,249		13,979,249
Subdivisions, land, and development	\$ 1,641,896		1,641,896
Electric light and power	\$ 48,768,833		48,768,833
Parking	\$ 1,559,535		1,559,535
Fleet	21,501,548		21,501,548
	\$ 413,683,280	\$ 5,340,616	\$ 419,023,896
Contributed assets	6,628,683		6,628,683
Budgeted (deficit)/surplus	(25,725,685)	(1,074,569)	(26,800,254)

Appendix C

Budget / Tax Rate Bylaw Financial Decisions





March 6, 2023

Annual Update on Westerner Exposition Association Relationship Framework Agreement

Prepared by Karen Smilar and Ray MacIntosh
Department Corporate & Employee Services and Financial Services

Report Summary and Recommendations

Administration is presenting its first annual review for the Westerner Exposition Association (WEA) as per section seven of the Relationship Framework Agreement (RFA) and an update on their journey to financial sustainability.

As a result of this review and update, Administration is identifying several decisions for Council to consider that align with the outcomes in the RFA, enabling the long-term success of the WEA in our community and supporting local economic development. Options and recommendations are provided within this report to inform and facilitate Council discussion.

Summary of Recommendations

Administration Recommends that Council:

1. Master Plan Development: Approve \$50,000 to support the development of this report.
2. Support Cash Flow Fluctuations and/or Emergency Contingency: Option B: Approve a \$1 million contingency in the form of a repayable loan to be accessed only after WEA has exhausted their CIBC Line of Credit (LoC).
3. Exhibition Hall Loan: Option D - Amend the loan agreement for 5 years to add a trigger clause that does not cause WEA to be below a current ratio of 1:1.
4. RFA: Amend Section 12 of the RFA to reflect that The City Manager must approve all expenditures from the Major Maintenance Reserve.

Proposed Resolution

Resolved that Council of The City of Red Deer having considered the report from Corporate & Employee Services and Financial Services dated March 20, 2023 re: Annual Update on Westerner Exposition Association Relationship Framework Agreement hereby directs Administration on the following:

1. Master Plan Development: Approve \$50,000 from the Operating Reserve Tax Support to support the development of this report.

2. Support Cash Flow Fluctuations and/or Emergency Contingency: Option B: Approve million contingency in the form of a repayable loan to be accessed only after WEA exhausted their CIBC Line of Credit.
3. Exhibition Hall Loan: Option D - Amend the loan agreement for 5 years to add a trigger that does not cause Westerner Exhibition Association to be below a current ratio of
4. Relationship Framework Agreement: Amend Section 12 of the RFA to reflect that The City Manager must approve all expenditures from the Major Maintenance Reserve.

Rationale for Recommendation

1. Although slower than anticipated, positive signs of recovery are evident.

2022 saw WEA revenues among the highest they have ever earned. WEA's cashflow however is still recovering from deficit years. The CFR has financially strained the Westerner. WEA's financial recovery has been exacerbated by impacts of COVID, changing consumer behavior, and the current economic reality.

2. Preferred options for financial support provide a balance of providing WEA the best chance to regain their financial footing and build reserves, while also protecting The City's investment.

WEA would have access to cashflow during times when expenses are paid prior to revenues being recognized. WEA would be able to build their major maintenance reserve

3. WEA Master Plan is projected to cost \$100,000.

It is intended to be split between The City and WEA (\$50,000 each) and will provide guidance on key strategic business and land use issues.

Background

The Westerner Exposition Association has been operating in Red Deer since 1891 and its contribution to the community is significant. Prior to COVID, WEA hosted more than 1.5 million visitors annually and generated more than \$150 million in economic activity.

Government of Alberta Operating Grant

WEA is one of seven regional agriculture societies in Alberta, which each receive \$398,000 in operating support from the Government of Alberta annually. The amount of funding provided to each of the regional societies is equal, regardless of the organization's size or amenities, which results in inequity of funding when considering the percentage of each organization's operating budget covered by this grant. For example:

Organization	% of Operating Budget Covered by GoA Grant
Westerner Exhibition Association	2.2%
Lethbridge & District Exhibition	4.4-5.7%
Grande Prairie Regional Ag & Exhibition Society	5.7%
Camrose Regional Exhibition	20%
Olds Regional Exhibition	20%
Medicine Hat Stampede & Exhibition	8-10%
Lloydminster Agricultural Exhibition Association	6-10%

The City has recently advocated for increases to this funding, however, was unsuccessful.

WEA Financial Sustainability

In December 2019, the Westerner informed The City, of its fiscal challenges and reached out to The City for assistance. Several factors ultimately led to the financial instability at Westerner Park, including the decision to expand the facility, major event contract negotiations and the current economic reality. The additional impacts of COVID-19 placed greater financial pressures on Westerner Park with no ability to host events or generate revenue throughout the COVID-19 pandemic.

City of Red Deer Support Since 2020

In addition to providing assistance, The City assumed temporary financial oversight for Westerner Park to help navigate the current challenges. The City owns the land at Westerner Park, which it leases to Westerner Park under a 50-year lease. The shared goal is financial operating stability with Westerner Park continuing to serve as the hub for events that are pivotal to our community life and economic development in Central Alberta. The City's partnership with Westerner Park is important to achieving the goals set out in The City's Red Deer Major Event Strategy and Destination Development Framework.

The Tourism Red Deer Business Plan (TRDBP) identifies a new governance structure for the Tourism Red Deer as the Destination Development Corporation. The representatives of the board were chosen to align destination development efforts among key tourism stakeholders, breaking down silos and encourage collaboration and promoting an innovation and entrepreneurial approach to achieve TRDBP's outcomes. WEA is identified as having a dedicated representative sit on the Board of Directors within the TRDBP. WEA plays an important, ongoing role in providing space for events to help animate the city. They are an active partner in tourism development within The City.

The City commissioned a Forensic Audit of WEA's financials and Council received Deloitte's final report on September 29, 2020 (Executive Summary attached in Appendix A). The findings of the Audit confirmed no evidence of fraudulent activities at the Westerner. The Audit identified the need for the modernization of the Westerner's business practices to avoid future fiscal challenges. Examples include adherence to controls and processes with respect to accounts receivable and deferred revenue, and construction on the exhibition hall commencing

prior to execution of a loan agreement. At time the Forensic Audit was conducted, WEA's management and staff had put processes and controls in place to close these gaps.

The City commissioned a Financial Sustainability review of WEA and Council received Deloitte's final report (Appendix B) on November 2, 2020. The review identified over thirty recommendations for WEA to improve their financial sustainability. A status update on implementation is provided in Appendix C.

Operating Grants 2019-2022

In addition to commissioning the Deloitte reports, The City, has provided \$7 million in operating grants to WEA since February 2020, approved by Council as follows:

Approved by Council	Amount Approved	Paid to WEA	Payment Amount
December 2019	\$1,000,000	February 18, 2020 March 25, 2020	\$500,000 \$500,000
July 8, 2020	\$2,000,000	August 24, 2020 September 22, 2020 December 3, 2020 January 26, 2021	\$500,000 \$550,000 \$500,000 \$450,000
November 30, 2020 (Multi-Year Operating Budget)	\$1,000,000	March 30, 2021 May 5, 2021	\$500,000 \$500,000
May 11, 2021	\$3,000,000	July 27, 2021 November 10, 2021 January 12, 2022 March 17, 2022 May 11, 2022 June 15, 2022 October 5, 2022	\$250,000 \$300,000 \$500,000 \$300,000 \$1,000,000 \$420,000 \$230,000

In considering the financial support for operations, Council considered loans and grants. It determined that grants were most appropriate to enable WEA to regain their financial sustainability, while not adding additional financial strain such as loan repayment.

Council approved several resolutions on May 11, 2021 (Appendix D). Two of the resolutions provided financial support to WEA through a \$3 million operating grant and payout of the million exhibition hall loan with a repayment plan. A major motivator in paying this loan was to ensure that, if WEA defaults on their loan, the Westerner Park buildings transfer to City ownership.

Exhibition Hall Loan

In September 2021, The City got a loan through Loans to Local Authorities (LOLA) to pay off WEA's \$19 million CIBC loan for the exhibition hall. The City pays LOLA \$458,979.73 twice annually for 30 years.

On September 30, 2021, WEA and The City entered a \$19 million loan agreement with the following provisions:

- \$10 million is considered as Tranche 1 loan
 - Bears simple interest at 2.616% per annum
 - Payments are triggered only when EBITDA is \$1M or less and will be 50% of EBITDA. EBITDA is earnings before interest, taxes, depreciation, and amortization. It is commonly used to determine cash available for debt servicing.
- \$9 million is considered as Tranche 2 loan
 - No interest accumulates
 - Payment triggered only when EBITDA is greater than \$1 million and is calculated as:
 - ☞ 0% of EBITDA under \$1 million
 - ☞ 75% of EBITDA between \$1 million and \$2 million
 - ☞ 90% of EBITDA between \$2 million and \$3 million
 - ☞ 100% of EBITDA over \$3 million

Example of Payments at Various Levels of EBITDA:

If EBITDA is	Payments on Tranche 1	Payments on Tranche 2	WEA's Total Payment on \$19 million
\$750,000	\$375,000	0	\$375,000
\$1,800,000	\$500,000	\$600,000	\$1,100,000
\$3,200,000	\$500,000	\$1,850,000	\$2,350,000

- Payments are due 120 days after WEA's year end of March 31.
- WEA's EBITDA in 2021 was \$841,636, therefore they made their first payment of \$420,818 on June 27, 2022. However, WEA had to use The City's grant to make this payment.

Relationship Framework Agreement

On October 13, 2021, The City and WEA executed the Relationship Framework Agreement (Appendix E). The agreement is intended to enhance accountabilities, allocate risks and provide long term benefits for The City, the WEA and the general public. The agreement sets out conditions that promote a more effective and collaborative relationship between The City and WEA. According to its Articles of Association governance of WEA is the responsibility of the Board and any change would require a vote by the majority of shareholders.

According to Sections 34-37 of the RFA, The City Manager acts as a non-voting resource to the Board and The City. Their role is to facilitate the administrative relationship between The City and WEA, providing information and clarification. They ensure alignment between WEA's programs and services and The City's strategic direction.

Sections 32-33 of the RFA state that Council members appointed to the Board are full voting members of the Board, balancing their roles as custodians of The City's tax dollars and representative of Council policies with their duties as a Board member. Appointees may s

confidential information that is deemed critical to The City with Council and The City Manager. They are also responsible for conveying Council positions to the Board and vice versa.

WEA's Current Financial Situation

In September 2022 WEA notified CFO MacIntosh that WEA's financial recovery has been somewhat slower than anticipated. This is impacting WEA's cashflow and ability to build Maintenance Reserves to maintain their infrastructure. See Letter from WEA CEO Appendix

Canadian Finals Rodeo (CFR)

In 2018 WEA along with the rest of Red Deer, was excited to have won the bid to host the Canadian Finals Rodeo. However, hopes of this being new source of revenue were dashed WEA showing a net loss. In 2022, WEA saw a loss of \$161,656, in addition to approximate \$300,000 of administrative staff time involved with planning and coordinating the event. It is important to consider the community benefit this event brings to central Alberta. An economic impact analysis is not available at this time.

The Westerner Foundation

The Westerner Foundation was established in January 2021 by local Community Leaders and members of the Westerner Park Board of Directors with the objective of promoting, fundraising, and investing in initiatives that will support the future sustainability of Westerner Park. The members of the Foundation are the stewards of the donations and funds raised and direct their use to specifically support the defined Initiatives and Key Pillars of Capital Projects: Innovation & Events, Education & Community Engagement, and other programs or services that support Westerner Park's mission to provide exceptional guest experiences through premium facilities and services.

Analysis

The following points provide an update on May 2021 resolutions and some key points of the RFA.

WEA's Master Plan Update (RFA Section 57)

- This Master Plan is a 15-year vision that will include land use, access and multi-modal transportation, building design principles and site servicing.
- Work on the Westerner Park Master Plan Update is planned for 2023.
- Project Plan for 2023 Westerner Park Master Plan Update has been completed.
 - WEA and The City will jointly lead the development of the Master Plan and all subsequent updates.
 - City Council will identify the Key Elements which the Association must ensure are addressed and maintained in the Master Plan.
 - A Council workshop is slated for phase I and the project will include public consultation, as per the RFA.
- In accordance with the RFA (Section 61.d.), this plan will be approved by the WEA Board and Council.

- This Plan is projected to cost \$100,000, which is intended to be split between The City and WEA. This item isn't currently in The City's budget.
- A master plan will guide WEA's key strategic business planning issues.

Facility Condition Assessment and Asset Management Plan (RFA Section 31)

- Stantec has been contracted to provide the facility condition assessment and asset management report.
- Strategic levels of service translate into asset decisions, therefore need to be updated to reflect future needs of the organization and community. These will inform recommendations in this plan.
- When complete, the recommendations in this report will inform decisions related to capital investments.
- A draft of this report indicates that current Major Maintenance Reserves and capital funds available through the Foundation are insufficient to address emerging and long-term capital investments required at Westerner Park.
- According to Section 11.b of the RFA, Council will approve this plan.
- The Master Plan will help inform asset priorities based on direction and vision for the WEA.

WEA's Financial Sustainability

- WEA has fully expended the \$3 million grant Council approved in May 2021. The final draw was taken in October 2022.
- In accordance with the repayment terms, in June 2022 WEA paid \$420,818 toward the exhibition hall loan, using City funds to do so.
- WEA continues to implement recommendations identified in the 2020 Financial Sustainability report, and despite their challenges, have successfully increased their revenue per square foot by 57% since 2018/2019 (projection for 2023).
- In developing their 2023-2024 Budget, WEA's senior leadership reviewed budget requests from the management team and cut requests by over 25%, demonstrating commitment to operating within their means and prioritizing cost cutting measures.
- 2022 saw WEA revenues among the highest they have ever earned.
- CFO MacIntosh received notification from the WEA CEO, Mike Olesen on September 28, 2022, indicating:
 - WEA is experiencing cash flow challenges due to timing of the payment of expenses and revenue recognition. Existing WEA reserves are insufficient to cover shortfalls.
 - WEA is still recovering from past cashflow deficits, and their overall cash health isn't strong. This impacts their liquidity, which reflects a challenge in their ability to pay short-term obligations. Their current ratio (current assets / current liabilities) is projected to be less than 1:1 for the next 4-5 years. See Appendix for explanation of ratios.

- WEA’s financial situation is such that they are unable to transfer any funds to build their Major Maintenance Reserve. This adds additional risk that they will not have funds to address emerging issues.
- After receiving notification from WEA of their ongoing challenges with financial recovery, CFO MacIntosh worked with WEA’s CEO and CFO to explore the following options.

Options Considered

Options for Request for \$1 million to Support Cash Flow Fluctuations and/or Emergency Contingency:

Options	Description	Result	Benefits	Risks
Option A \$1 million Grant	Provide a grant for up to \$1million (i.e.: WEA receives as needed up to \$1 million with no repayment.)	WEA has funds to pay their expenses.	WEA has \$1 million to spend when and how they choose in support of operations. Easier for The City to manage.	Foreseeable highest need is \$1M in contingency, but the risk is this would not be enough.
Option B \$1 million contingency loan	Provide \$1 million contingency funding based on need and upon request by way of short-term loan. Requires use of CIBC LoC first.	WEA has access to up to \$1M in contingency as needed. May be in the form of repayable loan. This will help them to avoid potential insolvency in the short term and continue recovery.	Contingency is only accessed when needed. The City is repaid within a short timeframe. WEA may not need to access it but it is available if / when needed.	\$1M in contingency, even if held by The City, may not be sufficient.
Option C	No assistance is provided.	WEA will not have sufficient funds to maintain operations.	Most favourable to The City in the short term as no funding actually provided.	A significant risk that WEA would need short-term funding above the existing LoC.

Options	Description	Result	Benefits	Risks
				WEA may not be able to maintain operations.

Recommendation - Option B

Provide a contingency via short-term loan to WEA: The City would hold a \$1 million contingency fund for WEA to access if needed.

- WEA may not need to access the contingency if their CIBC LoC is sufficient to provide bridge financing throughout the year.
- Council could stipulate that WEA utilize their CIBC LoC first before accessing City funds.
- WEA provided three levels of financial projections - low (underperformance), medium (likeliest), high (overperformance). Based on the medium level projections, there is a high likelihood that WEA will be able to afford repayment of the loan under the current loan terms.
- A loan bylaw is required that would state the purpose, amount and interest rate and must be advertised (MGA S. 265). Time required for this should factor into the timing of Council’s decision.
- Council approved \$1 million in the 2023/2024 Operating Budget funded out of the Operating Reserve Tax Supported (ORTS) in anticipation of this request, therefore no further impact on The City’s finances.

Options for Repayment Conditions of the Exhibition Hall Loan to Enable Contributions to Maintenance Reserve and Improve Cashflow:

Options	Description	Result	Benefits	Risks
Option D	Amending of the Loan Agreement for 5 years to trigger loan payments when current ratio is of 1:1. Below 1:1 = no. payment. We anticipate there will be no payment	Loan payment would not be required until WEA obtains a current ratio of 1:1 or better, which is projected to occur at WEA’s year end March 2026.	<ul style="list-style-type: none"> • WEA would not jeopardize their short-term cash needs. • Allows WEA to build a Major Maintenance Reserve for emergency purposes. • This allows WEA to retain sufficient cash to meet current obligations and improved cash flows 	<ul style="list-style-type: none"> • The risks are to The City as it is expected loan payments would not be made for the next four years. Based on projections, we anticipate a loan payment in the 5th year. • Lastly, there is a risk that revenues do not

Options	Description	Result	Benefits	Risks
	for several years.		for cyclical operational needs <ul style="list-style-type: none"> • Even with no payments in the next four years, we expect a full payment of Tranche 1 by 2042 and Tranche 2 by 2044, both prior to the end of the 30-year term. • In the event WEA does better than anticipated, WEA will make the annual payment to The City. 	reach projections and budget.
Option E	Suspend loan payments for a fixed term.	This is similar to the option above, but instead of modifying the loan agreement, Council would approve the suspension to any loan payments for a fixed term.	This would be the most beneficial terms to WEA. If WEA were to exceed projections, cash reserves would build faster. The same benefits as above would hold.	If WEA exceeds expectations and can afford to make the loan payment, they will not be required to do so.
Option F	No changes to the loan agreement nor any payment suspensions (maintain status quo).	Payments would be required, no matter the cash position or solvency of WEA.	The City would benefit in payments as per the existing loan agreement if there is a positive EBITDA, then a payment would be made.	High likelihood that WEA will not be able to afford to pay their short-term obligations. When the current ratio is below a 1:1, this means there is not sufficient cash

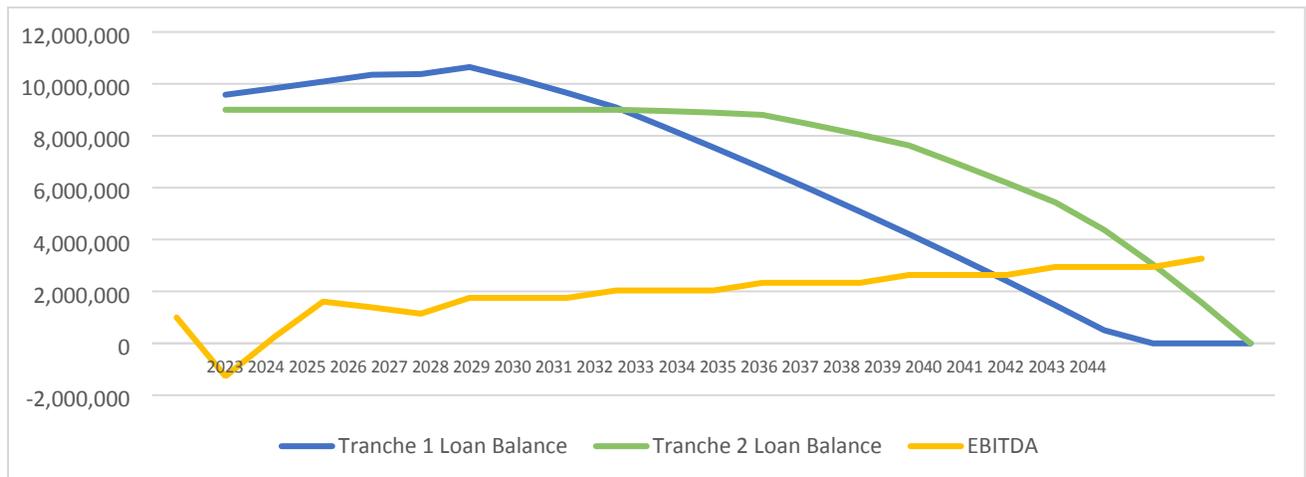
Options	Description	Result	Benefits	Risks
				<p>to meet upcoming requirements.</p> <p>There is also a risk of WEA being unable to build a Major Maintenance Reserve.</p>
Option G	Place a cap (maximum) on loan payments	A maximum loan payment amount would allow WEA to build their Major Maintenance Reserve and more flexibility to future capital requirements.	A good fiscal option for WEA. In the good years, WEA can retain more funding for capital requirements, according to their capital plan and to build Major Maintenance Reserves.	A risk to The City in not paying the loan within the agreed upon 30-year term.
Option H	Alter the loan payment due date from 120 days to 240 days	Allows WEA to make loan payments when normal cash flow is at a peak.	This would assist WEA to time loan payments when cash flow is at their highest.	The risk is this option does not actually address the total working capital required for WEA. It will help in the timing of the loan payment but could still put WEA in a position of making a payment they cannot afford.
Option I	WEA pays what The City is paying LOLA.	WEA would pay more than they are currently paying because the \$9 million portion of the loan is interest free.	The City would get 100% repaid.	The payments would be higher than they are currently paying, adding further financial stress on WEA.

Recommendation - Option D

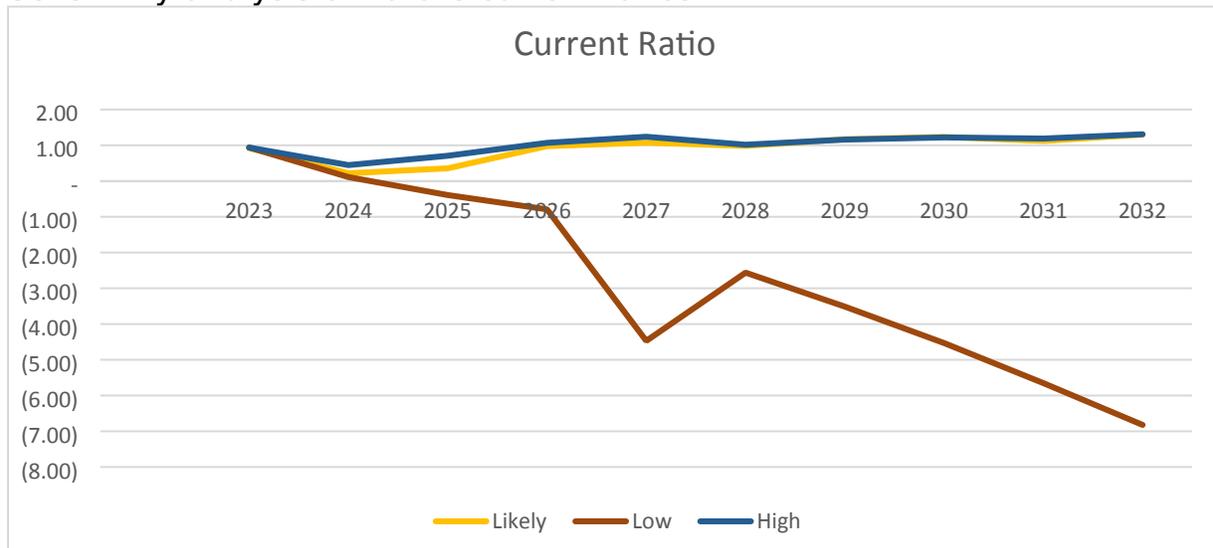
Administration recommends that Council amends the loan agreement for 5 years to add a trigger that does not cause WEA to be below a current ratio of 1:1. Payment calculations would remain the same. The intent is to allow WEA sufficient time to build their Major Maintenance Reserve and cashflow, which are both critical to WEA’s financial sustainability. Administration further recommends that Section 12 of the RFA be amended to reflect that City Manager must approve expenditures from the Major Maintenance Reserve.

The diagram below reflects that:

- Tranche 1 loan balance increases in the near term as this portion of the loan is interest bearing, and payments are not expected until 2026.
- We do not expect Tranche 2 payments until after 2030.
- Even with no payments in the next four years, we expect a full payment of Tranche 2042 and Tranche 2 by 2044, both prior to the end of the 30-year term.



Sensitivity analysis on future current ratios



There is very little difference in current ratio between a “high” meaning best case or exceed budget and “likely” meaning meeting budget/expectations. This indicates limited ability to increase prices or increase the number of signature events.

For the “low” current ratio, this is where prices do not rise, events fail and revenues cannot keep up. Obviously, a catastrophic combination for WEA and would not be sustainable. In this circumstance, WEA would never make loan payments.

Summary of Recommendations (at future Council meetings)

Administration Recommends that Council:

1. Master Plan Development: Approve \$50,000 to support the development of this report.
2. Support Cash Flow Fluctuations and/or Emergency Contingency: Option B - Approve \$1 million contingency in the form of a repayable loan to be accessed only after WEA has exhausted their CIBC LoC.
3. Exhibition Hall Loan: Option D - Amend the loan agreement for 5 years to add a trigger that does not cause WEA to be below a current ratio of 1:1.
4. RFA: Amend the Section 12 of the RFA to reflect that The City Manager must approve all expenditures from the Major Maintenance Reserve.

Appendices in order of Appearance

- A. Deloitte Report - Forensic Audit Executive Summary
- B. Deloitte Report Financial Sustainability
- C. Report from WEA CEO – Status Update on Implementation of Deloitte Recommendations
- D. May 11, 2021 Resolutions
- E. Relationship Framework Agreement
- F. Letter from WEA CEO
- G. Explanation of Ratios



March 20, 2023

Westerner Exposition Association Loan Bylaw

Prepared by Ray MacIntosh, Chief Financial Officer
Department Financial Services

Report Summary and Recommendations

Council hereby authorizes a loan to the Westerner Exposition Association (WEA) to be used for operations.

The following terms apply:

- (a) Principal amount: up to \$1,000,000
- (b) Interest rate: simple interest at a maximum of 4.91% per annum
- (c) Term of loan: 5 years
- (d) Terms of loan: Annual payments beginning no later than one year from any proceeds Access CIBC line of credit first, then use this short-term lending. Payment priority is City short-term lending, then CIBC line of credit

Proposed Resolution

That Bylaw 3697/2023 be read a first time.

If first reading is given, Bylaw 3697/2023 will be advertised and brought back to the April 2023 Council Meeting for consideration of second reading.

Rationale for Recommendation

1. The Loan bylaw forms part of the decision by Council to support WEA in their short-term funding requirements.
2. The lending rate mirrors the current 5-year rate of Loans to Local Authorities and represents the lost investment revenue to the City. The expectation is this is short-term bridge funding in addition to existing CIBC line of credit, but the existing CIBC funds would be exhausted before requesting City funding.
3. The City bridge funding would be paid prior to the CIBC funding, and would normally be within months, with a maximum term of 5 years stated in the bylaw.

Background

As provided in the comprehensive Council report on the update of the WEA Relationship Agreement, Administration recommended short-term bridge financing on a contingent basis to WEA.

WEA has an existing \$1 million line of credit with CIBC, but at times during their regular operating cycle, WEA has nearly exhausted this. In the near term, without sufficient reserves or working capital, WEA has no other alternatives to meet payment obligations. The nature of the special event hosting is up front expenses followed by revenues post event. To provide the backing needed to host large events, WEA may at times require more than the CIBC line of credit.

Prior Council/Committee Direction

This report and accompanying loan bylaw is in conjunction with the WEA Relationship Update report.

Legislative Context

The Municipal Government Act S. 264(2) in part states that:

A municipality may

- (a) lend money to a non-profit organization, or
- (b) guarantee the repayment of a loan between a lender and a non-profit organization.

if the council considers that the money loaned or money obtained under the loan guaranteed will be used for a purpose that will benefit the municipality.

The Municipal Government Act S. 265 states that:

- (1) A municipality may only lend money to a non-profit organization, one of its controlled corporations or the designated seller within the meaning of section 30(1) of the Gas Distribution Act, SA 1994 cG-1.5 as it read on June 30, 1998, if the loan is authorized by bylaw.
- (2) The bylaw authorizing the loan must set out.

- a. the amount of money to be loaned and, in general terms, the purpose for which the money that is loaned is to be used;
 - b. the minimum rate of interest, the term and the terms of repayment of the loan;
 - c. the source or sources of the money to be loaned.
- (3) The bylaw that authorizes the loan must be advertised.

Strategic Alignment

This aligns with the Council's strategic plan in the category of Thriving City, specifically as an outcome of "financially responsible".

Stakeholder Consultation

WEA administration and board have been consulted in the proposed short-term bridge financing proposed.

Timelines and Impending Deadlines

The proposed timeline is suggested for this loan bylaw:

March 20 - first reading

Week of March 20 to 24 - first week of advertisement

Week of March 27 to 31 - second week of advertisement

April 3 - second and third reading

May 3 - bylaw is valid, and lending may occur.

Analysis

The following terms and conditions of the loan are in the bylaw and be incorporated into an agreement:

- Up to \$1 million may be provided.
- Bears simple interest of 4.91% per annum (based upon the current Loans to Authorities 5-year term)
- Term of loan is a maximum of five years (Administration fully expects any disbursed to be repaid within months, even if the bylaw sets a maximum term)
- Payments to be made annually (again, Administration expects repayment within months however a minimum annual payment is a bylaw term)
- CIBC line of credit would be exhausted before requesting City funding.
- For repayment, the City short-term financing would take priority and be paid before CIBC line of credit

Financial

It is Administration's recommendation to provide short-term bridge financing to WEA for the good of the community. Support to this institution is reasonable given the consequences

providing support and the projections of repayment and improvements to liquidity over the longer term.

However, the City is not a bank, and we do not like acting like a bank. The terms and conditions are simple to administer and reasonable considering the circumstances, but if the City were to believe an alternative source of funding were available to WEA, or if this was in the best interest of the community, Administration would not be making this recommendation.

Regulatory and Compliance (including Legal)

Explain legal implications this item may have, including the risks of not taking the proposed action. If your report mentions Legal, legal advice, or court proceedings, it is your responsibility as the writer to submit it to Legal Services. They must review the report and its regulatory compliance impact before you can submit it. If you don't, it could cause major delays, and your report could get moved to a later Council meeting.

Other risks

Corresponding risks are detailed within the WEA Relationship Update report to Council. Risks should not be detailed in isolation of the overarching situation and recommendations to Council.

BYLAW 3697/2023
OF THE CITY OF RED DEER
IN THE PROVINCE OF ALBERTA

WHEREAS, pursuant to Section 265 of the *Municipal Government Act*, RSA 2000, c.M-26, a municipality may lend money to a non-profit organization or one of its controlled corporations provided that the loan is for a purpose beneficial to the municipality and provided that the loan is authorized by a bylaw;

AND WHEREAS, the Westerner Exposition Association (the "Association") has requested a loan from the City of Red Deer in the amount of up to One Million Dollars (\$1,000,000) in short-term bridge financing to replace lost revenues that the Association has experienced due to multiple factors;

AND WHEREAS, Council for the City of Red Deer deems the Westerner Exposition Association's use of the money to be of benefit to the municipality.

NOW THEREFORE COUNCIL OF THE CITY OF RED DEER, ALBERTA, ENACTS AS FOLLOWS:

- 1** Council hereby authorizes a loan to the Westerner Exposition Association to be used as short term bridge financing to replace lost revenues that the Association has experienced.

The following terms apply:

- (a) Principal amount: up to \$1,000,000
- (b) Interest rate: - simple interest at a maximum of 4.91% per annum
- (c) Term of loan: - 5 years
- (d) Terms of loan: - Annual payments beginning no later than 1 year after any proceeds advanced
- The Association must exhaust CIBC LOC before using this loan
- Payment priority is City short-term lending, then CIBC LOC

- 2** The City Manager is authorized to enter into a loan agreement with the Westerner Exposition Association on the terms set out in this bylaw and in a form satisfactory to the City Solicitor.

- 3** The source of the funds loaned is from the Operating Reserve - Tax Supported.

- 4** This bylaw shall come into effect on the day it is passed.

READ A FIRST TIME IN OPEN COUNCIL this _____ day of _____ 2023.

READ A SECOND TIME IN OPEN COUNCIL this _____ day of _____ 2023.

READ A THIRD TIME IN OPEN COUNCIL this _____ day of _____ 2023.

AND SIGNED BY THE MAYOR AND CITY CLERK this _____ day of _____ 2023.

MAYOR

CITY CLERK



March 20, 2023

Road Closure Bylaw 3690/2023
Closure of a Lane near 47 Avenue & 53 Street
Land Use Bylaw Amendment Bylaw 3357/B-2023
Rezoning of Closed Lane

Consideration of Second and Third Reading

Prepared By: Jennifer Hankey, Corporate Meeting Administrator
Department: Legal and Legislative Services

Report Summary

The attached reports are being brought forward from the Monday, January 23, 2023, City Council

Recommendation:

Council considers second and third reading of Bylaw 3690/2023.

Council considers second and third reading of Bylaw 3357/B-2023.

Background:

On January 23, 2023, Council gave first reading to Bylaw 3690/2023 (a Road Closure Bylaw of a Lane near 47 Avenue & 53 Street) and Bylaw 3357/B-2023 (a Land Use Bylaw rezoning closed lane).

Proposed Resolutions:

That Bylaw 3690/2023 be read a second and third time.

That Bylaw 3357/B-2023 be read a second and third time.



Originally submitted at
the January 23, 2023
Council Meeting

January 23, 2023

Road Closure Bylaw 3690/2023 Closure of a Lane near 47 Avenue & 53 Street Land Use Bylaw Amendment Bylaw 3357/B-2023 Rezoning of Closed Lane

Prepared by Orlando Toews, Senior Planner
Department City Planning & Growth

Report Summary

Administration has processed an application for a road closure bylaw and related rezoning bylaw involving ± 670 m² of lane northeast of the intersection of 47 Avenue and 53 Street. The proposed road closure, rezoning, and sale of the land will facilitate the redevelopment and expansion of the Central Alberta Women's Emergency Shelter (CAWES).

Administration recommends supporting this application.

Proposed Resolution

That Bylaw 3690/2023 be read a first time.

That Bylaw 3357/B-2023 be read a first time.

If first reading is given these bylaws will be advertised with a Public Hearing to be held on January 21, 2023.

Rationale for Recommendation

- 1. The lane is not required for City purposes and serves only the existing CAWES and City parcels.** The lane is not required for access to these parcels, and this eliminates the need for The City to maintain the land.
- 2. Sale and consolidation of the lane with the existing and future CAWES lands provides a larger parcel for redevelopment.** Having one larger parcel will provide more flexibility and efficiency for redevelopment.



Background

Closure and sale of the lane that runs along the east and north sides of the CAWES site (5313, and 5317 - 47 Avenue) will facilitate CAWES' redevelopment/expansion plans. Under the proposed redevelopment plans the lane is no longer needed.

Prior Council/Committee Direction:

Council previously agreed to sell CAWES a portion of 5321 - 47 Avenue (Lots 2-3, Block 4, Plan 6990ET) to the north of the current CAWES site. However, 5321 is physically separated from the current CAWES site by the subject lane, which runs along the east and north sides of the current CAWES site (see Appendix B). Closure and sale of the lane will allow for consolidation of 5321 - 47 Avenue and the lane with the current CAWES property and better facilitate redevelopment plans.

Legislative Context:

To close and dispose of a road, the *Municipal Government Act* (section 22) requires Council to pass a bylaw, which includes three readings and a public hearing. As roads do not have zoning, a closed road must also be zoned to a land use district in the *Land Use Bylaw*.

Strategic Alignment:

The proposal is in alignment with the Strategic Plan's Community Health and Wellbeing for the area. The lane closure and rezoning will contribute towards a collaborative response to social challenges in Red Deer including the provision of a safe and secure city.

Stakeholder Consultation:

The subject lane only serves CAWES and adjoining City properties. The proposal was only referred to relevant City departments and utility companies. There were no objections to lane closure and rezoning. The public will have an opportunity to comment at the public hearing Council must hold prior to consideration of Second and Third Reading of the road closure and rezoning bylaws.

Matters pertaining to the location of service lines, waste pick-up, parking, and emergency access, etc., will be addressed at the development permit (DP) stage.

Operational Impacts

Closure and sale of the lane will eliminate the need for City maintenance. Access for weekly waste recycling pick up will be addressed at the development permit (DP) stage.

Financial:

There are no direct budget or financial implications resulting from the recommendation.



Analysis

The City has no need for the lane especially once the remaining parcel accessed by the lane at 5321 - 47 Avenue, will also be owned by CAWES. The closure of the lane will provide them with the maximum potential for efficient use of the site as one larger parcel.

Options:

Option #1 - Not closing the lane.

Retaining the lane "as is" will require CAWES to redesign their development to accommodate the lane bisecting their current property and 5321 - 47 Avenue. Redevelopment will be more difficult and inefficient.

Option #2 - Closing the lane and rezoning to Direct Control District No. 33.

This will provide CAWES with one larger parcel that will be easier and more efficient to develop.

Recommended Option

Administration supports this application, i.e., Option #2, as The City no longer requires the lane, and it will enable CAWES to proceed with efficient redevelopment of their facility.



Appendices

Appendix A - Road Closure Bylaw 3690/2023 and Land Use Bylaw Amendment Bylaw 335
2023

Appendix B - Context Map

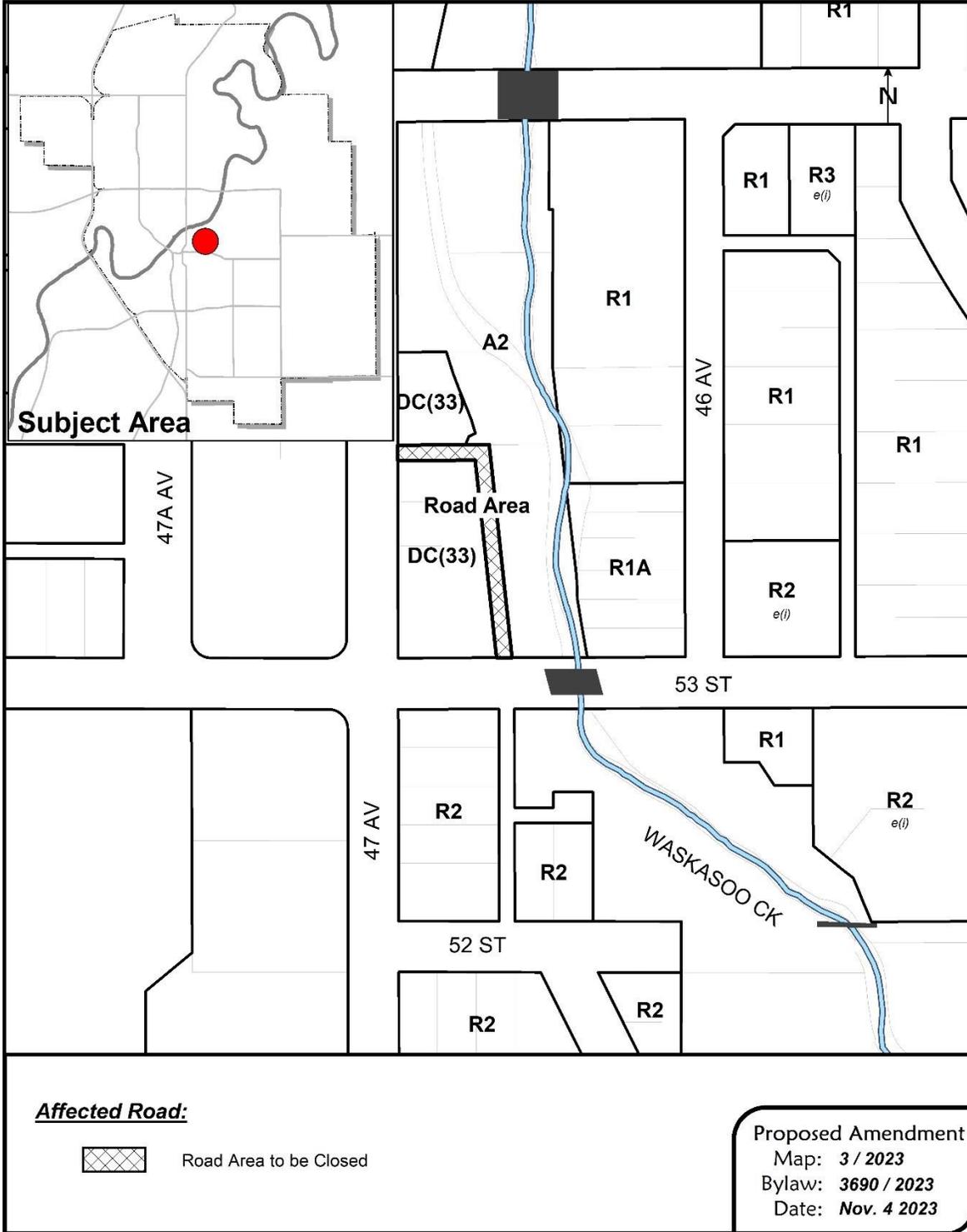


Appendix A
Road Closure Bylaw 3690/2023 and
Land Use Bylaw Amendment Bylaw 3357/B-2023



Schedule "A"

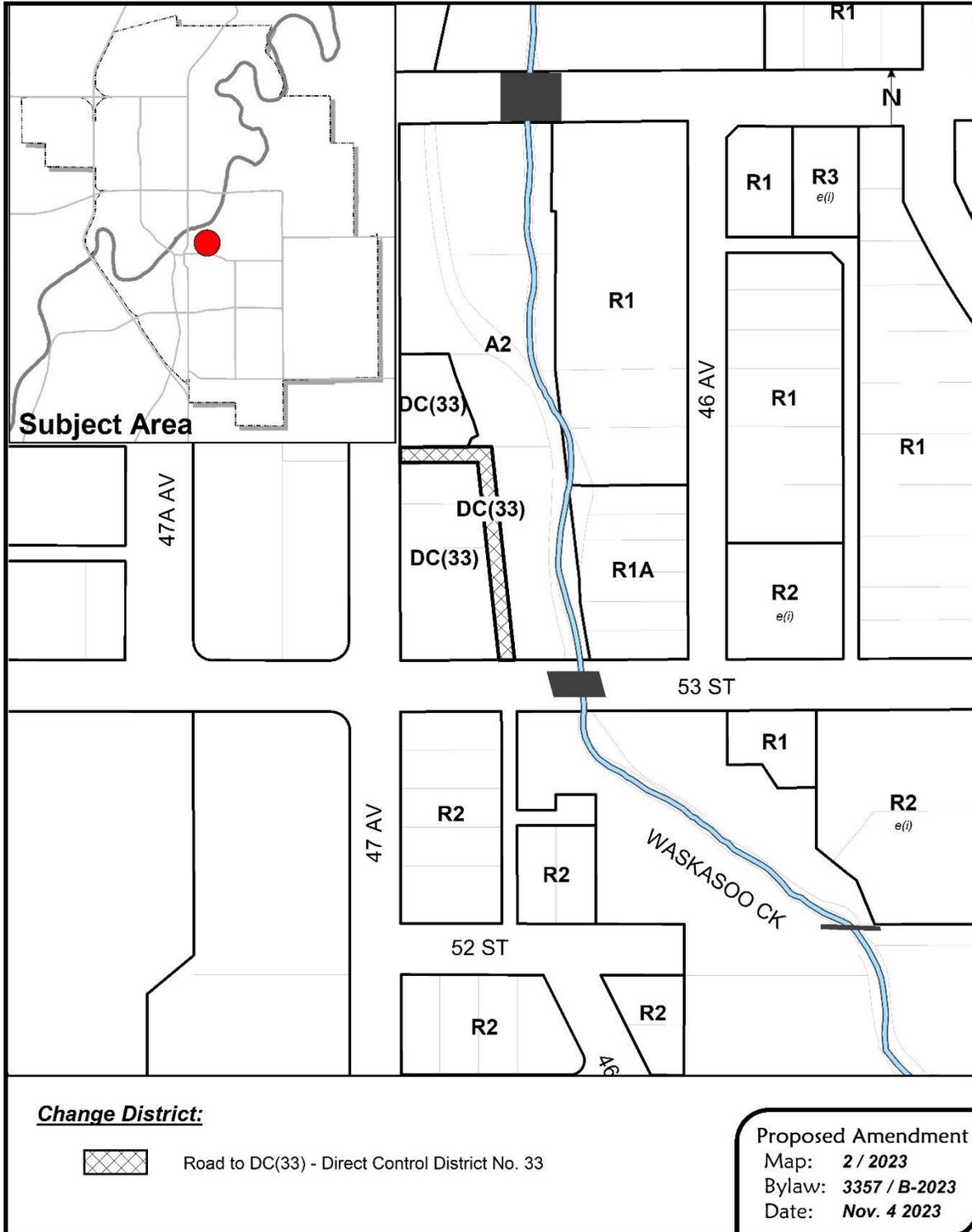
Road Closure Bylaw 3690/2023





Schedule "A"

THE CITY OF Red Deer Proposed Amendment to Land Use Bylaw 3357/2006



Change District:

 Road to DC(33) - Direct Control District No. 33

Proposed Amendment
 Map: 2 / 2023
 Bylaw: 3357 / B-2023
 Date: Nov. 4 2023



Appendix B - Context Map



Appendix B – Context Map

Portions of Road Proposed to be Closed (outlined in red)





Public Hearing
Land Use Bylaw 3357/B-2023
Road Closure Bylaw 3690/2023

Public Comments Received

February 10, 2023

City Council
c/o Clerk, Legal and Legislative Services
publichearings@reddeer.ca

I am writing regarding Road Closure Bylaw 3690/2023 and Land Use Bylaw Amendment 3357/B-2023. I object to both the road closure and the land use amendment, further I am concerned with the errors in the Notice of Public Hearing.

1. Other options for this land exist. If the lane is deemed to be surplus, the lands should at least be considered for addition to the existing trail and environmental reserve which is narrow in this location. The trail is heavily used and the lands could enhance the trail, allow for natural plantings and be a benefit to the whole community rather than privately owned.

2. I do not wish to see the lane closed and rezoned for Direct Control District No. 33 if this will allow for an even larger redevelopment on the site and one that is closer to my yard. Placing the development closer to my home causes a greater sense of privacy loss and shading on my home and yard. The proposed CAWS redevelopment is taller than 4 storeys (when the pitched roof line is added to the design). This will make it the tallest building in the area, towering over properties such as mine that is a bungalow and spilling lighting into my home (the building has heavy security lighting). The lane provides an additional buffer from my home, by setting the building back to its current location. Consolidating the lane could bring the building's lighting and impacts closer to my home. However, this concern could be alleviated if there were a way to stipulate in the rezoning amendment that the allowable development on that portion of former road right of way is for allowed parking lot only. I will also note, that it may appear that there are several mature trees in the area, and that these create a buffer. They do to some extent but many of these are on private land such as the ones on the CAWS site – so there is no guarantee that these will not be cut down during redevelopment or by private owners. Further, trees in the environmental reserve lands beside the lane were heavily damaged in the wind storm of June 2017 with loss of more than 6 mature trees then and since that time several others have slide down the embankment and into the creek due to the loss of ground stability following that event. These trees are not guaranteed screening.

3. Further, I am expressing concern with the Notice of Public Hearing I received as an adjacent landowner. There were errors in the notice that made it difficult to interpret and I feel pose a barrier to the message being communicated clearly to neighbouring landowners. Firstly, the notice "postcard" I received in the mail was printed in black and white on green card stock. However, it states that the land proposed for redesignation and closure is "outlined in red on the photo". Since the print is black and white, nothing is shown in red. Secondly, there is no photograph, there is a map shown. But the map has very small print with various, unidentified grey shades for various properties (not clear what the shading represents). For these reasons, it was unclear to me what was being proposed and I sought out more information. However in seeking out more information, the postcard directed me to "view the proposed bylaw(s) and information on Molly Banister" on the City website. Again, extremely confusing since I am not sure how Molly Banister relates to the lands at 47 Avenue and 53 Street. I would suggest

that a corrected circulation be sent out with the errors corrected and that the public hearing be postponed until the new circulation is completed.

Thank you.

Sincerely,

Nancy Hackett

5304 46 Avenue, Red Deer, AB T4N 3N4

Item No. 5.1.b.