WAVERLEY WEST
PLAN WINNIPEG AMENDMENT
CITY OF WINNIPEG FINANCIAL COST-BENEFIT ANALYSIS

Prepared For

Ladco Company Limited
Manitoba Housing and Renewal Corporation

Submitted By

ND LEA

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EXECUTIVE SUMMARY

The purpose of this report was to review the direct financial costs and benefits to the City of Winnipeg as a result of the development of Waverley West. Financial benefits include property and business taxes, building permits and development fees. Indirect revenues such as user fees, fines, licences, levies, and grants from other levels of government were not included since they are not directly related to the physical development of the area. Direct costs include the capital costs for civic infrastructure and the ongoing operating costs for basic civic services such as fire, police, transportation, maintenance, and community services. The cost to install the local infrastructure including streets, sewer, water, land drainage, utilities, boulevards, and parks were not included because these costs are paid by the developer and ultimately the new home buyer. School taxes and costs were not included since these are not within the City's jurisdiction.

This analysis shows that from its commencement, Waverley West will be a net financial contributor and will not be a drain as some have suggested. By full build-out in 23 years, Waverley West will have contributed $195 million (NPV of $108 million) of net revenue (property and business taxes plus development fees and building permits less capital and operating costs). Over the longer term, taking an 80-year perspective, which allows for life cycle costing (i.e. the renewal of municipal infrastructure), Waverley West will have contributed ***$799 million (NPV of $213 million)*** ($2003), which constitutes a significant net civic benefit.

There are basically two reasons for this result. First, the average new home in the suburbs contributes substantially more to civic coffers than the average home in Winnipeg ($2,400 v. $1,200 per single-family home per annum in 2003). Second, it costs the City substantially less to provide services to these new developments.

The primary alternative to suburban development within Winnipeg limits, is exurban development outside of Winnipeg. Given the choice between dense, multi-family housing within the City or detached single-family housing in the bedroom communities, most of the market will opt for the later. In this case the City would lose an average of $2,400 in annual revenue for each and every home built in the exurban areas, but would still have to provide the basic infrastructure (such as streets) and services (such as recreational and community services). For every 100 homes built in the rural municipalities that would otherwise have been built in Winnipeg, the City will lose $240,000 in annual property taxes. Over an 80-year timeframe, these 100 homes alone would have contributed $19.2 million in gross revenue to the City.

1.0 INTRODUCTION

The purpose of this report is to identify the financial costs and benefits to the City of Winnipeg as a result of the proposed development of Waverley West. The study does not examine the costs to provide local infrastructure (such as local streets, water, sewer, land drainage, parks, etc.) because these costs are covered by the developer, and ultimately are passed on to the new home buyer.

This analysis will support the ongoing Plan Winnipeg Amendment process. As detailed planning is yet to occur (and will occur through the Area Structure Plan and rezoning/subdivision stages), the ideas presented here are based on broad development parameters and previous studies undertaken in support of the Plan Winnipeg Amendment, including:

- Waverley West Housing and Population Report (ND LEA 2003);
- Waverley West Long Range Market Assessment (Royal LePage Stevenson Advisors 2003);
- Waverley West Demographic and Housing Market Analysis (ND LEA 2003); and
- Waverley West Transportation Review (ND LEA 2003).

We have adopted a case study approach to simplify the analysis and to project the costs and benefits related to this *particular* development. This analysis takes a long-term approach with revenues and costs projected over an 80-year investment horizon to provide an estimate of the direct fiscal impact of suburban development.

There are three primary components:

1. Direct revenues to the City including property and business taxes, development fees and building permits;
2. Capital costs to the City to provide services and infrastructure; and
3. Operating costs for maintenance and services.

The most significant source of revenue is property taxes from single-family homes. This report assumes that the homes built in Waverley West will retain their values and, at a minimum, keep pace with inflation over the 80-year time frame. Over the past 25 years, single-family homes in Winnipeg have increased at an average rate of 5.5% per annum (8% annually from 2000-2004)[1]. This compares favourably to the 4.2% per annum increase in the Consumer Price Index (1978 to 2003)[2].

[1] Royal Le Page Survey of Canadian Home Prices: housing in Winnipeg 1979-2004.
[2] Statistics Canada: Consumer Price Index, historical summary Winnipeg 1978-2003.

At present the average assessed value of a newly constructed home in suburban Winnipeg is approximately $180,000 based on a 1999 reference year (ie. 1999 market values)[3]. Please see *Attachment "A"* for a visual representation of the assessed value of homes in Winnipeg.

By 2003, the market value of newly built suburban homes had increased to well over $210,000, and by mid-2004, the average had further increased to $230,000[4].

This average assessed value is significantly higher than the "average" home in Winnipeg, which is currently assessed at $94,000 (median assessed value of $88,000).

Since we envision multi-family and commercial development, our model picks up the property and business taxes associated with these properties as well.

On the cost side, this analysis has made specific allowances for the capital costs the City will face and has examined the City's Operating Budgets from 2000 to 2003 in order to project operating costs on a dollars per household basis.

Our model assumes that operating costs will gradually increase over time. A number of factors make it less costly for the City to provide services to newer suburban developments including:

- modern development technologies and construction practices including materials such as PVC pipes, reduced infrastructure requirements resulting in less pavement (i.e. limiting back allies), maximizing land use utilization (i.e. narrow residential lots), etc.

- more efficient servicing policies such as limiting back lanes (resulting in less capital and maintenance requirements including snow removal, less property crime and vandalism, etc.), separated sewers, consolidating community services and facilities, etc.

2.0 GENERAL FINDINGS

Contrary to common belief, the overriding conclusion is that suburban development is ***not*** a drain, but makes a significant contribution to the City's bottom line (see *Attachment "B"* Waverley West Cost Benefit Analysis to the City of Winnipeg spreadsheet).

We do not suggest that the problems faced by Winnipeg and other aging cities can be solved by suburban growth alone, but that suburban growth is **not** the cause of the financial challenges facing these cities. The issues are ultimately much deeper and are rooted in the general financial structure which places too much reliance on property tax revenues. This reliance has led to an even greater reliance on suburban growth to subsidize many areas of the City (see *Attachment "A"* for assessed values of homes in Winnipeg) that must find the resources to rehabilitate the regional and local infrastructure

[3] City of Winnipeg Property Assessment Department, June 2004.
[4] Source: CHMC, 2004.

and separate the sanitary and land drainage sewer systems as required by the Clean Environment Commission.

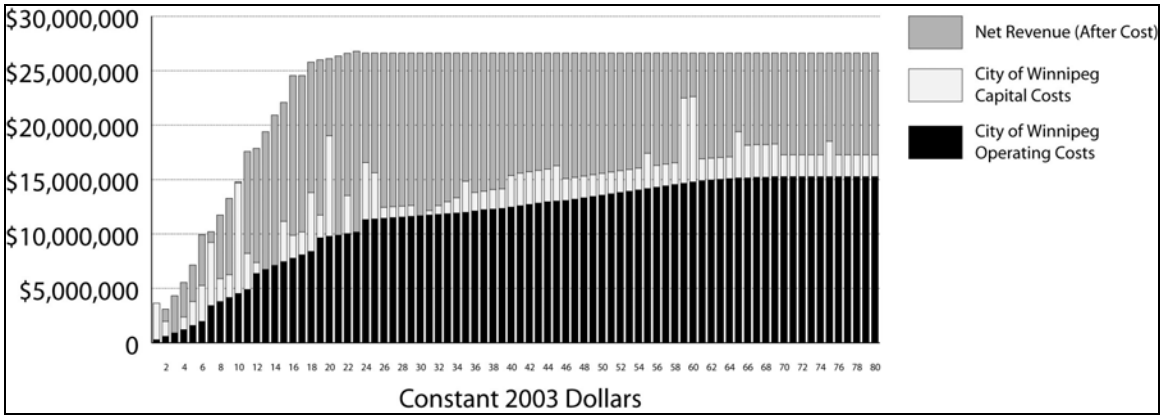
In the end, direct or indirect restrictions on suburban growth will not improve the financial health of the City. On the contrary, a moratorium would simply force new housing outside the city limits. The cost to the City would be very substantial (see Section 5.0 Opportunity Costs).

Figure 1 depicts the long-term financial impact of Waverley West over an 80-year horizon including net revenues (after costs) and both operating and capital costs.

For consistency, all of our estimates and projections have been stated in constant 2003 or real dollars. In other words, we implicitly assume that municipal receipts and costs will keep pace with inflation.

A single dollar estimate or Net Present Value (NPV) was derived by discounting these constant dollars at a real rate of 4% (which reflects the City's long-term borrowing rate less an allowance for inflation)[5].

Figure 1: Life Cycle Costs and Benefits to the City of Winnipeg (Years 1-80)

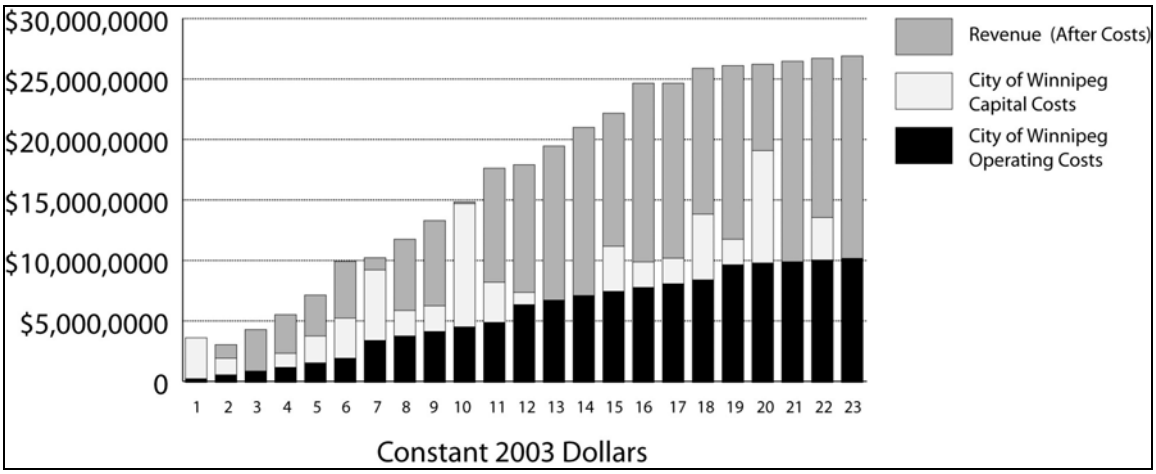


2.1 Short-term

Right from the beginning Waverley West will produce positive cash flow for the City of Winnipeg. From the beginning through to build out in the 23rd year, the City will face capital costs for the construction of basic regional infrastructure and facilities. Operating costs will also grow during the first 23 years, however the revenues from property and business taxes and from development fees and building permits will more than offset these capital and operating costs. Figure 2 depicts the property and business taxes and the direct financial costs and benefits during build out. During this period, cash flow to the City will be $195 million (NPV of $108 million).

[5] This is the same as discounting nominal cashflows at a nominal discount rate.

Figure 2: Short-Term Costs and Benefits to the City of Winnipeg (Years 1-23)

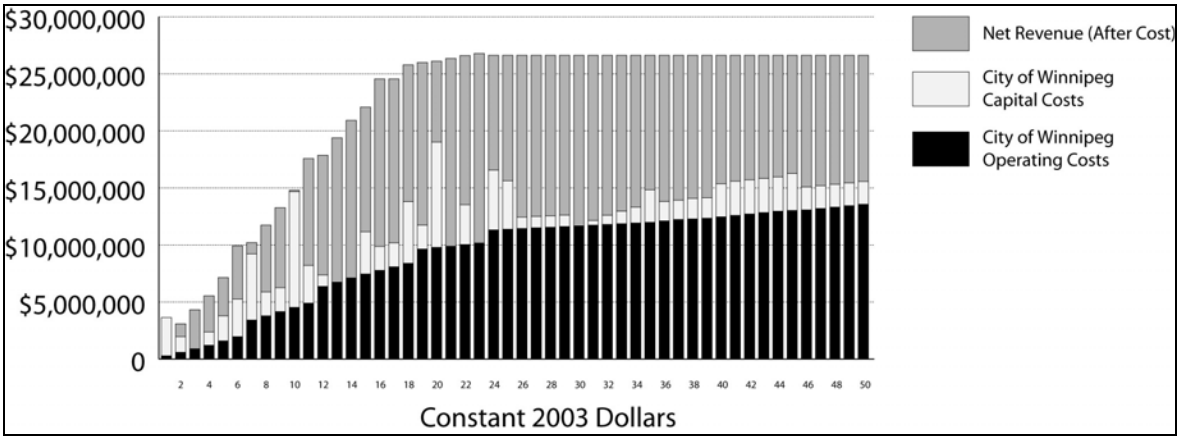


2.2 Medium-term

From build-out to the half-century mark (years 23 to 50) the City should face steady tax revenues, gradually increasing operating costs, and intermittent capital requirements.

We have made an allowance for the infrastructure that must be renewed as time passes. Even with these additional costs, tax revenues will still exceed capital and operating costs by a wide margin as shown in Figure 3.

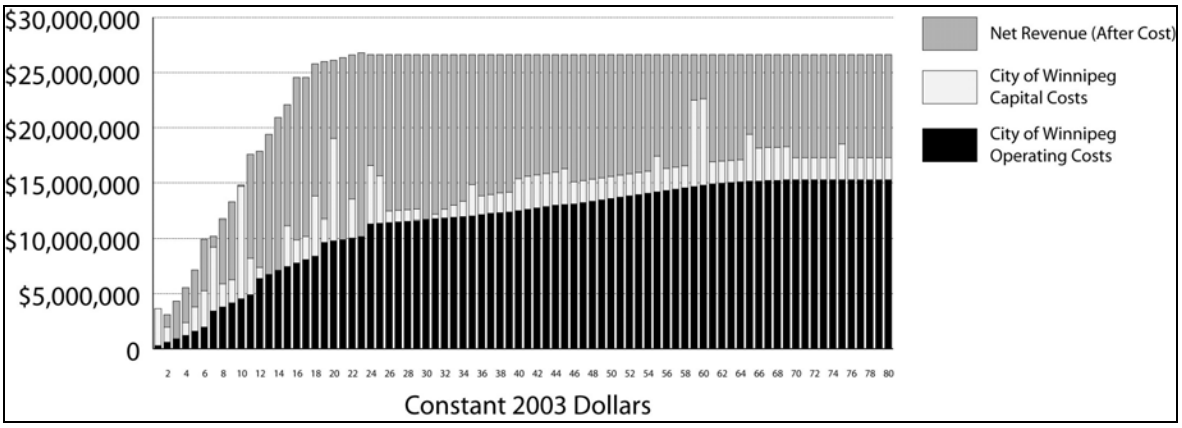
Figure 3: Medium-Term Costs and Benefits to the City of Winnipeg (Years 1-50)



2.3 Long-term

Over the long-term, Waverley West will generate a net civic benefit equal to ***$799 million*** **(NPV of $213 million)**. Even with the higher operating costs our model recognizes in later years, revenues will exceed costs as shown in Figure 4.

Figure 4: Long-Term Costs and Benefits to the City of Winnipeg (Years 1-80)



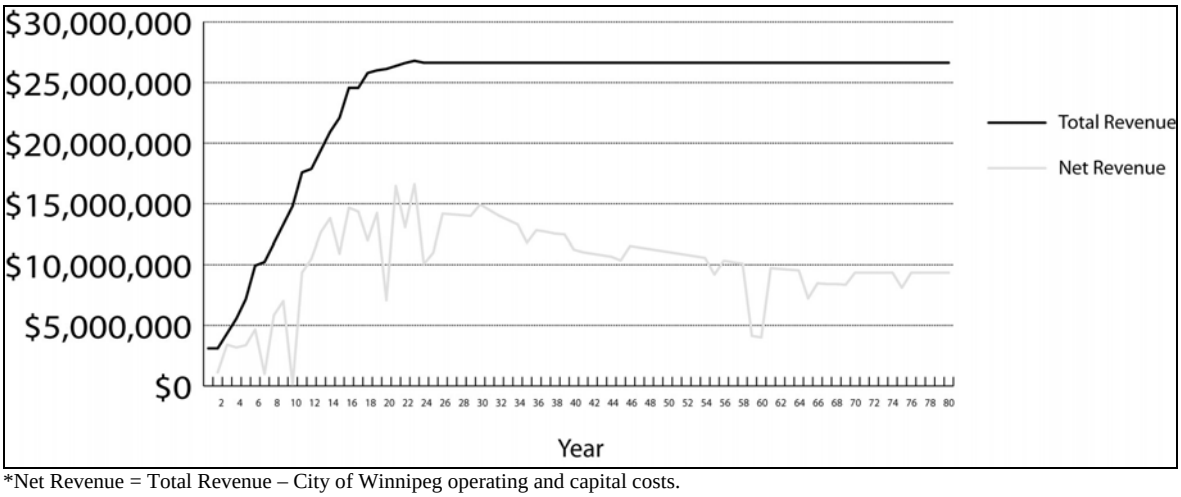
3.0 REVENUES (FISCAL BENEFITS)

Annual revenues are projected to grow from approximately $3.1 million in year one to $26.6 million at build out (23rd year) and will remain at that level throughout the 80-year time frame as shown in Figure 5.

The City will receive direct revenues from a number of different sources. Over the long term the primary source of revenue will be property and business taxes. During development the City will also receive fees for development and building permits.

Revenue streams considered to be cost neutral to the City (including the Sewer & Water Utility) along with other indirect revenue sources have not been included in this analysis. Please see Sections 3.3 for further discussion.

Figure 5: City of Winnipeg Revenues



*Net Revenue = Total Revenue – City of Winnipeg operating and capital costs.

3.1 City Permit and Development Fees

The City will collect over $18 million worth of building permit and development fees from the build out of Waverley West.

3.1.1 Permit Fees

The City will collect approximately $13 million worth of building permit fees. Most of this revenue will come from the construction of residential properties - single-family homes will contribute $8.0 million, multi-family properties $4.3 million, and commercial/business properties $0.7 million.

Single-family:

Single-family homes will generate $1,065 for each home based on an 1,800 square foot home with a 900 sq. ft. unfinished basement:

- Building permit: $518
- Electrical permit: $122
- Plumbing permit: $122
- Lot grading fee: $100
- Approach fee: $75
- Deck permit: $31
- Inspection: $98

Total: $1,065

Multi-family:

On average multi-family properties will generate $1,069 for each unit:

- Bungalow Condos (1,600 units) will generate $1,010 for each unit based on 2,000 sq. ft. with an unfinished basement;
- Medium Density Multi-family Condos (35 properties with 40 units or 1,400 units) will generate $1,275 for each unit based on estimated construction costs of $6 million for each property ($51,000 worth of fees for each property); and
- Medium Density Multi-family Rental (7 properties with 143 units or 1,000 units) will generate $875 for each unit based on estimated construction costs of $12.9 million for each property ($125,000 worth of fees for each property).

Commercial/Business:

With planning still at the conceptual stages we cannot determine the scope/configuration of the commercial properties that will ultimately service the area. We have adopted a conservative approach and have assumed that there will ultimately be approximately one million square feet (based on 200 acres and site coverage of 10%) developed at a cost of approximately $100 per sq. ft. This would yield approximately $732,000 over the 10-year construction time frame ($712,000 worth of construction permits and $20,000 worth of plumbing, electrical and other fees).

3.1.2 Development Fees

The City applies two principal charges on new developments: a development agreement charge of $1,650 per acre and a subdivision lot fee of $36 for each lot. The development agreement charges will generate $4.95 million based on 3,000 gross acres and the subdivision lot fees will generate $267,000 for the single-family lots alone, for a total of more than $5 million.

3.2 Property Taxes

The City will derive most of its revenue from property and business taxes.

3.2.1 Single-family Homes

Our research suggests that each single family home in Waverley West will generate annual property taxes of $2,405.

A survey was conducted utilizing assessment records for newly constructed homes in comparable neighborhoods (Linden Woods, Whyte Ridge, Richmond West, Royalwood and

Island Lakes). Taxes were estimated by multiplying the average assessed value of $180,000 by the current portion (45%) and mill rate (29.686 mils) or $2,405 for each home.

We did **not** include school taxes (School Division and the Education Support Levy) in our analysis - the City collects but must remit these taxes. However, based on our research, each single family home will pay $2,390 in school taxes (nearly $2 billion over the 80 year time frame).

At the same time, the City of Winnipeg Property Assessment Department indicates that the **average** single-family home in Winnipeg is assessed at $94,000 (median assessment of $88,000 which means that 50% of the homes in Winnipeg are assessed at a market value less than $88,000).

In other words, with the average assessment at $94,000, the average single family home will pay municipal taxes of $1,255 - about one half the taxes paid by the average newly built suburban home (please see *Attachment "A"* Property Assessment Map).

In addition, now that the City has moved to market based assessment, there is no reason to believe that newly built single-family homes will not hold their values, and continue to make a substantial contribution to the City's bottom line.

Over the past 25 years single-family homes have increased at an average annual rate of 5.5% (8% annually from 2000-2004)[6]. At the same time, from 1978 to 2003, the Consumer Price Index for Winnipeg increased by an average of 4.2% annually.[7]

3.2.2 Multi-family Properties

Based on our research, the 4,000 multi-family units in Waverley West will generate annual property taxes of $1,407 (weighted average) or $5.6 million:

- each of the 1,600 detached/semi detached condo units will be assessed at $150,000;
- each of the 1,400 medium density condo/life lease "equity" projects will be assessed at $100,000 based on 35-40 unit properties, each assessed at $6 million;
- each of the 1,000 medium density rental units will be assessed at $41,333 per unit based on 7-150 unit properties.[8]

Utilizing the present portioning and mill rates, the following table provides a breakdown of the municipal property taxes revenues generated by the multi-family properties.

[6] Royal Le Page Survey of Canadian Home Prices: housing in Winnipeg 1979-2004.
[7] Statistics Canada: Consumer Price Index, historical summary Winnipeg 1978-2003
[8] Although the average assessed value on a per unit basis for a rental unit would average $41,333, the actual construction cost for such a rental unit would be significantly greater at approximately $90,000 per unit. The difference between the cost of construction, and the market and assessed value (which is based on income) explains why very few rental properties have been constructed in Winnipeg over the past 10 - 15 years. We have taken a conservative approach by simply using the assessed values for comparable properties which are significantly lower than the cost of construction As such our estimate of the tax revenue is very conservative.

Table 1: Multi-Family Residential Property Tax Summary

	Units	Assessed Value	Per Unit Taxation Generated	Total Annual Taxation
Detached Condominiums	1600	$150,000/unit	$2,004	$3,206,400
Medium Density Condominiums	35 properties; 1,400 units	$4,000,000/property	$1,335	$1,869,000
Medium Density Rental	7 properties; 1,000 units.	$6,200,000/property	$552	$552,000
TOTAL:	**4,000 units**	**$423,400,000**	**$1,407**	**$5,627,400**

3.2.3 Commercial Properties

With planning still at the conceptual stage, our analysis included a review of a number of typical "neighbourhood" retail commercial and office/industrial projects. In particular, we used the commercial strip in Southdale on Fermor and the West Fort Garry Business Park as a starting point to calculate a conservative estimate of market and assessed values and property and business taxes.

Based on our analysis, the commercial/retail developments will ultimately generate annual property taxes equal to $14,278 per acre for a total of $1.43 million[9]. Similarly the business/office properties would contribute $12,755 per acre or $1.27 million by build out[10].

3.2.4 Business Taxes

Based on a comparison of the business and property taxes generated by the commercial developments in Southdale and the West Fort Garry Business Park, at build out Waverley West will generate annual business taxes equal to approximately 10% of the property taxes or $270,000 each year. While there has been some public discussion about the possibility of reducing or eliminating the business tax, for consistency these taxes have remained in our analysis.

[9] Based on the assessed values of Lakewood Plaza, Southdale Mall and Southdale Square (average assessment of $740,000 per acre), 100 acres of neighborhood retail development would generate taxes of at least $14,278 per acre ($740,000 x 65% x 29.676 mils).

[10] Based on the West Fort Garry Business Park (average assessment of $661,000 per acres), 100 acres of office/industrial would generate taxes of $12,755 per acre ($661,000 x 65% x 29.686 mils).

3.3 Other Revenues Not Included in the Analysis

The City will receive a number of grants, fees, levies and other receipts that have **not** been included in this analysis.

3.3.1 Water and Waste Department

Since the City operates the Water and Waste Department as a cost-neutral utility, neither the revenue from nor the costs associated with the Department have been included in our analysis.

The City collects a sewer and water levy (frontage fee) to fund sewer and water renewal projects and collects user fees that are based on consumption to fund operations including general maintenance.

By build out in the 23rd year, the City will have collected approximately $15 million worth of frontage levies[11], and by the end of the 80 year time frame the City will have collected over $77 million (please see *Attachment "C"* which projects revenue for this utility).

In addition, based on an average annual water bill of $648.40 ($600 for consumption and a basic charge of $48.40), by build out in the 23rd year the City will collect annual receipts of $7.5 million, for a total of over $500 million by the end of the 80-year time frame.

These numbers compare very favourably to the approximately $13.5 million it will cost the City to extend service to the area.

In this case, trunk services are readily available at the boundaries of Waverley West. In addition, the developer and ultimately the new home buyer pays for a full complement of modern municipal services including a separate land drainage and sanitary sewer system (Section 4.1.8 describes the capital costs to extend the sanitary interceptor and domestic water service).

3.3.2 Transportation Levy

The City is also contemplating a city-wide charge of $1.00 per front foot for local street and sidewalk renewal. These levies would help to offset future renewal projects (which have been included in our analysis without any offsetting revenues).

By build out this type of levy would generate $427,000 each year for a total of $30 million over the 80-year time frame (based on the 1,940 acres and 220 FF/A).

[11] The Water and Waste levies were calculated by multiplying 1,940 net developable acres by an estimated 220 front feet per acre and by applying the 2003 rates of $1.90/FF for sewer and $.65/FF for water service (1,940 x 220 x $2.55 = $1,088,340). See Attachment "C" for additional detail.

3.3.3 Other City of Winnipeg Non-Direct Sources of Revenue

This analysis does *not* include other sources of revenue that will make a significant contribution to the City's bottom line:

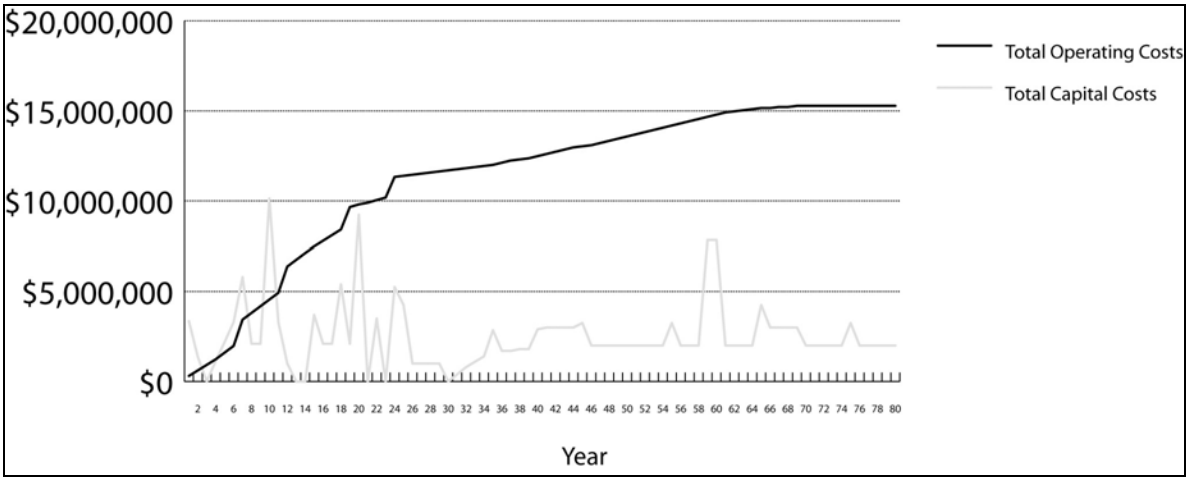
- grants from the Province (income tax sharing, support grants, grants for libraries, transit, ambulance service, VLT sharing, etc.);
- other forms of taxation (on hydro, natural gas, entertainment, etc.);
- regulatory fees (for permits, licensing, fines, and other fees);
- sale of goods and services (including ambulance service, recreation, and user fees);
- sale of City owned land in Waverley West;
- interest charges; and
- any "New Deal" with the Federal or Provincial Governments (including the GST rebate/sharing, fuel taxes, etc).

4.0 COSTS

This section identifies the direct costs associated with the development of Waverley West (as displayed in Figure 6).

There is no doubt that Waverley West will trigger capital and annual operating costs for the City. However, the City will face additional costs for infrastructure and services whether development occurs in Waverley West or elsewhere in the City or in the surrounding jurisdictions. In this regard some of the costs should **not** be attributed solely to Waverley West, but should be viewed as general costs to satisfy the demand for residential housing in the City as a result of population growth, household formation and economic growth.

Figure 6: City of Winnipeg Capital and Operating Costs



4.1 Capital Costs

The developer and ultimately the new home buyer (**not** the City or other taxpayers) pays for local and collector roads, half of the arterial streets, underground services, street signage and lighting, sidewalks, parks, berms, pedestrian trails, etc.

However, the City will be responsible for certain infrastructure including regional and arterial (50%) streets, regional sewer and water, and community and emergency services. These capital costs have been included in our analysis.

In addition our analysis includes:

- a $15 million allowance for miscellaneous or unforeseen capital costs that might arise during the 80 year timeframe; and
- the capital costs that will be incurred to repair and replace the infrastructure, beginning in the 30th year of the 80-year horizon (this addresses the common allegation that suburban development is not economical because the financial models do not include these costs).

4.1.1 Internal Transportation

Most of the City's capital costs are related to transportation upgrades which are required, not only for Waverley West, but also for general system-wide improvements and for higher levels of background traffic. A comprehensive transportation review has been conducted and the relevant costs have been included in this analysis. In this regard, the relevant costs are those shouldered by the City that are directly related to the development of Waverley West:

1. Extension of Waverley Street. Waverley Street is envisioned to shift westerly from its existing north/south alignment, through the southern quadrant of Waverley West (from the eastern periphery) cross Kenaston (at grade), and continue through to Brady Road. The total cost estimate to construct this section of Waverley Street has been estimated at $9.7 million (includes four travel lanes, lighting, sidewalks, trees and 33% for contingency and engineering). With a developer contribution of 50%, the cost estimate to the City of Winnipeg is **$4.85 million**. Development will be phased in as Waverley West progresses.

2. Improvements to the Existing Waverley Street. The existing alignment of Waverley Street (eastern boundary road) would require improvements and upgrading. Initially, this section of Waverley will be upgraded to a four lane arterial south of Bison Drive, and one additional lane in each direction north of Bison Drive. The cost estimate for the initial upgrade (including lighting, sidewalks, trees and 33% for contingency and engineering) totals $4.7 million, with the City contributing 50% of the cost **($2.35 million**).

A future upgrade to a 6-lane cross-section (south of Bison Drive) would require an additional **$1.1 million** to be funded by the City. This cost has been included in the analysis.

3. Intersection Improvements at Waverley and Bison Drive. Improvements to the existing Waverley and Bison intersection will be required. The cost estimate for intersection improvements totals approximately $720,000 (costs include turn lanes, and improvements to traffic control signals, 33% for contingency and engineering). Half of this is a developer cost, with the City of Winnipeg's share of **$360,000.**

4. Extension of Bison Drive. Bison Drive would be extended from a point approximately 550 metres east of Waverley, through Waverley West to Brady Road. The construction cost estimate is approximately $10.6 million (includes four travel lanes, lighting, sidewalks, trees and 33% for contingency and engineering). The City of Winnipeg's share is **$5.3 million**, with the development to be phased in as Waverley West progresses.

5. Extension of Kenaston Boulevard. Kenaston Boulevard will be extended from the existing point where it turns into Bishop Grandin, south to the Perimeter Highway. The initial cost estimate to construct Kenaston to a four-lane expressway is $33.4 million. The cost estimate includes grade-separated fly-overs at future Bison Drive and Ladco's Main Street, lighting, noise attenuation berm, street lighting, trees and 33% for contingency and engineering. Costs to be fully funded by the City, with at-grade intersections funded by developer.

   As Kenaston Boulevard will function as a multi-regional transportation route, including as an economic route, only approximately 50% of the usage would be directly attributed to future residents and businesses in Waverley West. The remaining 50% is attributed to regional, as well as city and province-wide traffic. Therefore, 50% of the City of Winnipeg costs have been included in this analysis as a direct result of Waverley West – **$16.7 million**[12].

   An additional $4.2 million to add a third lane in each direction after build-out has been included in this analysis, with 50% of the cost attributed to Waverley West generated traffic, **($2.1 million**), and the other 50% for regional needs. This infrastructure would be phased in as Waverley West progresses.

4.1.2 Offsite Transportation

The Waverley West Transportation Report (ND LEA, 2003) had previously identified a number of off-site transportation improvements to Waverley Street, Kenaston Boulevard

[12] The extension of Kenaston Boulevard has been identified in Plan Winnipeg 2020 Vision as required. This extension will be necessary regardless of development occurring in Waverley West or not. This cost estimate does not include an interchange at the Perimeter Highway as this cost is foreseen as a Provincial government responsibility.

and Bishop Grandin Boulevard. Some costs were directly or indirectly related to development in Waverley West, with other costs associated with general increased traffic growth. Total future improvements had been estimated at $30.9 million ($23.2 million plus 33% for contingency and engineering). The costs attributed to Waverley West development only have been incorporated into this analysis, and are estimated to cost the City of Winnipeg approximately **$20.8 million** ($15.65 million plus 33% for contingency and engineering). These developments would be phased-in as Waverley West progresses.

4.1.3 Fire and Paramedic Services

A budget line of **$11.0 million** has been included in this analysis for potential future capital requirements (buildings, rolling stock and equipment). As the detailed development concept for Waverley West has yet to be determined, these figures are intended to indicate a realm of potential expenditures and are not based on specific measurements of need.

The cost of a fire hall has been estimated at $1.6 million (based on the replacement costs for Stations No. 21 and No. 12 as identified in the City of Winnipeg 2005-2009 capital budget). The cost for rolling stock is estimated at $2.5 million for fire trucks and ambulances, and an additional $0.9 million for miscellaneous related equipment (Note: the City of Winnipeg Capital Budget 2005-2009 does not identify any additional fire apparatus, therefore, these figures are estimates). An additional $1.0 million every 10 years after the initial investments has been incorporated into this analysis.

4.1.4 Winnipeg Police Services

As with the Fire and Paramedic Services, a line item of **$2.5 million** has been included for potential future capital requirements. Again, as the detailed development concept for Waverley West has yet to be determined, these figures are intended to indicate a realm of potential expenditures, and are not based on specific measurements of need. The addition of a new police station is not anticipated; therefore these costs would be related primarily for vehicles and equipment (Note: most vehicle and equipment costs for police services are currently funded through the City's operating budget, as opposed to the capital budgets). An additional $250,000 has been included in this analysis approximately every 10 years after the initial investment for potential further capital requirements.

4.1.5 Community Services

A capital line item of **$23.34 million** has been included in the analysis to provide for community services in Waverley West. It is not known at this time specifically what capital requirements may be necessary in Waverley West, however, should a regional/multi-use recreation and community services centre for the Fort Garry area be located in Waverley West, the total cost could be in the realm of $35.0 million. Waverley

West would account for approximately one-third of the population base of this catchment and, therefore, one-third of the cost would be attributed to Waverley West development (approximately $11.67 million). Future replacement of the facility ($11.67 million) is also attributed for in this analysis in year 60.

4.1.6 Miscellaneous Capital Contingency

To account for potential unforeseen or unknown future capital cost items, a line item of **$15.0 million** has been included in this analysis to address such possible capital costs. These may include transportation, community or other public services.

4.1.7 Infrastructure Renewal

This analysis includes a street infrastructure renewal component to redevelop the existing street infrastructure, commencing after 30 years of development. This renewal has been estimated at **$94.2 million**. For the purposes of estimating the cost to renew the street network in Waverley West, the full construction costs for arterial streets, Kenaston, and neighbourhood "main" streets were utilized, plus the local improvement rate for the local and collector streets ($120 per front foot x 426,800 front feet).[13] Costs to redevelop the infrastructure commence in year 31, thirty years after the initial capital investment, and continue throughout the timeframe of this analysis.

4.1.8 Water and Waste System Expansions

Extension by the City of Winnipeg of the regional trunk water and sanitary sewer interceptor systems will be necessary to facilitate development in Waverley West. These systems presently exist on the periphery of Waverley West, however, they will require extension into the area, where the local system will connect into the regional. Costs to the City of Winnipeg have been estimated at ***$13.5 million***, (based on developer estimates, review of the five year capital budget 2005-2009 and discussions with Water and Waste Department officials). These costs *are not* formally included in this analysis as these costs would be funded through the utility, and not through the City of Winnipeg's tax supported budget (see also section 3.3.1 of this report, and *Attachment "C"* for additional information).

All costs of providing such services are ultimately paid for by the end-user in the form of frontage levies and user fees (water bills). The capital costs are often front-ended by the developer, and ultimately paid back by the City as budgets permit. All local water and

[13] Waverley Street ($16.3 million) + Bison Drive ($10.6 million) + Kenaston Blvd - less berms and grade-separation ($11 million – note as Kenaston has regional and province-wide benefits, only 50% is considered in this analysis) + $5 million for the commercial main streets + $51.3 million for local and collector streets ($120/front foot x 1,940 acres x 220 ff/acre=426,800 front feet).

sewer systems, including land drainage, are developer funded and are also not included in this analysis.

The City of Winnipeg has budgeted $5.50 million within its 2005-2009 Capital Budget for the first phase of Waverley West in 2009 ($2.5 million for the water feeder main, and $3.0 million for the interceptor sewer). More detailed plans are to be prepared under the Area Structure Plan component of Waverley West review, and until such time, the exact total requirement is not fully known. This report assumes that the total City contribution will be in the realm of $13.5 million. Additional funds are to be budgeted in the 2010 budget (potentially up to $8.0 million), however, at the point of drafting this report, the five-year capital budget does not extend to 2010.

The underground services within Waverley West will require some level of ongoing maintenance, but due to technological improvements this infrastructure will probably **not** require a complete renewal during the 80-year horizon.[14] Should there be capital renewal costs for underground services other than general maintenance, the public utility would be well positioned to fund these improvements through funds collected in Waverley West. Over the 80-year timeframe of this analysis, the City of Winnipeg would collect over $77 million in frontage levies and over $500 million in utility fees (see section 3.3.1 and *Attachment "C"*).

4.2 Operating Costs

In this section we estimate the cost to provide ongoing services to Waverley West. In this regard, we have focused on the **incremental cost** to provide basic civic services, rather than the per capita or average cost to the entire City.

We started with the average cost to provide city services to each single-family home and adjusted this cost to include single **and** multi-family properties. An allowance was made for commercial properties and a separate analysis was conducted for Winnipeg Transit. Finally we derived and applied a factor that reflects the incremental cost of new subdivisions.

[14] This report acknowledges that many 30-40 year old subdivisions including Windsor Park and Fort Richmond, have not required any significant sewer and water renewal, and likely will not require such work for decades. Current sewer and water renewal work in the city consists mostly of separating the combined sewers and replacing/repairing +60 year old sewers that were inadequately designed and/or installed compared to today's standards. Many of these sewers are made out of clay (not PVC), are undersized for their current use, and lack sufficient bedding material. As technological improvements for sewer construction have changed drastically over the past decades, this report assumes that there will be limited renewal requirements for underground services other than regular maintenance, and that full renewal will not occur until after the 80 year period.

4.2.1 Residential

The Budget Estimates (2000-2002)[15] indicate that it costs the City $1,098.90 to provide service to the average homeowner (with an average assessed value of $87,900):

- Policing	$ 243.12
- Street maintenance and other public works	239.51
- Emergency response (fire and ambulance)	167.51
- Transit	64.76
- Provision of recreation facilities	57.96
- Parks	52.34
- Libraries	40.69
- Land drainage	39.54
- Garbage removal	36.19
- Snow removal	32.50
- Land use, development, planning zoning and building inspections	32.12
- Transportation planning, traffic management, engineering	22.80
- Zoo, horticulture, natural heritage protection	21.99
- Street lighting	19.41
- Grants to external organizations	16.45
- Regulatory licensing and animal services	12.42
Total:	$ 1,098.90

Sixty-eight percent of the operating expenditures are concentrated in four departments (Public Works 21.5%, Police Services 20.1%, Fire & Paramedic Services 14.5% and Community Services 11.7%). Corporate expenditures comprise another 13% with the remaining 19% spread over the other departments and operations.

Since the City's Operating Budget increased by 8% from 2000 to 2003[16] we projected a cost in 2003 of **$1,190** for each single-family home.

In addition, a weighted average cost was calculated for all of the single and multi-family properties based upon:

- the relative area occupied by single and multi-family properties; and
- our assumption that most City costs would be roughly consistent for single and multi-family housing on a per acre basis.

[15] Information source on cost to provide services to the average home in Winnipeg from the Preliminary 2000-2002 Current Estimates Overview.
[16] The City of Winnipeg operating budget for 2003 totalled $684.9 million. The 2000 operating budget (less $33.9 million in one time pension refund expenditures) totalled $632.8 million. Difference is $52.1 million, or 8.32%.

With single-family housing densities of approximately 5 units per acre and with multi-family densities ranging from 10-15 upa, we adopted a ratio of 2.25:1 (with a range from 2:1 and 2.5:1) and determined a weighted average for each household:

High Cost Estimate – Ratio 2:1 (the cost to provide services to two multi-family units is equal to one single-family unit.)
Single-family: 7,500 units * $1,190 = $8,925,000
Multi-family: 4,000 units * $ 595 = $2,380,000
$11,305,000 / 11,500 = $983 average per household

Medium Cost Estimate – Ratio 2.25:1 (the cost to provide services to 2.25 multi-family units is equal to one single-family unit.)
Single-family: 7,500 units * $1,190 = $8,925,000
Multi-family: 4,000 units * $ 529 = $2,116,000
$11,041,000 / 11,500 = **$960 average per household**

Low Cost Estimate – Ratio 2.5:1 (the cost to provide services to 2.5 multi-family units is equal to one single-family unit.)
Single-family: 7,500 units * $1,190 = $8,925,000
Multi-family: 4,000 units * $ 476 = $1,904,000
$10,829,000 / 11,500 = $942 average per household

In the end we adopted a mid-point estimate of **$960/household** (which reflects the average cost of providing civic services to each household in the City). Sensitivity analysis supports our final conclusion that Waverley West is cost beneficial to the City: Even if our estimate were to increase by 40%, our NPV is still positive (the average costs increase by a NPV of $57.5 million over the 80 year horizon which suggests an NPV for Waverley West of $155.5 million).

4.2.2 Commercial/Business

Based on our planning to date, about 10% of Waverley West will be built out with "neighborhood" retail and/or suburban office/light industrial properties. We estimated the cost to provide civic services to these commercial properties by carrying forward the average cost for residential properties. In other words, we have projected the cost based on the **area** these commercial properties would occupy (this is a very conservative assumption since many City services have no direct relationship to commercial properties).

4.2.3 Proportioned Operating Costs

Our research suggests that compared to the City at large or compared to some of the older neighborhoods, it will cost significantly less to provide basic services to the residents of a new subdivision such as Waverley West. This conclusion is reflected in both this report and the City's financial impact analysis.

There are many reasons for this conclusion[17], which must be reflected in an incremental analysis, including:

- the high cost of operating and maintaining the aging/obsolete public infrastructure in the older parts of the City;
- the high cost of providing a wide range of fire, police, emergency and other services to the older parts of the City; and
- the fact that many City costs are fixed (or hybrid) costs that will **not** increase with additional growth or development.

As a result, once we determined our basic City-wide estimates, we adjusted the numbers by applying a factor that reflects the incremental cost to provide services to Waverley West.

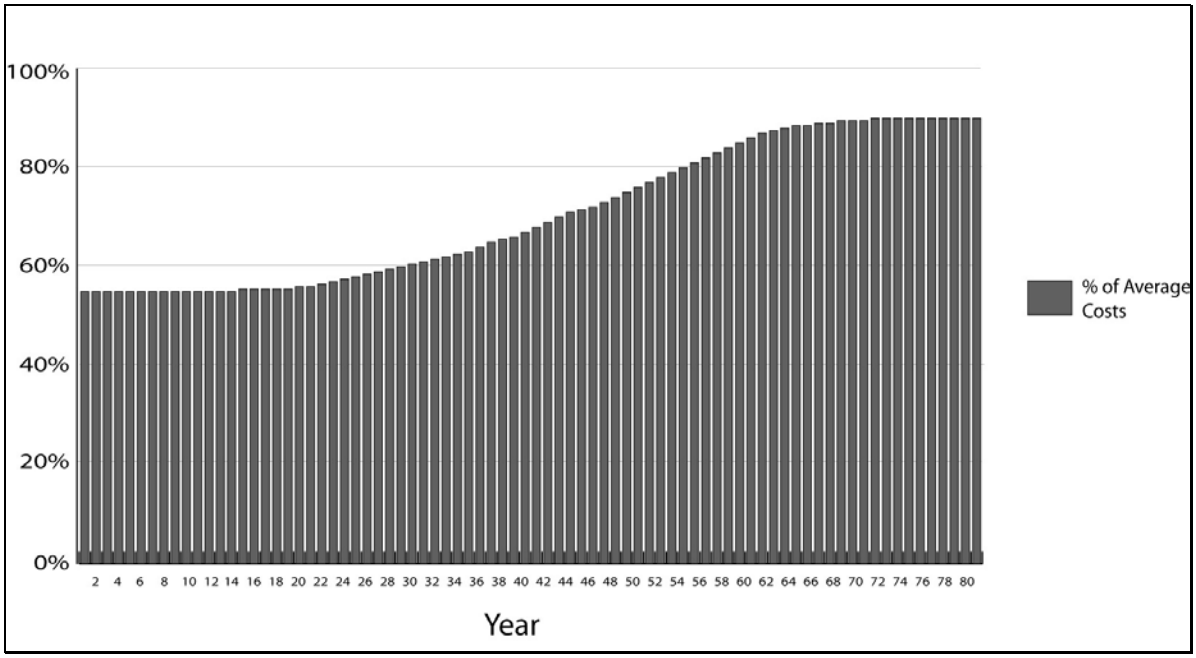
Over time we expect that the cost of providing civic services will increase, but the cost will remain below the average cost to the City (costs will increase as the infrastructure ages, but our analysis already contemplates and allows for the renewal of the public infrastructure in the long term).

Our analysis suggests that the operating costs per household will gradually increase from 55% in the early years to 90% of the City-wide average by the end of the 80 year timeframe as set out in **Figure 7**.

[17] Annual operations costs for the City are lower in the early years of new subdivisions because all facilities are new. For example, streets/public works maintenance average approximately $240 per household in Winnipeg, however, because all the streets are new in new subdivisions, actual maintenance expenditures (excluding snow removal) are very low in the first 20-30 years. Other physical infrastructure would also require only routine maintenance throughout initial years, and due to modern construction practices future maintenance will be significantly less than older neighbourhoods. Parks and recreation facilities will be centralized and will not require as much ongoing maintenance and upgrading as scattered facilities. Policing and fire protection are not as significant in newer developments due to socio-economic conditions and physical development standards (i.e., more stringent building codes, fewer back alleys). Land drainage and flooding is also not an issue in areas with separated sewers and retention facilities, as opposed to older neighbourhoods, which have combined services and limited storm water capacity. These are the primary operating budget expenditures of the City of Winnipeg.

As well, some of the costs reflected in the Budget are fixed costs that will not change with additional growth. Some of the costs are variable in nature and will increase on a roughly proportionate basis (ie. with population and/or the number of households). Some of the costs are hybrids that will increase, but not proportionately with growth. And finally, some of the costs will gradually increase over time as the development ages. For example, development will **not** trigger an increase in corporate expenditures. Conversely snow removal and garbage collection services will increase with more households (although even these operations have a "fixed" component and garbage collection will benefit from a well designed street system and the proximity to the Brady landfill site).

Figure 7: Operating Costs – Waverley West Projection Compared to City Average



4.2.4 Transit Subsidy

From discussions with Winnipeg Transit, it is expected that at completion there could be as many as four transit routes servicing Waverley West. The Waverley West Transportation Review (ND LEA, 2003) provides additional information on the potential transit requirements. The City's cost estimate to operate these four bus routes is approximately $9.0 million annually, which includes all Transit operating and capital costs.

This analysis estimates that approximately ***$4.35 million*** would be required annually after full build out (over and above revenues from rider-ship and taxation) to operate these four routes. This is incorporated into the analysis as a separate line item and phased in over the development timeframe of Waverley West. Table 2 provides additional explanation.

Table 2: Transit Operating Subsidy[18]

$ millions	Low	High
Cost of New Routes	$9.0	$9.0
Less Efficiencies	-$1.4	-$0.5
Less Revenues from Waverley West	-$3.7	-$2.7
Operating Loss from new routes	$3.9	$5.8
Less Subsidy paid in WW Property Taxes	-$0.5	-$0.5
Subsidy	$3.4	$5.3
Average	**$4.35**	

5.0 OPPORTUNITY COSTS

If Waverley West is delayed or does not proceed, there will be a significant cost to the City. In simple terms the City will lose net revenue, but will still have to provide infrastructure and services to deal with the projected growth.

Over the past decade, Fort Garry has represented approximately 35% of the City market for new housing (in the past the demand has been satisfied by Waverley Heights, Richmond West, South Tuxedo, Linden Woods, Whyte Ridge and Linden Ridge).

By the end of 2005 there will be virtually no supply remaining in south-west Winnipeg. In other words, there will be a complete stock out in this quadrant.

No one knows exactly how the market will respond, but it's safe to assume that part of the new home market will:

- move to other parts of the City;
- move outside the City; or
- postpone any decision to buy a new home.

A 1998 survey prepared for Qualico Homes by Prairie Research Associates indicates that (given the choice) nearly two-thirds of new home buyers would choose to live in the same quadrant, and another 15% would move outside the City[19]. Based on this survey it is reasonable to assume that a significant share of the market that would have otherwise

[18] It is expected that there will be some efficiencies to the existing Transit system though the establishment of these four routes. For the purposes of this analysis, an assumption has been made that between 5-15% efficiency will be generated. These are incorporated into the low and high scenarios. Revenue from rider-ship from Waverley West is expected to be between $2.7 and $3.7 million. As outlined in section 4.2 of this report, 5.9% of the operating costs generated in Waverley West go to Transit, which accounts for approximately $500,000.

[19] Profile of Residents in Winnipeg Communities. Prairie Research Associates Inc. on behalf of Qualico Home. 1998

purchased in the south-west quadrant, will look outside of the City once there are no opportunities remaining in south-west Winnipeg.

Conceptually, a comprehensive estimate of the opportunity cost must include the incremental net revenue (taxes/fees less operating costs) less the incremental capital costs that will be avoided or postponed if Waverley West does not proceed. Obviously some of the capital costs will be incurred anyway, but may be delayed. On the other hand, the City would have additional costs to provide infrastructure and services to residents of the Capital Region municipalities who have left the City.

We have included a simple analysis that examines the magnitude of the opportunity costs (*Attachment "D"*) if some of the demand for single family housing **alone** is transferred outside of the City (10-50%):

- if 10% of the demand is transferred outside of Winnipeg, the City would forego approximately $72 million of net revenue (incremental taxes less operating costs);

- if 50% of the demand is transferred outside of Winnipeg, the City would forego approximately $360 million of net revenue.

A more complete analysis is beyond the scope of this report (it would require, inter alia, a detailed review of the City's incremental capital costs and the loss of multi-family and commercial properties).

6.0 CONCLUSIONS

Our analysis suggests that Waverley West will make a significant contribution to the City's bottom line. Over the 80 year time frame which allows for life cycle costing (ie. for the City to replace aging infrastructure), Waverley West will add ***$799*** **million** of nominal 2003 dollars to City coffers (**NPV of $213 million**).

This is not to say that Waverley West (or any other proposed subdivision) is the answer to all of Winnipeg's budgetary problems; it's not. However, our analysis does confirm that Waverley West will not be a financial drain and that it will help to mitigate the loss of additional development to the Capital Region.

Although the terms of reference for this study have specifically focused on direct fiscal costs and benefits to the City of Winnipeg, Waverley West would ultimately contribute positively in many non-quantitative areas, including quality of life and also the general economic development of Winnipeg. This development is proposed to be unique to Winnipeg in many ways including environmental practices, housing mix, and innovative planning. The large scale of Waverley West provides an opportunity to plan for a series of inter-connected developments, as opposed to traditional planning consisting of one neighbourhood at a time.

Waverley West would not only provide a positive impact on the residents and businesses within its boundaries, but would benefit all of Winnipeg. Waverley West is intended to provide a variety of housing opportunities, incorporate the latest land use planning methodologies, development techniques and technologies, and provide unique environmental practices and recreation opportunities. These all are positive contributors to society, however, are not quantifiable in nature.

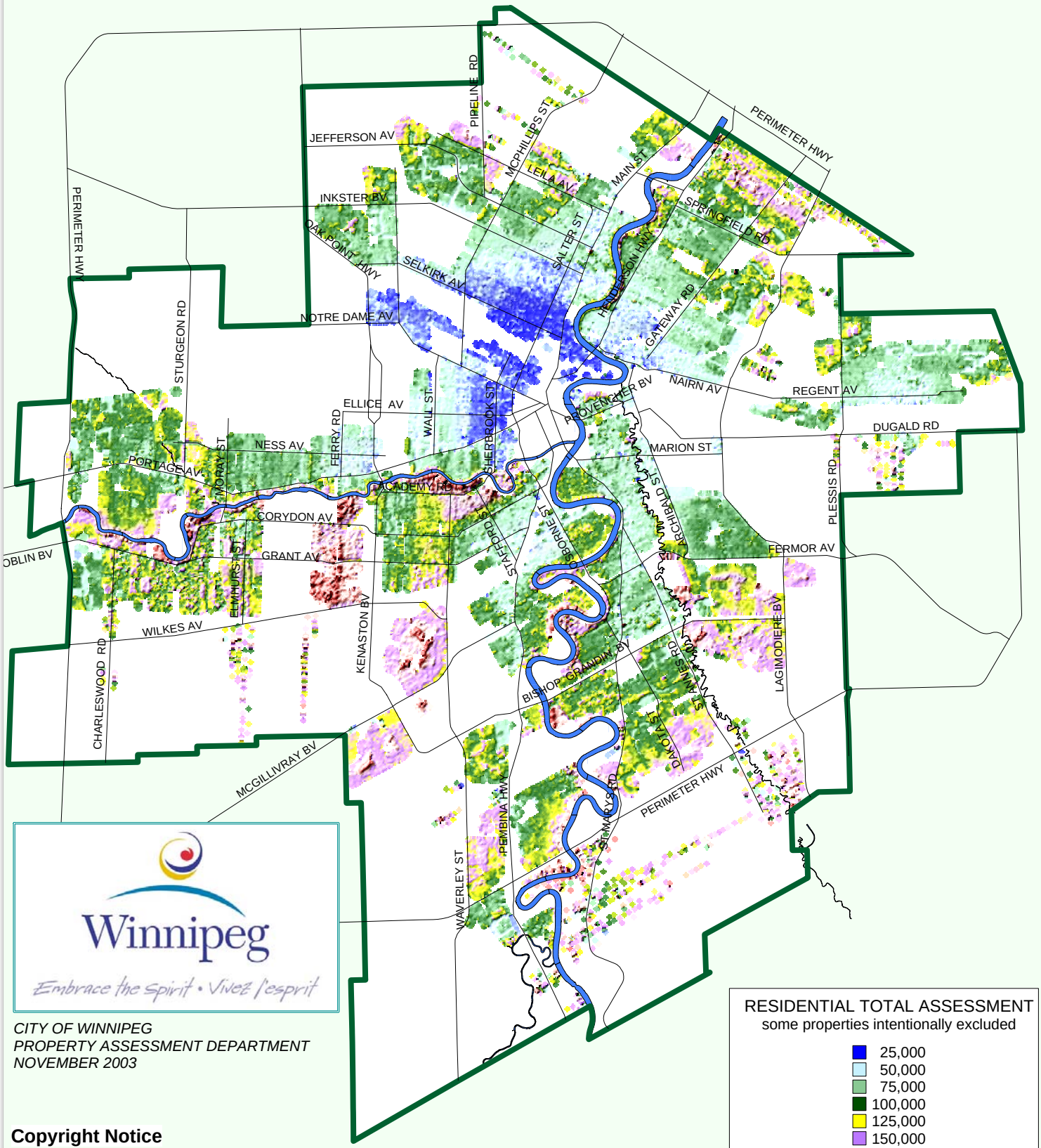
The expected economic impacts of development in Waverley West will be comparable to any of the large-scale development projects anticipated in Winnipeg, as well as throughout Manitoba over the next decade. Over $2.5 billion in economic activity would be generated in direct development activity over the initial 23 years. This will have significant positive impacts to the housing industry and the economy in general. Critics will suggest that this development would occur elsewhere regardless of Waverley West. There are, however, no other land holdings within or outside of Winnipeg of the scale and nature of Waverley West and, therefore, the ability of the market to be sustained over the long-term without Waverley West is uncertain.

Finally, it is recognized that the City of Winnipeg, as well as many other cities in Canada and North America, is experiencing significant financial constraints due to limited revenue opportunities and the rising costs of providing services. The costs of providing services is especially significant in older areas of the city where aging infrastructure is in need of renewal, other soft and social services are in high demand, and the taxation revenue potential is limited by economic factors which keep property assessments below average.

The answers to the financial issues are just as complex as the issues surrounding the costs. Continued growth in suburban areas will not be enough to balance the financial bottom line, but will assist in improving it, as has been the case over the past five decades. The costs associated with forcing development outside of the city limits would compound the financial predicament that is being experienced today. As the tax base shifts further outside the city limits, the costs of providing existing services would continue to increase, and be borne solely by the current residents of the City of Winnipeg.

ATTACHMENT "A"
Average Assessed Values of Single-Family Homes in Winnipeg

RESIDENTIAL TOTAL ASSESSMENT



Winnipeg

Embrace the Spirit • Vivez l'esprit

CITY OF WINNIPEG
PROPERTY ASSESSMENT DEPARTMENT
NOVEMBER 2003

RESIDENTIAL TOTAL ASSESSMENT
some properties intentionally excluded

- 25,000
- 50,000
- 75,000
- 100,000
- 125,000
- 150,000
- 200,000
- 300,000
- 400,000

MAJOR STREETS

CITY LIMIT

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ATTACHMENT “B”
Waverley West Cost Benefit Analysis to the City of Winnipeg

ATTACHMENT "B"

Waverley West: Cost Benefit Analysis to the City of Winnipeg*

Projected to build out (23 years), and through to 80 years

* all in year 2003 dollars; revenues and expenditures not adjusted for inflation.

FISCAL BENEFITS:

DIRECT REVENUE TO THE CITY OF WINNIPEG		YEAR 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	TOTAL AT FULL BUILD OUT
Single Family Homes [1]	7500	410	820	1230	1640	2050	2460	2870	3280	3690	4100	4510	4920	5330	5740	6150	6560	6970	7380	7500	7500	7500	7500	7500	
Municipal Taxes (2003 base)	$2,405	$986,050	$1,972,100	$2,958,150	$3,944,200	$4,930,250	$5,916,300	$6,902,350	$7,888,400	$8,874,450	$9,860,500	$10,846,550	$11,832,600	$12,818,650	$13,804,700	$14,790,750	$15,776,800	$16,762,850	$17,748,900	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	**$258,802,050**
Multiple Family Units [2]	4000	175	350	525	700	875	1050	1225	1400	1575	1750	1925	2100	2275	2450	2625	2800	2975	3150	3325	3500	3675	3850	4000	
Municipal Taxes Estimate per Unit (2003 base)	$1,407	$246,225	$492,450	$738,675	$984,900	$1,231,125	$1,477,350	$1,723,575	$1,969,800	$2,216,025	$2,462,250	$2,708,475	$2,954,700	$3,200,925	$3,447,150	$3,693,375	$3,939,600	$4,185,825	$4,432,050	$4,678,275	$4,924,500	$5,170,725	$5,416,950	$5,628,000	**$67,922,925**
Commercial (100 acres) [3]	acres	0	0	0	0	10	20	30	40	50	60	70	80	90	100	100	100	100	100	100	100	100	100	100	
Municipal Taxes (2003 base per acre)	$14,278	$0	$0	$0	$0	$142,780	$285,560	$428,340	$571,120	$713,900	$856,680	$999,460	$1,142,240	$1,285,020	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	**$20,703,100**
Business/Office (100 acres) [4]	acres	0	0	0	0	10	20	30	40	50	60	70	80	90	100	100	100	100	100	100	100	100	100	100	
Municipal Taxes (2003 base per acre)	$12,755	$0	$0	$0	$0	$127,550	$255,100	$382,650	$510,200	$637,750	$765,300	$892,850	$1,020,400	$1,147,950	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	**$18,494,750**
Business Taxes (est. 10% prop tax) [5]	0.1	$0	$0	$0	$0	$27,033	$54,066	$81,099	$108,132	$135,165	$162,198	$189,231	$216,264	$243,297	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	**$3,919,785**
City Permit Fees																									
Single Family Homes ($1,065 per house) [6]	$1,065	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$436,650	$127,800	$0	$0	$0	$0	**$7,987,500**
Multi-Family Units ($1,069 per unit) [7]	$1,069	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$187,075	$160,350	**$4,276,000**
Commercial/Office (estimated at $3,660 per acre) [8]	$3,660	$0	$0	$0	$0	$73,200	$73,200	$73,200	$73,200	$73,200	$73,200	$73,200	$73,200	$73,200	$73,200	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$732,000**
Development Fees																									
Per Acre Administration Fee (3000 acres) [9]	$1,650	$1,237,500	$0	$0	$0	$0	$1,237,500	$0	$0	$0	$0	$1,237,500	$0	$0	$0	$0	$1,237,500	$0	$0	$0	$0	$0	$0	$0	**$4,950,000**
Lot Fee (410 lots per year) [10]	$35.60	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$14,596	$4,272	$0	$0	$0	$0	**$267,000**
Other Fees Not Included in Analysis:																									
Sewer and Water Frontage Levy [11]																									
Proposed Public Works Frontage Levy [12]																									
TOTAL REVENUE:		**$3,108,096**	**$3,102,871**	**$4,335,146**	**$5,567,421**	**$7,170,259**	**$9,937,397**	**$10,229,535**	**$11,759,173**	**$13,288,811**	**$14,818,449**	**$17,585,587**	**$17,877,725**	**$19,407,363**	**$20,937,001**	**$22,096,076**	**$24,565,851**	**$24,560,626**	**$25,792,901**	**$26,008,552**	**$26,122,705**	**$26,368,930**	**$26,615,155**	**$26,799,480**	**$388,055,110**
Cumulative Total:		**$3,108,096**	**$6,210,967**	**$10,546,113**	**$16,113,534**	**$23,283,793**	**$33,221,190**	**$43,450,725**	**$55,209,898**	**$68,498,709**	**$83,317,158**	**$100,902,745**	**$118,780,470**	**$138,187,833**	**$159,124,834**	**$181,220,910**	**$205,786,761**	**$230,347,387**	**$256,140,288**	**$282,148,840**	**$308,271,545**	**$334,640,475**	**$361,255,630**	**$388,055,110**	**$388,055,110**

FISCAL COSTS

Operating Costs Phased in from 55%-90% of City Average Over 80 Years

DIRECT COSTS TO THE CITY OF WINNIPEG:		YEAR: 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	TOTAL AT FULL BUILD OUT
Capital Costs (City costs directly attributed to Waverley West development):																									
Extension of Waverley Street [13]	$4,850,000	$1,200,000	$0	$0	$0	$1,200,000	$0	$0	$0	$0	$1,200,000	$0	$0	$0	$0	$1,200,000	$0	$0	$0	$0	$0	$0	$0	$0	**$4,800,000**
Improvements to Existing Waverley Street [14]	$3,450,000	$1,150,000	$0	$0	$1,150,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$2,300,000**
Intersection Improvements Waverley/Bison [15]	$360,000	$0	$360,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$360,000**
Extension of Bison Drive [16]	$5,300,000	$1,000,000	$1,000,000	$0	$0	$1,000,000	$0	$0	$0	$0	$1,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,300,000	$0	$0	$0	**$5,300,000**
Extension of Kenaston Boulevard [17]	$18,800,000	$0	$0	$0	$0	$0	$3,300,000	$3,300,000	$0	$0	$0	$3,300,000	$0	$0	$0	$0	$0	$0	$3,300,000	$0	$0	$0	$3,500,000	$0	**$16,700,000**
Offsite Transportation Improvements [18]	$20,800,000	$0	$0	$0	$0	$0	$0	$0	$2,100,000	$2,100,000	$2,100,000	$0	$0	$0	$0	$0	$2,100,000	$2,100,000	$2,100,000	$2,100,000	$2,100,000	$0	$0	$0	**$16,800,000**
Fire and Paramedic Services [19]	$11,000,000	$0	$0	$0	$0	$0	$0	$2,500,000	$0	$0	$0	$0	$0	$0	$0	$2,500,000	$0	$0	$0	$0	$0	$0	$0	$0	**$5,000,000**
Police [20]	$2,500,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$1,000,000**
Community Services [21]	$23,340,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$5,835,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$5,835,000	$0	$0	$0	**$11,670,000**
Miscellaneous Capital Contingency [22]	$15,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Infrastructure Renewal [23]	$94,200,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Total Capital Cost:	**$199,600,000**	**$3,350,000**	**$1,360,000**	**$0**	**$1,150,000**	**$2,200,000**	**$3,300,000**	**$5,800,000**	**$2,100,000**	**$2,100,000**	**$10,135,000**	**$3,300,000**	**$1,000,000**	**$0**	**$0**	**$3,700,000**	**$2,100,000**	**$2,100,000**	**$5,400,000**	**$2,100,000**	**$9,235,000**	**$0**	**$3,500,000**	**$0**	**$63,930,000**
Annual City of Winnipeg Operating Costs:*		55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.0%	55.5%	55.5%	55.5%	55.5%	55.5%	56.0%	56.0%	56.5%	57.0%	
Residential [24]	$960.00	$308,880	$617,760	$926,640	$1,235,520	$1,544,400	$1,853,280	$2,162,160	$2,471,040	$2,779,920	$3,088,800	$3,397,680	$3,706,560	$4,015,440	$4,324,320	$4,675,320	$4,987,008	$5,298,696	$5,610,384	$5,767,560	$5,913,600	$6,007,680	$6,156,240	$6,292,800	**$83,141,688**
Commercial/Business/Office [25]		$0	$0	$0	$0	$62,928	$125,856	$188,784	$251,712	$314,640	$377,568	$440,496	$503,424	$566,352	$629,280	$629,280	$629,280	$629,280	$629,280	$629,280	$629,280	$629,280	$629,280	$629,280	**$9,124,560**
Annual Transit Subsidy [26]		$0	$0	$0	$0	$0	$0	$1,087,500	$1,087,500	$1,087,500	$1,087,500	$1,087,500	$2,175,000	$2,175,000	$2,175,000	$2,175,000	$2,175,000	$2,175,000	$2,175,000	$3,262,500	$3,262,500	$3,262,500	$3,262,500	$3,262,500	**$36,975,000**
Total Operating Costs:		**$308,880**	**$617,760**	**$926,640**	**$1,235,520**	**$1,607,328**	**$1,979,136**	**$3,438,444**	**$3,810,252**	**$4,182,060**	**$4,553,868**	**$4,925,676**	**$6,384,984**	**$6,756,792**	**$7,128,600**	**$7,479,600**	**$7,791,288**	**$8,102,976**	**$8,414,664**	**$9,659,340**	**$9,805,380**	**$9,899,460**	**$10,048,020**	**$10,184,580**	**$129,241,248**
TOTAL CITY OF WINNIPEG COSTS:		**$3,658,880**	**$1,977,760**	**$926,640**	**$2,385,520**	**$3,807,328**	**$5,279,136**	**$9,238,444**	**$5,910,252**	**$6,282,060**	**$14,688,868**	**$8,225,676**	**$7,384,984**	**$6,756,792**	**$7,128,600**	**$11,179,600**	**$9,891,288**	**$10,202,976**	**$13,814,664**	**$11,759,340**	**$19,040,380**	**$9,899,460**	**$13,548,020**	**$10,184,580**	**$193,171,248**
Cumulative Total:		**$3,658,880**	**$5,636,640**	**$6,563,280**	**$8,948,800**	**$12,756,128**	**$18,035,264**	**$27,273,708**	**$33,183,960**	**$39,466,020**	**$54,154,888**	**$62,380,564**	**$69,765,548**	**$76,522,340**	**$83,650,940**	**$94,830,540**	**$104,721,828**	**$114,924,804**	**$128,739,468**	**$140,498,808**	**$159,539,188**	**$169,438,648**	**$182,986,668**	**$193,171,248**	**$193,171,248**

*Operating Costs Phased in from 55%-90% of City Average Over 80 Years

SUMMARY

YEAR:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	BUILD OUT
TOTAL REVENUE:	**$3,108,096**	**$3,102,871**	**$4,335,146**	**$5,567,421**	**$7,170,259**	**$9,937,397**	**$10,229,535**	**$11,759,173**	**$13,288,811**	**$14,818,449**	**$17,585,587**	**$17,877,725**	**$19,407,363**	**$20,937,001**	**$22,096,076**	**$24,565,851**	**$24,560,626**	**$25,792,901**	**$26,008,552**	**$26,122,705**	**$26,368,930**	**$26,615,155**	**$26,799,480**	**$388,055,110**
TOTAL CITY OF WINNIPEG COSTS:	**$3,658,880**	**$1,977,760**	**$926,640**	**$2,385,520**	**$3,807,328**	**$5,279,136**	**$9,238,444**	**$5,910,252**	**$6,282,060**	**$14,688,868**	**$8,225,676**	**$7,384,984**	**$6,756,792**	**$7,128,600**	**$11,179,600**	**$9,891,288**	**$10,202,976**	**$13,814,664**	**$11,759,340**	**$19,040,380**	**$9,899,460**	**$13,548,020**	**$10,184,580**	**$193,171,248**
DIFFERENCE:	**($550,784)**	**$1,125,111**	**$3,408,506**	**$3,181,901**	**$3,362,931**	**$4,658,261**	**$991,091**	**$5,848,921**	**$7,006,751**	**$129,581**	**$9,359,911**	**$10,492,741**	**$12,650,571**	**$13,808,401**	**$10,916,476**	**$14,674,563**	**$14,357,650**	**$11,978,237**	**$14,249,212**	**$7,082,325**	**$16,469,470**	**$13,067,135**	**$16,614,900**	**$194,883,862**
Cumulative Difference:	**($550,784)**	**$574,327**	**$3,982,833**	**$7,164,734**	**$10,527,665**	**$15,185,926**	**$16,177,017**	**$22,025,938**	**$29,032,689**	**$29,162,270**	**$38,522,181**	**$49,014,922**	**$61,665,493**	**$75,473,894**	**$86,390,370**	**$101,064,933**	**$115,422,583**	**$127,400,820**	**$141,650,032**	**$148,732,357**	**$165,201,827**	**$178,268,962**	**$194,883,862**	
Present Value	**($529,600)**	**$1,040,228**	**$3,030,149**	**$2,719,902**	**$2,764,084**	**$3,681,491**	**$753,148**	**$4,273,749**	**$4,922,850**	**$87,540**	**$6,080,020**	**$6,553,735**	**$7,597,605**	**$7,974,008**	**$6,061,532**	**$7,834,869**	**$7,370,833**	**$5,912,795**	**$6,763,281**	**$3,232,281**	**$7,227,357**	**$5,513,748**	**$6,741,102**	**$107,606,708**

Total Cumulative after 80 years	**$798,687,152**
Net Present Value	**$212,868,907**

FISCAL BENEFITS Continued to Year 46:

DIRECT REVENUE TO THE CITY OF WINNIPEG Cont…	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46
Single Family Homes	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	7500
Municipal Taxes (2003 base)	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500
Multiple Family Units	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000
Municipal Taxes Estimate per Unit (2003 base)	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000
Commercial (100 acres)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Municipal Taxes (2003 base per acre)	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800
Business/Office (100 acres)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Municipal Taxes (2003 base per acre)	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500
Business Taxes (est. 10% prop tax)	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330
City Permit Fees																							
Single Family Homes ($1,065 per house)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Multi-Family Units ($824 per unit)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial/Office (estimated at $3,660 per acre)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Development Fees																							
Per Acre Administration Fee (3000 acres)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Lot Fee (410 lots per year)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
TOTAL REVENUE:	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**
Cumulative Total:	**$414,694,240**	**$441,333,370**	**$467,972,500**	**$494,611,630**	**$521,250,760**	**$547,889,890**	**$574,529,020**	**$601,168,150**	**$627,807,280**	**$654,446,410**	**$681,085,540**	**$707,724,670**	**$734,363,800**	**$761,002,930**	**$787,642,060**	**$814,281,190**	**$840,920,320**	**$867,559,450**	**$894,198,580**	**$920,837,710**	**$947,476,840**	**$974,115,970**	**$1,000,755,100**

FISCAL COSTS Continued to Year 46:

DIRECT COSTS TO THE CITY OF WINNIPEG Cont…	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46
Capital Costs (City costs directly attributed to Waverley West development):																							
Extension of Waverley Street	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Improvements to Existing Waverley Street	$1,150,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Intersection Improvements Waverley/Bison	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Extension of Bison Drive	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Extension of Kenaston Boulevard	$2,100,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Offsite Transportation Improvements	$2,000,000	$2,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Fire and Paramedic Services	$0	$1,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,000,000	$0
Police	$0	$250,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$250,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$250,000	$0
Community Services	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Miscellaneous. Capital Contingency	$0	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$0	$0
Infrastructure Renewal	$0	$0	$0	$0	$0	$0	$0	$400,000	$800,000	$1,100,000	$1,400,000	$1,600,000	$1,700,000	$1,700,000	$1,800,000	$1,800,000	$1,900,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Total Capital Cost:	**$5,250,000**	**$4,250,000**	**$1,000,000**	**$1,000,000**	**$1,000,000**	**$1,000,000**	**$0**	**$400,000**	**$800,000**	**$1,100,000**	**$1,400,000**	**$2,850,000**	**$1,700,000**	**$1,700,000**	**$1,800,000**	**$1,800,000**	**$2,900,000**	**$3,000,000**	**$3,000,000**	**$3,000,000**	**$3,000,000**	**$3,250,000**	**$2,000,000**
Annual City of Winnipeg Operating Costs:	57.5%	58.0%	58.5%	59.0%	59.5%	60.0%	60.5%	61.0%	61.5%	62.0%	62.5%	63.0%	64.0%	65.0%	65.5%	66.0%	67.0%	68.0%	69.0%	70.0%	71.0%	71.5%	72.0%
Residential	$6,348,000	$6,403,200	$6,458,400	$6,513,600	$6,568,800	$6,624,000	$6,679,200	$6,734,400	$6,789,600	$6,844,800	$6,900,000	$6,955,200	$7,065,600	$7,176,000	$7,231,200	$7,286,400	$7,396,800	$7,507,200	$7,617,600	$7,728,000	$7,838,400	$7,893,600	$7,948,800
Commercial/Business/Office	$634,800	$640,320	$645,840	$651,360	$656,880	$662,400	$667,920	$673,440	$678,960	$684,480	$690,000	$695,520	$706,560	$717,600	$723,120	$728,640	$739,680	$750,720	$761,760	$772,800	$783,840	$789,360	$794,880
Annual Transit Subsidy	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000
Total Operating Costs:	**$11,332,800**	**$11,393,520**	**$11,454,240**	**$11,514,960**	**$11,575,680**	**$11,636,400**	**$11,697,120**	**$11,757,840**	**$11,818,560**	**$11,879,280**	**$11,940,000**	**$12,000,720**	**$12,122,160**	**$12,243,600**	**$12,304,320**	**$12,365,040**	**$12,486,480**	**$12,607,920**	**$12,729,360**	**$12,850,800**	**$12,972,240**	**$13,032,960**	**$13,093,680**
TOTAL CITY OF WINNIPEG COSTS:	**$16,582,800**	**$15,643,520**	**$12,454,240**	**$12,514,960**	**$12,575,680**	**$12,636,400**	**$11,697,120**	**$12,157,840**	**$12,618,560**	**$12,979,280**	**$13,340,000**	**$14,850,720**	**$13,822,160**	**$13,943,600**	**$14,104,320**	**$14,165,040**	**$15,386,480**	**$15,607,920**	**$15,729,360**	**$15,850,800**	**$15,972,240**	**$16,282,960**	**$15,093,680**
Cumulative Total:	**$209,754,048**	**$225,397,568**	**$237,851,808**	**$250,366,768**	**$262,942,448**	**$275,578,848**	**$287,275,968**	**$299,433,808**	**$312,052,368**	**$325,031,648**	**$338,371,648**	**$353,222,368**	**$367,044,528**	**$380,988,128**	**$395,092,448**	**$409,257,488**	**$424,643,968**	**$440,251,888**	**$455,981,248**	**$471,832,048**	**$487,804,288**	**$504,087,248**	**$519,180,928**

SUMMARY Continued to Year 46

YEAR:	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46
TOTAL REVENUE:	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**
TOTAL CITY OF WINNIPEG COSTS:	**$16,582,800**	**$15,643,520**	**$12,454,240**	**$12,514,960**	**$12,575,680**	**$12,636,400**	**$11,697,120**	**$12,157,840**	**$12,618,560**	**$12,979,280**	**$13,340,000**	**$14,850,720**	**$13,822,160**	**$13,943,600**	**$14,104,320**	**$14,165,040**	**$15,386,480**	**$15,607,920**	**$15,729,360**	**$15,850,800**	**$15,972,240**	**$16,282,960**	**$15,093,680**
DIFFERENCE:	**$10,056,330**	**$10,995,610**	**$14,184,890**	**$14,124,170**	**$14,063,450**	**$14,002,730**	**$14,942,010**	**$14,481,290**	**$14,020,570**	**$13,659,850**	**$13,299,130**	**$11,788,410**	**$12,816,970**	**$12,695,530**	**$12,534,810**	**$12,474,090**	**$11,252,650**	**$11,031,210**	**$10,909,770**	**$10,788,330**	**$10,666,890**	**$10,356,170**	**$11,545,450**
Cumulative Difference:	**$204,940,192**	**$215,935,802**	**$230,120,692**	**$244,244,862**	**$258,308,312**	**$272,311,042**	**$287,253,052**	**$301,734,342**	**$315,754,912**	**$329,414,762**	**$342,713,892**	**$354,502,302**	**$367,319,272**	**$380,014,802**	**$392,549,612**	**$405,023,702**	**$416,276,352**	**$427,307,562**	**$438,217,332**	**$449,005,662**	**$459,672,552**	**$470,028,722**	**$481,574,172**
Present Value	**$3,923,190**	**$4,124,638**	**$5,116,337**	**$4,898,496**	**$4,689,844**	**$4,489,995**	**$4,606,901**	**$4,293,127**	**$3,996,675**	**$3,744,085**	**$3,505,014**	**$2,987,365**	**$3,123,095**	**$2,974,523**	**$2,823,910**	**$2,702,145**	**$2,343,804**	**$2,209,308**	**$2,100,948**	**$1,997,656**	**$1,899,201**	**$1,772,960**	**$1,900,541**

FISCAL BENEFITS Continued to Year 65:

DIRECT REVENUE TO THE CITY OF WINNIPEG Cont…	47	48	49	50	After 50 Years	51	52	53	54	55	56	57	58	59	60	After 60 Years	61	62	63	64	65
Single Family Homes	7500	7500	7500	7500		7500	7500	7500	7500	7500	7500	7500	7500	7500	7500		7500	7500	7500	7500	7500
Municipal Taxes (2003 base)	$18,037,500	$18,037,500	$18,037,500	$18,037,500	**$745,814,550**	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	**$926,189,550**	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500
Multiple Family Units	4000	4000	4000	4000		4000	4000	4000	4000	4000	4000	4000	4000	4000	4000		4000	4000	4000	4000	4000
Municipal Taxes Estimate per Unit (2003 base)	$5,628,000	$5,628,000	$5,628,000	$5,628,000	**$219,878,925**	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	**$276,158,925**	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000
Commercial (100 acres)	100	100	100	100		100	100	100	100	100	100	100	100	100	100		100	100	100	100	100
Municipal Taxes (2003 base per acre)	$1,427,800	$1,427,800	$1,427,800	$1,427,800	**$59,253,700**	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	**$73,531,700**	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800
Business/Office (100 acres)	100	100	100	100		100	100	100	100	100	100	100	100	100	100		100	100	100	100	100
Municipal Taxes (2003 base per acre)	$1,275,500	$1,275,500	$1,275,500	$1,275,500	**$52,933,250**	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	**$65,688,250**	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500
Business Taxes (est. 10% prop tax)	$270,330	$270,330	$270,330	$270,330	**$11,218,695**	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	**$13,921,995**	$270,330	$270,330	$270,330	$270,330	$270,330
City Permit Fees																					
Single Family Homes ($1,065 per house)	-	-	-	-	**$7,987,500**	-	-	-	-	-	-	-	-	-	-	**$7,987,500**	-	-	-	-	-
Multi-Family Units ($824 per unit)	-	-	-	-	**$4,276,000**	-	-	-	-	-	-	-	-	-	-	**$4,276,000**	-	-	-	-	-
Commercial/Office (estimated at $3,660 per acre)	-	-	-	-	**$732,000**	-	-	-	-	-	-	-	-	-	-	**$732,000**	-	-	-	-	-
Development Fees																					
Per Acre Administration Fee (3000 acres)	$0	$0	$0	$0	**$4,950,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$4,950,000**	$0	$0	$0	$0	$0
Lot Fee (410 lots per year)	$0	$0	$0	$0	**$267,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$267,000**	$0	$0	$0	$0	$0
TOTAL REVENUE:	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$1,107,311,620**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$1,373,702,920**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**
Cumulative Total:	**$1,027,394,230**	**$1,054,033,360**	**$1,080,672,490**	**$1,107,311,620**	**$1,107,311,620**	**$1,133,950,750**	**$1,160,589,880**	**$1,187,229,010**	**$1,213,868,140**	**$1,240,507,270**	**$1,267,146,400**	**$1,293,785,530**	**$1,320,424,660**	**$1,347,063,790**	**$1,373,702,920**	**$1,373,702,920**	**$1,400,342,050**	**$1,426,981,180**	**$1,453,620,310**	**$1,480,259,440**	**$1,506,898,570**

FISCAL COSTS Continued to Year 65:

DIRECT COSTS TO THE CITY OF WINNIPEG Cont…	47	48	49	50	After 50 Years	51	52	53	54	55	56	57	58	59	60	After 60 Years	61	62	63	64	65
Capital Costs (City costs directly attributed to Waverley West development):																					
Extension of Waverley Street	$0	$0	$0	$0	**$4,800,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$4,800,000**	$0	$0	$0	$0	$0
Improvements to Existing Waverley Street	$0	$0	$0	$0	**$3,450,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$3,450,000**	$0	$0	$0	$0	$0
Intersection Improvements Waverley/Bison	$0	$0	$0	$0	**$360,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$360,000**	$0	$0	$0	$0	$0
Extension of Bison Drive	$0	$0	$0	$0	**$5,300,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$5,300,000**	$0	$0	$0	$0	$0
Extension of Kenaston Boulevard	$0	$0	$0	$0	**$18,800,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$18,800,000**	$0	$0	$0	$0	$0
Offsite Transportation Improvements	$0	$0	$0	$0	**$20,800,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$20,800,000**	$0	$0	$0	$0	$0
Fire and Paramedic Services	$0	$0	$0	$0	**$8,000,000**	$0	$0	$0	$0	$1,000,000	$0	$0	$0	$0	$0	**$9,000,000**	$0	$0	$0	$0	$1,000,000
Police	$0	$0	$0	$0	**$1,750,000**	$0	$0	$0	$0	$250,000	$0	$0	$0	$0	$0	**$2,000,000**	$0	$0	$0	$0	$250,000
Community Services	$0	$0	$0	$0	**$11,670,000**	$0	$0	$0	$0	$0	$0	$0	$0	$5,835,000	$5,835,000	**$23,340,000**	$0	$0	$0	$0	$0
Miscellaneous. Capital Contingency	$0	$0	$0	$0	**$10,000,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$10,000,000**	$0	$0	$0	$0	$1,000,000
Infrastructure Renewal	$2,000,000	$2,000,000	$2,000,000	$2,000,000	**$34,200,000**	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	**$54,200,000**	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Total Capital Cost:	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$119,130,000**	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$3,250,000**	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$7,835,000**	**$7,835,000**	**$152,050,000**	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$4,250,000**
Annual City of Winnipeg Operating Costs:	73.0%	74.0%	75.0%	76.0%		77.0%	78.0%	79.0%	80.0%	81.0%	82.0%	83.0%	84.0%	85.0%	86.0%		87.0%	87.5%	88.0%	88.5%	89.0%
Residential	$8,059,200	$8,169,600	$8,280,000	$8,390,400	**$278,549,688**	$8,500,800	$8,611,200	$8,721,600	$8,832,000	$8,942,400	$9,052,800	$9,163,200	$9,273,600	$9,384,000	$9,494,400	**$368,525,688**	$9,604,800	$9,660,000	$9,715,200	$9,770,400	$9,825,600
Commercial/Business/Office	$805,920	$816,960	$828,000	$839,040	**$28,665,360**	$850,080	$861,120	$872,160	$883,200	$894,240	$905,280	$916,320	$927,360	$938,400	$949,440	**$37,662,960**	$960,480	$966,000	$971,520	$977,040	$982,560
Annual Transit Subsidy	$4,350,000	$4,350,000	$4,350,000	$4,350,000	**$154,425,000**	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	**$197,925,000**	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000
Total Operating Costs:	**$13,215,120**	**$13,336,560**	**$13,458,000**	**$13,579,440**	**$461,640,048**	**$13,700,880**	**$13,822,320**	**$13,943,760**	**$14,065,200**	**$14,186,640**	**$14,308,080**	**$14,429,520**	**$14,550,960**	**$14,672,400**	**$14,793,840**	**$604,113,648**	**$14,915,280**	**$14,976,000**	**$15,036,720**	**$15,097,440**	**$15,158,160**
TOTAL CITY OF WINNIPEG COSTS:	**$15,215,120**	**$15,336,560**	**$15,458,000**	**$15,579,440**	**$580,770,048**	**$15,700,880**	**$15,822,320**	**$15,943,760**	**$16,065,200**	**$17,436,640**	**$16,308,080**	**$16,429,520**	**$16,550,960**	**$22,507,400**	**$22,628,840**	**$756,163,648**	**$16,915,280**	**$16,976,000**	**$17,036,720**	**$17,097,440**	**$19,408,160**
Cumulative Total:	**$534,396,048**	**$549,732,608**	**$565,190,608**	**$580,770,048**	**$580,770,048**	**$596,470,928**	**$612,293,248**	**$628,237,008**	**$644,302,208**	**$661,738,848**	**$678,046,928**	**$694,476,448**	**$711,027,408**	**$733,534,808**	**$756,163,648**	**$756,163,648**	**$773,078,928**	**$790,054,928**	**$807,091,648**	**$824,189,088**	**$843,597,248**

SUMMARY Continued to Year 65:

YEAR:	47	48	49	50	After 50 Years	51	52	53	54	55	56	57	58	59	60	After 60 Years	61	62	63	64	65
TOTAL REVENUE:	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$1,107,311,620**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$1,373,702,920**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**
TOTAL CITY OF WINNIPEG COSTS:	**$15,215,120**	**$15,336,560**	**$15,458,000**	**$15,579,440**	**$580,770,048**	**$15,700,880**	**$15,822,320**	**$15,943,760**	**$16,065,200**	**$17,436,640**	**$16,308,080**	**$16,429,520**	**$16,550,960**	**$22,507,400**	**$22,628,840**	**$756,163,648**	**$16,915,280**	**$16,976,000**	**$17,036,720**	**$17,097,440**	**$19,408,160**
DIFFERENCE:	**$11,424,010**	**$11,302,570**	**$11,181,130**	**$11,059,690**	**$526,541,572**	**$10,938,250**	**$10,816,810**	**$10,695,370**	**$10,573,930**	**$9,202,490**	**$10,331,050**	**$10,209,610**	**$10,088,170**	**$4,131,730**	**$4,010,290**	**$617,539,272**	**$9,723,850**	**$9,663,130**	**$9,602,410**	**$9,541,690**	**$7,230,970**
Cumulative Difference:	**$492,998,182**	**$504,300,752**	**$515,481,882**	**$526,541,572**	**$526,541,572**	**$537,479,822**	**$548,296,632**	**$558,992,002**	**$569,565,932**	**$578,768,422**	**$589,099,472**	**$599,309,082**	**$609,397,252**	**$613,528,982**	**$617,539,272**	**$617,539,272**	**$627,263,122**	**$636,926,252**	**$646,528,662**	**$656,070,352**	**$663,301,322**
Present Value	**$1,808,221**	**$1,720,192**	**$1,636,259**	**$1,556,238**	**$190,551,375**	**$1,479,952**	**$1,407,232**	**$1,337,916**	**$1,271,851**	**$1,064,319**	**$1,148,887**	**$1,091,714**	**$1,037,239**	**$408,474**	**$381,220**	**$201,180,178**	**$888,801**	**$849,280**	**$811,484**	**$775,339**	**$564,975**

FISCAL BENEFITS Continued to Year 80:

DIRECT REVENUE TO THE CITY OF WINNIPEG Cont…	66	67	68	69	70	After 70 Years	71	72	73	74	75	76	77	78	79	80	After 80 Years
Single Family Homes	7500	7500	7500	7500	7500		7500	7500	7500	7500	7500	7500	7500	7500	7500	7500	
Municipal Taxes (2003 base)	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	**$1,106,564,550**	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	$18,037,500	**$1,286,939,550**
Multiple Family Units	4000	4000	4000	4000	4000		4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	
Municipal Taxes Estimate per Unit (2003 base)	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	**$332,438,925**	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	$5,628,000	**$388,718,925**
Commercial (100 acres)	100	100	100	100	100		100	100	100	100	100	100	100	100	100	100	
Municipal Taxes (2003 base per acre)	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	**$87,809,700**	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	$1,427,800	**$102,087,700**
Business/Office (100 acres)	100	100	100	100	100		100	100	100	100	100	100	100	100	100	100	
Municipal Taxes (2003 base per acre)	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	**$78,443,250**	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	$1,275,500	**$91,198,250**
Business Taxes (est. 10% prop tax)	$270,330	$270,330	$270,330	$270,330	$270,330	**$16,625,295**	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	$270,330	**$19,328,595**
City Permit Fees																	
Single Family Homes ($1,065 per house)	-	-	-	-	-	**$7,987,500**	-	-	-	-	-	-	-	-	-	-	**$7,987,500**
Multi-Family Units ($824 per unit)	-	-	-	-	-	**$4,276,000**	-	-	-	-	-	-	-	-	-	-	**$4,276,000**
Commercial/Office (estimated at $3,660 per acre)	-	-	-	-	-	**$732,000**	-	-	-	-	-	-	-	-	-	-	**$732,000**
Development Fees																	
Per Acre Administration Fee (3000 acres)	$0	$0	$0	$0	$0	**$4,950,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$4,950,000**
Lot Fee (410 lots per year)	$0	$0	$0	$0	$0	**$267,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$267,000**
TOTAL REVENUE:	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$1,640,094,220**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$1,906,485,520**
Cumulative Total:	**$1,533,537,700**	**$1,560,176,830**	**$1,586,815,960**	**$1,613,455,090**	**$1,640,094,220**	**$1,640,094,220**	**$1,666,733,350**	**$1,693,372,480**	**$1,720,011,610**	**$1,746,650,740**	**$1,773,289,870**	**$1,799,929,000**	**$1,826,568,130**	**$1,853,207,260**	**$1,879,846,390**	**$1,906,485,520**	**$1,906,485,520**

FISCAL COSTS Continued to Year 80:

DIRECT COSTS TO THE CITY OF WINNIPEG Cont…	66	67	68	69	70	After 70 Years	71	72	73	74	75	76	77	78	79	80	After 80 Years
Capital Costs (City costs directly attributed to Waverley West development):																	
Extension of Waverley Street	$0	$0	$0	$0	$0	**$4,800,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$4,800,000**
Improvements to Existing Waverley Street	$0	$0	$0	$0	$0	**$3,450,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$3,450,000**
Intersection Improvements Waverley/Bison	$0	$0	$0	$0	$0	**$360,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$360,000**
Extension of Bison Drive	$0	$0	$0	$0	$0	**$5,300,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$5,300,000**
Extension of Kenaston Boulevard	$0	$0	$0	$0	$0	**$18,800,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$18,800,000**
Offsite Transportation Improvements	$0	$0	$0	$0	$0	**$20,800,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$20,800,000**
Fire and Paramedic Services	$0	$0	$0	$0	$0	**$10,000,000**	$0	$0	$0	$0	$1,000,000	$0	$0	$0	$0	$0	**$11,000,000**
Police	$0	$0	$0	$0	$0	**$2,250,000**	$0	$0	$0	$0	$250,000	$0	$0	$0	$0	$0	**$2,500,000**
Community Services	$0	$0	$0	$0	$0	**$23,340,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$23,340,000**
Miscellaneous. Capital Contingency	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$0	**$15,000,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$15,000,000**
Infrastructure Renewal	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	**$74,200,000**	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	**$94,200,000**
Total Capital Cost:	**$3,000,000**	**$3,000,000**	**$3,000,000**	**$3,000,000**	**$2,000,000**	**$178,300,000**	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$3,250,000**	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$2,000,000**	**$199,550,000**
Annual City of Winnipeg Operating Costs:	89.0%	89.5%	89.5%	90.0%	90.0%		90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	
Residential	$9,825,600	$9,880,800	$9,880,800	$9,936,000	$9,936,000	**$466,560,888**	$9,936,000	$9,936,000	$9,936,000	$9,936,000	$9,936,000	$9,936,000	$9,936,000	$9,936,000	$9,936,000	$9,936,000	**$565,920,888**
Commercial/Business/Office	$982,560	$988,080	$988,080	$993,600	$993,600	**$47,466,480**	$993,600	$993,600	$993,600	$993,600	$993,600	$993,600	$993,600	$993,600	$993,600	$993,600	**$57,402,480**
Annual Transit Subsidy	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	**$241,425,000**	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	$4,350,000	**$284,925,000**
Total Operating Costs:	**$15,158,160**	**$15,218,880**	**$15,218,880**	**$15,279,600**	**$15,279,600**	**$755,452,368**	**$15,279,600**	**$15,279,600**	**$15,279,600**	**$15,279,600**	**$15,279,600**	**$15,279,600**	**$15,279,600**	**$15,279,600**	**$15,279,600**	**$15,279,600**	**$908,248,368**
TOTAL CITY OF WINNIPEG COSTS:	**$18,158,160**	**$18,218,880**	**$18,218,880**	**$18,279,600**	**$17,279,600**	**$933,752,368**	**$17,279,600**	**$17,279,600**	**$17,279,600**	**$17,279,600**	**$18,529,600**	**$17,279,600**	**$17,279,600**	**$17,279,600**	**$17,279,600**	**$17,279,600**	**$1,107,798,368**
Cumulative Total:	**$861,755,408**	**$879,974,288**	**$898,193,168**	**$916,472,768**	**$933,752,368**	**$933,752,368**	**$951,031,968**	**$968,311,568**	**$985,591,168**	**$1,002,870,768**	**$1,021,400,368**	**$1,038,679,968**	**$1,055,959,568**	**$1,073,239,168**	**$1,090,518,768**	**$1,107,798,368**	**$1,107,798,368**

SUMMARY Continued to Year 80:

YEAR:	66	67	68	69	70	After 70 Years	71	72	73	74	75	76	77	78	79	80	After 80 Years
TOTAL REVENUE:	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$1,640,094,220**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$26,639,130**	**$1,906,485,520**
TOTAL CITY OF WINNIPEG COSTS:	**$18,158,160**	**$18,218,880**	**$18,218,880**	**$18,279,600**	**$17,279,600**	**$933,752,368**	**$17,279,600**	**$17,279,600**	**$17,279,600**	**$17,279,600**	**$18,529,600**	**$17,279,600**	**$17,279,600**	**$17,279,600**	**$17,279,600**	**$17,279,600**	**$1,107,798,368**
DIFFERENCE:	**$8,480,970**	**$8,420,250**	**$8,420,250**	**$8,359,530**	**$9,359,530**	**$706,341,852**	**$9,359,530**	**$9,359,530**	**$9,359,530**	**$9,359,530**	**$8,109,530**	**$9,359,530**	**$9,359,530**	**$9,359,530**	**$9,359,530**	**$9,359,530**	**$798,687,152**
Cumulative Difference:	**$671,782,292**	**$680,202,542**	**$688,622,792**	**$696,982,322**	**$706,341,852**	**$706,341,852**	**$715,701,382**	**$725,060,912**	**$734,420,442**	**$743,779,972**	**$751,889,502**	**$761,249,032**	**$770,608,562**	**$779,968,092**	**$789,327,622**	**$798,687,152**	**$798,687,152**
Present Value	**$637,155**	**$608,263**	**$584,868**	**$558,318**	**$601,063**	**$208,059,724**	**$577,946**	**$555,717**	**$534,343**	**$513,792**	**$428,051**	**$475,029**	**$456,759**	**$439,191**	**$422,299**	**$406,057**	**$212,868,907**

ATTACHMENT “C”
Frontage Levy Summary

ATTACHMENT "C" Frontage Levy Summary

Water and Waste Department Summary:

YEAR:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	BUILD OUT
Total Developed Acres	92.4	184.8	277.2	369.6	482	594.4	706.8	819.2	931.6	1044	1156.4	1268.8	1381.2	1493.6	1586	1678.4	1770.8	1863.2	1897.6	1908	1918.4	1928.8	1940	
Gross Revenue Summary																								
Revenues - Frontage Levy ($2.55 per ff)*	$51,836	$103,673	$155,509	$207,346	$270,402	$333,458	$396,515	$459,571	$522,628	$585,684	$648,740	$711,797	$774,853	$837,910	$889,746	$941,582	$993,419	$1,045,255	$1,064,554	$1,070,388	$1,076,222	$1,082,057	$1,088,340	**$15,311,485**
Water Bill - user fees ($600 per household per year)	$351,000	$702,000	$1,053,000	$1,404,000	$1,755,000	$2,106,000	$2,457,000	$2,808,000	$3,159,000	$3,510,000	$3,861,000	$4,212,000	$4,563,000	$4,914,000	$5,265,000	$5,616,000	$5,967,000	$6,318,000	$6,495,000	$6,600,000	$6,705,000	$6,810,000	$6,900,000	**$93,531,000**
Water Bill - meter fee ($48.40 per household per year)	$28,314	$56,628	$84,942	$113,256	$141,570	$169,884	$198,198	$226,512	$254,826	$283,140	$311,454	$339,768	$368,082	$396,396	$424,710	$453,024	$481,338	$509,652	$523,930	$532,400	$540,870	$549,340	$556,600	**$7,544,834**
City of Winnipeg Capital Costs:																								
Water Feeder Main	$2,500,000	$2,500,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$5,000,000**
Interceptor Sewer	$3,000,000	$5,500,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$8,500,000**
Net Revenue: frontage levy less capital costs:	**-$5,448,164**	**-$7,896,327**	**$155,509**	**$207,346**	**$270,402**	**$333,458**	**$396,515**	**$459,571**	**$522,628**	**$585,684**	**$648,740**	**$711,797**	**$774,853**	**$837,910**	**$889,746**	**$941,582**	**$993,419**	**$1,045,255**	**$1,064,554**	**$1,070,388**	**$1,076,222**	**$1,082,057**	**$1,088,340**	**$1,811,485**
Cumulative Total:	**-$5,448,164**	**-$13,344,491**	**-$13,188,982**	**-$12,981,636**	**-$12,711,234**	**-$12,377,776**	**-$11,981,261**	**-$11,521,690**	**-$10,999,062**	**-$10,413,378**	**-$9,764,638**	**-$9,052,841**	**-$8,277,988**	**-$7,440,078**	**-$6,550,332**	**-$5,608,750**	**-$4,615,331**	**-$3,570,076**	**-$2,505,522**	**-$1,435,134**	**-$358,912**	**$723,145**	**$1,811,485**	**$1,811,485**

Transportation Levy:

YEAR:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	BUILD OUT
Total Developed Acres	92.4	184.8	277.2	369.6	482	594.4	706.8	819.2	931.6	1044	1156.4	1268.8	1381.2	1493.6	1586	1678.4	1770.8	1863.2	1897.6	1908	1918.4	1928.8	1940	
Possible Transportation Levy:																								
Revenues - Frontage Levy ($1.00 per ff)*	$20,328	$40,656	$60,984	$81,312	$106,040	$130,768	$155,496	$180,224	$204,952	$229,680	$254,408	$279,136	$303,864	$328,592	$348,920	$369,248	$389,576	$409,904	$417,472	$419,760	$422,048	$424,336	$426,800	**$6,004,504**
Cumulative Total:	**$20,328**	**$60,984**	**$121,968**	**$203,280**	**$309,320**	**$440,088**	**$595,584**	**$775,808**	**$980,760**	**$1,210,440**	**$1,464,848**	**$1,743,984**	**$2,047,848**	**$2,376,440**	**$2,725,360**	**$3,094,608**	**$3,484,184**	**$3,894,088**	**$4,311,560**	**$4,731,320**	**$5,153,368**	**$5,577,704**	**$6,004,504**	**$6,004,504**

*the frontage levy's assume 220 front feet per developable acre.

Water and Waste Department Summary:

YEAR:	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46
Total Developed Acres	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940
Gross Revenue Summary																							
Revenues - Frontage Levy ($2.55 per ff)*	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340
Water Bill - user fees ($600 per household per year)	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000
Water Bill - meter fee ($48.40 per household per year)	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600
City of Winnipeg Capital Costs:																							
Water Feeder Main	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Interceptor Sewer		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Revenue: frontage levy less capital costs	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**
Cumulative Total:	**$2,899,825**	**$3,988,165**	**$5,076,505**	**$6,164,845**	**$7,253,185**	**$8,341,525**	**$9,429,865**	**$10,518,205**	**$11,606,545**	**$12,694,885**	**$13,783,225**	**$14,871,565**	**$15,959,905**	**$17,048,245**	**$18,136,585**	**$19,224,925**	**$20,313,265**	**$21,401,605**	**$22,489,945**	**$23,578,285**	**$24,666,625**	**$25,754,965**	**$26,843,305**

Transportation Levy:

YEAR:	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46
Total Developed Acres	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	1940
Possible Transportation Levy:																							
Revenues - Frontage Levy ($1.00 per ff)*	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800
Cumulative Total:	**$6,431,304**	**$6,858,104**	**$7,284,904**	**$7,711,704**	**$8,138,504**	**$8,565,304**	**$8,992,104**	**$9,418,904**	**$9,845,704**	**$10,272,504**	**$10,699,304**	**$11,126,104**	**$11,552,904**	**$11,979,704**	**$12,406,504**	**$12,833,304**	**$13,260,104**	**$13,686,904**	**$14,113,704**	**$14,540,504**	**$14,967,304**	**$15,394,104**	**$15,820,904**

Water and Waste Department Summary:

YEAR:	47	48	49	50	After 50 Years	51	52	53	54	55	56	57	58	59	60	After 60 Years	61	62	63	64	65
Total Developed Acres	1940	1940	1940	1940		1940	1940	1940	1940	1940	1940	1940	1940	1940	1940		1940	1940	1940	1940	1940
Gross Revenue Summary																					
Revenues - Frontage Levy ($2.55 per ff)*	$1,088,340	$1,088,340	$1,088,340	$1,088,340	**$44,696,665**	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	**$55,580,065**	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340
Water Bill - user fees ($600 per household per year)	$6,900,000	$6,900,000	$6,900,000	$6,900,000	**$279,831,000**	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	**$348,831,000**	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000
Water Bill - meter fee ($48.40 per household per year)	$556,600	$556,600	$556,600	$556,600	**$22,573,034**	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	**$28,139,034**	$556,600	$556,600	$556,600	$556,600	$556,600
City of Winnipeg Capital Costs:																					
Water Feeder Main	$0	$0	$0	$0	**$5,000,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$5,000,000**	$0	$0	$0	$0	$0
Interceptor Sewer	$0	$0	$0	$0	**$8,500,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$8,500,000**	$0	$0	$0	$0	$0
Net Revenue: frontage levy less capital costs	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$31,196,665**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$42,080,065**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**
Cumulative Total:	**$27,931,645**	**$29,019,985**	**$30,108,325**	**$31,196,665**	**$31,196,665**	**$32,285,005**	**$33,373,345**	**$34,461,685**	**$35,550,025**	**$36,638,365**	**$37,726,705**	**$38,815,045**	**$39,903,385**	**$40,991,725**	**$42,080,065**	**$42,080,065**	**$43,168,405**	**$44,256,745**	**$45,345,085**	**$46,433,425**	**$47,521,765**

Transportation Levy:

YEAR:	47	48	49	50	After 50 Years	51	52	53	54	55	56	57	58	59	60	After 60 Years	61	62	63	64	65
Total Developed Acres	1940	1940	1940	1940		1940	1940	1940	1940	1940	1940	1940	1940	1940	1940		1940	1940	1940	1940	1940
Possible Transportation Levy:																					
Revenues - Frontage Levy ($1.00 per ff)*	$426,800	$426,800	$426,800	$426,800	**$17,528,104**	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	**$21,796,104**	$426,800	$426,800	$426,800	$426,800	$426,800
Cumulative Total:	**$16,247,704**	**$16,674,504**	**$17,101,304**	**$17,528,104**	**$17,528,104**	**$17,954,904**	**$18,381,704**	**$18,808,504**	**$19,235,304**	**$19,662,104**	**$20,088,904**	**$20,515,704**	**$20,942,504**	**$21,369,304**	**$21,796,104**	**$21,796,104**	**$22,222,904**	**$22,649,704**	**$23,076,504**	**$23,503,304**	**$23,930,104**

Water and Waste Department Summary:

YEAR:	66	67	68	69	70	After 70 Years	71	72	73	74	75	76	77	78	79	80	After 80 Years
Total Developed Acres	1940	1940	1940	1940	1940		1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	
Gross Revenue Summary																	
Revenues - Frontage Levy ($2.55 per ff)*	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	**$66,463,465**	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	$1,088,340	**$77,346,865**
Water Bill - user fees ($600 per household per year)	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	**$417,831,000**	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	$6,900,000	**$486,831,000**
Water Bill - meter fee ($48.40 per household per year)	$556,600	$556,600	$556,600	$556,600	$556,600	**$33,705,034**	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	$556,600	**$39,271,034**
City of Winnipeg Capital Costs:																	
Water Feeder Main	$0	$0	$0	$0	$0	**$5,000,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$5,000,000**
Interceptor Sewer	$0	$0	$0	$0	$0	**$8,500,000**	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$8,500,000**
Net Revenue: frontage levy less capital costs	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$52,963,465**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$1,088,340**	**$63,846,865**
Cumulative Total:	**$48,610,105**	**$49,698,445**	**$50,786,785**	**$51,875,125**	**$52,963,465**	**$52,963,465**	**$54,051,805**	**$55,140,145**	**$56,228,485**	**$57,316,825**	**$58,405,165**	**$59,493,505**	**$60,581,845**	**$61,670,185**	**$62,758,525**	**$63,846,865**	**$63,846,865**

Transportation Levy:

YEAR:	66	67	68	69	70	After 70 Years	71	72	73	74	75	76	77	78	79	80	After 80 Years
Total Developed Acres	1940	1940	1940	1940	1940		1940	1940	1940	1940	1940	1940	1940	1940	1940	1940	
Possible Transportation Levy:																	
Revenues - Frontage Levy ($1.00 per ff)*	$426,800	$426,800	$426,800	$426,800	$426,800	**$26,064,104**	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	$426,800	**$30,332,104**
Cumulative Total:	**$24,356,904**	**$24,783,704**	**$25,210,504**	**$25,637,304**	**$26,064,104**	**$26,064,104**	**$26,490,904**	**$26,917,704**	**$27,344,504**	**$27,771,304**	**$28,198,104**	**$28,624,904**	**$29,051,704**	**$29,478,504**	**$29,905,304**	**$30,332,104**	**$30,332,104**

ATTACHMENT “D”
Opportunity Costs

ATTACHMENT "D"

Opportunity Costs

Taxation Revenue less Operating Costs (single-family component only)
in 2003$

YEAR:		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	BUILD OUT
Opportunity Costs [26]																									
50% of lots locate out side city (205 annually)	**Tax Revenue**	$493,025	$986,050	$1,479,075	$1,972,100	$2,465,125	$2,958,150	$3,451,175	$3,944,200	$4,437,225	$4,930,250	$5,423,275	$5,916,300	$6,409,325	$6,902,350	$7,395,375	$7,888,400	$8,381,425	$8,874,450	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	**$129,401,025**
	Operating Cost	$154,440	$308,880	$463,320	$617,760	$772,200	$926,640	$1,081,080	$1,235,520	$1,389,960	$1,544,400	$1,698,840	$1,853,280	$2,007,720	$2,162,160	$2,337,660	$2,493,504	$2,649,348	$2,805,192	$2,883,780	$2,956,800	$3,003,840	$3,078,120	$3,146,400	**$41,570,844**
	Net Loss	$338,585	$677,170	$1,015,755	$1,354,340	$1,692,925	$2,031,510	$2,370,095	$2,708,680	$3,047,265	$3,385,850	$3,724,435	$4,063,020	$4,401,605	$4,740,190	$5,057,715	$5,394,896	$5,732,077	$6,069,258	$6,134,970	$6,061,950	$6,014,910	$5,940,630	$5,872,350	**$87,830,181**
33% of lots locate out side city (135 annually)	**Tax Revenue**	$325,397	$650,793	$976,190	$1,301,586	$1,626,983	$1,952,379	$2,277,776	$2,603,172	$2,928,569	$3,253,965	$3,579,362	$3,904,758	$4,230,155	$4,555,551	$4,880,948	$5,206,344	$5,531,741	$5,857,137	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	**$85,404,677**
	Operating Cost	$101,930	$203,861	$305,791	$407,722	$509,652	$611,582	$713,513	$815,443	$917,374	$1,019,304	$1,121,234	$1,223,165	$1,325,095	$1,427,026	$1,542,856	$1,645,713	$1,748,570	$1,851,427	$1,903,295	$1,951,488	$1,982,534	$2,031,559	$2,076,624	**$27,436,757**
	Net Loss	$223,466	$446,932	$670,398	$893,864	$1,117,331	$1,340,797	$1,564,263	$1,787,729	$2,011,195	$2,234,661	$2,458,127	$2,681,593	$2,905,059	$3,128,525	$3,338,092	$3,560,631	$3,783,171	$4,005,710	$4,049,080	$4,000,887	$3,969,841	$3,920,816	$3,875,751	**$57,967,919**
25 % of lots locate out side city (102 annually)	**Tax Revenue**	$246,513	$493,025	$739,538	$986,050	$1,232,563	$1,479,075	$1,725,588	$1,972,100	$2,218,613	$2,465,125	$2,711,638	$2,958,150	$3,204,663	$3,451,175	$3,697,688	$3,944,200	$4,190,713	$4,437,225	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	**$64,700,513**
	Operating Cost	$77,220	$154,440	$231,660	$308,880	$386,100	$463,320	$540,540	$617,760	$694,980	$772,200	$849,420	$926,640	$1,003,860	$1,081,080	$1,168,830	$1,246,752	$1,324,674	$1,402,596	$1,441,890	$1,478,400	$1,501,920	$1,539,060	$1,573,200	**$20,785,422**
	Net Loss	$169,293	$338,585	$507,878	$677,170	$846,463	$1,015,755	$1,185,048	$1,354,340	$1,523,633	$1,692,925	$1,862,218	$2,031,510	$2,200,803	$2,370,095	$2,528,858	$2,697,448	$2,866,039	$3,034,629	$3,067,485	$3,030,975	$3,007,455	$2,970,315	$2,936,175	**$43,915,091**
15% of lots locate out side city (62 annually)	**Tax Revenue**	$147,908	$295,815	$443,723	$591,630	$739,538	$887,445	$1,035,353	$1,183,260	$1,331,168	$1,479,075	$1,626,983	$1,774,890	$1,922,798	$2,070,705	$2,218,613	$2,366,520	$2,514,428	$2,662,335	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	**$38,820,308**
	Operating Cost	$46,332	$92,664	$138,996	$185,328	$231,660	$277,992	$324,324	$370,656	$416,988	$463,320	$509,652	$555,984	$602,316	$648,648	$701,298	$748,051	$794,804	$841,558	$865,134	$887,040	$901,152	$923,436	$943,920	**$12,471,253**
	Net Loss	$101,576	$203,151	$304,727	$406,302	$507,878	$609,453	$711,029	$812,604	$914,180	$1,015,755	$1,117,331	$1,218,906	$1,320,482	$1,422,057	$1,517,315	$1,618,469	$1,719,623	$1,820,777	$1,840,491	$1,818,585	$1,804,473	$1,782,189	$1,761,705	**$26,349,054**
10% of lots locate out side city (41 annually)	**Tax Revenue**	$98,605	$197,210	$295,815	$394,420	$493,025	$591,630	$690,235	$788,840	$887,445	$986,050	$1,084,655	$1,183,260	$1,281,865	$1,380,470	$1,479,075	$1,577,680	$1,676,285	$1,774,890	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	**$25,880,205**
	Operating Cost	$30,888	$61,776	$92,664	$123,552	$154,440	$185,328	$216,216	$247,104	$277,992	$308,880	$339,768	$370,656	$401,544	$432,432	$467,532	$498,701	$529,870	$561,038	$576,756	$591,360	$600,768	$615,624	$629,280	**$8,314,169**
	Net Loss	$67,717	$135,434	$203,151	$270,868	$338,585	$406,302	$474,019	$541,736	$609,453	$677,170	$744,887	$812,604	$880,321	$948,038	$1,011,543	$1,078,979	$1,146,415	$1,213,852	$1,226,994	$1,212,390	$1,202,982	$1,188,126	$1,174,470	**$17,566,036**

Opportunity Costs Continued

Taxation Revenue less Operating Costs (single-family component only)

YEAR:		24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46
Opportunity Costs cont…																								
50% of lots locate out side city	**Tax Reven**	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750
	Operating Cost	$3,174,000	$3,201,600	$3,229,200	$3,256,800	$3,284,400	$3,312,000	$3,339,600	$3,367,200	$3,394,800	$3,422,400	$3,450,000	$3,477,600	$3,532,800	$3,588,000	$3,615,600	$3,643,200	$3,698,400	$3,753,600	$3,808,800	$3,864,000	$3,919,200	$3,946,800	$3,974,400
	Net Loss	$5,844,750	$5,817,150	$5,789,550	$5,761,950	$5,734,350	$5,706,750	$5,679,150	$5,651,550	$5,623,950	$5,596,350	$5,568,750	$5,541,150	$5,485,950	$5,430,750	$5,403,150	$5,375,550	$5,320,350	$5,265,150	$5,209,950	$5,154,750	$5,099,550	$5,071,950	$5,044,350
33% of lots locate out side city	**Tax Reven**	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375
	Operating Cost	$2,094,840	$2,113,056	$2,131,272	$2,149,488	$2,167,704	$2,185,920	$2,204,136	$2,222,352	$2,240,568	$2,258,784	$2,277,000	$2,295,216	$2,331,648	$2,368,080	$2,386,296	$2,404,512	$2,440,944	$2,477,376	$2,513,808	$2,550,240	$2,586,672	$2,604,888	$2,623,104
	Net Loss	$3,857,535	$3,839,319	$3,821,103	$3,802,887	$3,784,671	$3,766,455	$3,748,239	$3,730,023	$3,711,807	$3,693,591	$3,675,375	$3,657,159	$3,620,727	$3,584,295	$3,566,079	$3,547,863	$3,511,431	$3,474,999	$3,438,567	$3,402,135	$3,365,703	$3,347,487	$3,329,271
25% of lots locate out side city	**Tax Reven**	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375
	Operating Cost	$1,587,000	$1,600,800	$1,614,600	$1,628,400	$1,642,200	$1,656,000	$1,669,800	$1,683,600	$1,697,400	$1,711,200	$1,725,000	$1,738,800	$1,766,400	$1,794,000	$1,807,800	$1,821,600	$1,849,200	$1,876,800	$1,904,400	$1,932,000	$1,959,600	$1,973,400	$1,987,200
	Net Loss	$2,922,375	$2,908,575	$2,894,775	$2,880,975	$2,867,175	$2,853,375	$2,839,575	$2,825,775	$2,811,975	$2,798,175	$2,784,375	$2,770,575	$2,742,975	$2,715,375	$2,701,575	$2,687,775	$2,660,175	$2,632,575	$2,604,975	$2,577,375	$2,549,775	$2,535,975	$2,522,175
15% of lots locate out side city	**Tax Rever**	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625
	Operating Cost	$952,200	$960,480	$968,760	$977,040	$985,320	$993,600	$1,001,880	$1,010,160	$1,018,440	$1,026,720	$1,035,000	$1,043,280	$1,059,840	$1,076,400	$1,084,680	$1,092,960	$1,109,520	$1,126,080	$1,142,640	$1,159,200	$1,175,760	$1,184,040	$1,192,320
	Net Loss	$1,753,425	$1,745,145	$1,736,865	$1,728,585	$1,720,305	$1,712,025	$1,703,745	$1,695,465	$1,687,185	$1,678,905	$1,670,625	$1,662,345	$1,645,785	$1,629,225	$1,620,945	$1,612,665	$1,596,105	$1,579,545	$1,562,985	$1,546,425	$1,529,865	$1,521,585	$1,513,305
10% of lots locate out side city	**Tax Rever**	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750
	Operating Cost	$634,800	$640,320	$645,840	$651,360	$656,880	$662,400	$667,920	$673,440	$678,960	$684,480	$690,000	$695,520	$706,560	$717,600	$723,120	$728,640	$739,680	$750,720	$761,760	$772,800	$783,840	$789,360	$794,880
	Net Loss	$1,168,950	$1,163,430	$1,157,910	$1,152,390	$1,146,870	$1,141,350	$1,135,830	$1,130,310	$1,124,790	$1,119,270	$1,113,750	$1,108,230	$1,097,190	$1,086,150	$1,080,630	$1,075,110	$1,064,070	$1,053,030	$1,041,990	$1,030,950	$1,019,910	$1,014,390	$1,008,870

Opportunity Costs Continued

Taxation Revenue less Operating Costs (single-family component only)

YEAR:		47	48	49	50	After 50 Years	51	52	53	54	55	56	57	58	59	60	After 60 Years	61	62	63	64	65
Opportunity Costs cont…																						
50% of lots locate out side city	**Tax Reven**	$9,018,750	$9,018,750	$9,018,750	$9,018,750	**$372,907,275**	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	**$463,094,775**	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750
	Operating Cost	$4,029,600	$4,084,800	$4,140,000	$4,195,200	**$139,274,844**	$4,250,400	$4,305,600	$4,360,800	$4,416,000	$4,471,200	$4,526,400	$4,581,600	$4,636,800	$4,692,000	$4,747,200	**$184,262,844**	$4,747,200	$4,830,000	$4,857,600	$4,885,200	$4,912,800
	Net Loss	$4,989,150	$4,933,950	$4,878,750	$4,823,550	**$233,632,431**	$4,768,350	$4,713,150	$4,657,950	$4,602,750	$4,547,550	$4,492,350	$4,437,150	$4,381,950	$4,326,750	$4,271,550	**$278,831,931**	$4,271,550	$4,188,750	$4,161,150	$4,133,550	$4,105,950
33% of lots locate out side city	**Tax Reven**	$5,952,375	$5,952,375	$5,952,375	$5,952,375	**$246,118,802**	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	**$305,642,552**	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375
	Operating Cost	$2,659,536	$2,695,968	$2,732,400	$2,768,832	**$91,921,397**	$2,805,264	$2,841,696	$2,878,128	$2,914,560	$2,950,992	$2,987,424	$3,023,856	$3,060,288	$3,096,720	$3,133,152	**$121,613,477**	$3,133,152	$3,187,800	$3,206,016	$3,224,232	$3,242,448
	Net Loss	$3,292,839	$3,256,407	$3,219,975	$3,183,543	**$154,197,404**	$3,147,111	$3,110,679	$3,074,247	$3,037,815	$3,001,383	$2,964,951	$2,928,519	$2,892,087	$2,855,655	$2,819,223	**$184,029,074**	$2,819,223	$2,764,575	$2,746,359	$2,728,143	$2,709,927
25% of lots locate out side city	**Tax Reven**	$4,509,375	$4,509,375	$4,509,375	$4,509,375	**$186,453,638**	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	**$231,547,388**	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375
	Operating Cost	$2,014,800	$2,042,400	$2,070,000	$2,097,600	**$69,637,422**	$2,125,200	$2,152,800	$2,180,400	$2,208,000	$2,235,600	$2,263,200	$2,290,800	$2,318,400	$2,346,000	$2,373,600	**$92,131,422**	$2,373,600	$2,415,000	$2,428,800	$2,442,600	$2,456,400
	Net Loss	$2,494,575	$2,466,975	$2,439,375	$2,411,775	**$116,816,216**	$2,384,175	$2,356,575	$2,328,975	$2,301,375	$2,273,775	$2,246,175	$2,218,575	$2,190,975	$2,163,375	$2,135,775	**$139,415,966**	$2,135,775	$2,094,375	$2,080,575	$2,066,775	$2,052,975
15% of lots locate out side city	**Tax Reven**	$2,705,625	$2,705,625	$2,705,625	$2,705,625	**$111,872,183**	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	**$138,928,433**	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625
	Operating Cost	$1,208,880	$1,225,440	$1,242,000	$1,258,560	**$41,782,453**	$1,275,120	$1,291,680	$1,308,240	$1,324,800	$1,341,360	$1,357,920	$1,374,480	$1,391,040	$1,407,600	$1,424,160	**$55,278,853**	$1,424,160	$1,449,000	$1,457,280	$1,465,560	$1,473,840
	Net Loss	$1,496,745	$1,480,185	$1,463,625	$1,447,065	**$70,089,729**	$1,430,505	$1,413,945	$1,397,385	$1,380,825	$1,364,265	$1,347,705	$1,331,145	$1,314,585	$1,298,025	$1,281,465	**$83,649,579**	$1,281,465	$1,256,625	$1,248,345	$1,240,065	$1,231,785
10% of lots locate out side city	**Tax Reven**	$1,803,750	$1,803,750	$1,803,750	$1,803,750	**$74,581,455**	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	**$92,618,955**	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750
	Operating Cost	$805,920	$816,960	$828,000	$839,040	**$27,854,969**	$850,080	$861,120	$872,160	$883,200	$894,240	$905,280	$916,320	$927,360	$938,400	$949,440	**$36,852,569**	$949,440	$966,000	$971,520	$977,040	$982,560
	Net Loss	$997,830	$986,790	$975,750	$964,710	**$46,726,486**	$953,670	$942,630	$931,590	$920,550	$909,510	$898,470	$887,430	$876,390	$865,350	$854,310	**$55,766,386**	$854,310	$837,750	$832,230	$826,710	$821,190

Opportunity Costs Continued

Taxation Revenue less Operating Costs (single-family component only)

YEAR:		66	67	68	69	70	After 70 Years	71	72	73	74	75	76	77	78	79	80	After 80 Ye
Opportunity Costs cont…																		
50% of lots locate out side city	**Tax Reven**	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	**$553,282,275**	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	$9,018,750	**$643,469,775**
	Operating Cost	$4,912,800	$4,940,400	$4,940,400	$4,968,000	$4,968,000	**$233,225,244**	$4,968,000	$4,968,000	$4,968,000	$4,968,000	$4,968,000	$4,968,000	$4,968,000	$4,968,000	$4,968,000	$4,968,000	**$282,905,244**
	Net Loss	$4,105,950	$4,078,350	$4,078,350	$4,050,750	$4,050,750	**$320,057,031**	$4,050,750	$4,050,750	$4,050,750	$4,050,750	$4,050,750	$4,050,750	$4,050,750	$4,050,750	$4,050,750	$4,050,750	**$360,564,531**
33% of lots locate out side city	**Tax Reven**	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	**$365,166,302**	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	$5,952,375	**$424,690,052**
	Operating Cost	$3,242,448	$3,260,664	$3,260,664	$3,278,880	$3,278,880	**$153,928,661**	$3,278,880	$3,278,880	$3,278,880	$3,278,880	$3,278,880	$3,278,880	$3,278,880	$3,278,880	$3,278,880	$3,278,880	**$186,717,461**
	Net Loss	$2,709,927	$2,691,711	$2,691,711	$2,673,495	$2,673,495	**$211,237,640**	$2,673,495	$2,673,495	$2,673,495	$2,673,495	$2,673,495	$2,673,495	$2,673,495	$2,673,495	$2,673,495	$2,673,495	**$237,972,590**
25% of lots locate out side city	**Tax Reven**	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	**$276,641,138**	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	$4,509,375	**$321,734,888**
	Operating Cost	$2,456,400	$2,470,200	$2,470,200	$2,484,000	$2,484,000	**$116,612,622**	$2,484,000	$2,484,000	$2,484,000	$2,484,000	$2,484,000	$2,484,000	$2,484,000	$2,484,000	$2,484,000	$2,484,000	**$141,452,622**
	Net Loss	$2,052,975	$2,039,175	$2,039,175	$2,025,375	$2,025,375	**$160,028,516**	$2,025,375	$2,025,375	$2,025,375	$2,025,375	$2,025,375	$2,025,375	$2,025,375	$2,025,375	$2,025,375	$2,025,375	**$180,282,266**
15% of lots locate out side city	**Tax Rever**	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	**$165,984,683**	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	$2,705,625	**$193,040,933**
	Operating Cost	$1,473,840	$1,482,120	$1,482,120	$1,490,400	$1,490,400	**$69,967,573**	$1,490,400	$1,490,400	$1,490,400	$1,490,400	$1,490,400	$1,490,400	$1,490,400	$1,490,400	$1,490,400	$1,490,400	**$84,871,573**
	Net Loss	$1,231,785	$1,223,505	$1,223,505	$1,215,225	$1,215,225	**$96,017,109**	$1,215,225	$1,215,225	$1,215,225	$1,215,225	$1,215,225	$1,215,225	$1,215,225	$1,215,225	$1,215,225	$1,215,225	**$108,169,359**
10% of lots locate out side city	**Tax Rever**	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	**$110,656,455**	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	$1,803,750	**$128,693,955**
	Operating Cost	$982,560	$988,080	$988,080	$993,600	$993,600	**$46,645,049**	$993,600	$993,600	$993,600	$993,600	$993,600	$993,600	$993,600	$993,600	$993,600	$993,600	**$56,581,049**
	Net Loss	$821,190	$815,670	$815,670	$810,150	$810,150	**$64,011,406**	$810,150	$810,150	$810,150	$810,150	$810,150	$810,150	$810,150	$810,150	$810,150	$810,150	**$72,112,906**

ATTACHMENT “E”
Descriptive Notes

ATTACHMENT "E"

Cost Benefit Analysis Explanatory Notes:

Benefits:

[1] **$2,405** in municipal property taxes per new single-family home: Municipal taxation from single-family homes is based on an average $180,000 assessed home (survey of assessed values for newly constructed single-family homes in 2003, in comparable residential neighbourhoods), using present portioning and mill rates ($180,000 x 0.45 x 0.029686) - school and education taxes/levy are not included in this analysis however would generate an additional $2,390 per home.

[2] **$1,407** in municipal property taxes per multiple-family unit: Municipal taxation from multiple family properties calculated on a per unit average basis. Total estimate of 4,000 multiple-family units; 40% detached/semi detached condo units with an estimated assessed value $150,000 (based on similar properties); 35% to be medium density condo/lifelease or other equity developments with estimated assessed value of $4.0 million per property (based on similar properties) with 40 units per property; 25% to be medium density rental units with assessed value $6.2 million per property (based on similar properties), with 150 units per property. Present portioning and mill rates used.

- $150,000 x 0.45 x 0.029686 = $2,004 per unit x 1,600 units=$3,206,400.
- $4,000,000 x 0.45 x 0.029686 = $53,435 / 40 = $1,336 per unit x 1,400 units = $1,869,000.
- $6,200,000 x 0.45 x 0.029686 = $82,824 / 150 units = $552 per unit x 1,000 units = $552,000.

$5,627,400 / 4000 units of Multi-Family = $1,407 per unit.

[3] **$14,278** in municipal taxes per acre for local commercial development: Estimated assessed value of 100 acres of commercial land $74 million or $740,000 per acre (based on comparable examples of neighbourhood based commercial developments). Using existing portioning and mill rates; $740,0000 x 0.65 x 0.029686 = $14,278 per acre in municipal taxes.

[4] **$12,755** in municipal taxes per acre for business/office development: Estimated assessed value of 100 acres of business/office $66.1 million or $661,000 per acre (based on comparable examples of business/office development). Using existing portioning and mill rates; $661,0000 x 0.65 x 0.029686 = $12,755 per acre in municipal taxes.

[5] Business taxes have been estimated at approximately **10%** of the taxes for the commercial and business/office areas (based on comparable examples of business taxes on commercial/business developments).

[6] 1800 sq. ft. home (with a 900 sq. ft. unfinished basement); building permit ($518.39), plumbing ($122.04), electrical ($122.04), deck ($30.51), lot grading ($100.00), approach ($74.90), and inspection ($97.64) totals approximately **$1,065** per home.

[7] Multi-family permits calculated on an average per unit basis. Bungalow condo (1600 units) calculated same as single family with average size 2000 sq. ft of finished space, which includes finished basement (totals $1,010 per unit); medium density multi-family condo with total of 1400 units (35 projects with 40 units each) and estimated construction cost of $6,000,000 per project (permit fees approximately $51,000 per project or $1,275 per unit); medium density multi-family rental with a total of 1000 units (7 projects with 143 units each) estimated construction cost of $12,900,000 per project ($125,000 per project or $875 per unit).

Multi-Family Permit Summary:

- Bungalow condos: $1,616,000.
- Medium density condo: $1,785,000
- Medium density rental: $875,000
- Total: $4,276,000 **($1,069 per unit**).

[8] Assumed 1 million sq. ft. of development. Estimated construction cost of $100 per sq. ft. Total building permit - $712,162; plumbing and electrical estimate $17,500; others estimated at $2,000 - total estimate of **$732,000** in permit fees over the ten year construction timeframe.

[9] City of Winnipeg per acre administration charge at **$1,650 per acre**. Total gross acreage of 3,000 acres. 50% paid in year 1 and 50% in year 10.

[10] Subdivision lot fees of **$35.60** per lot. Estimate based on single-family lots only.

[11] Sewer and Water Levy. See Attachment "C" for additional information.

[12] The City of Winnipeg has proposed a $1.00 levy per front foot for the purposes of local street and sidewalk renewal. See Attachment "C" for additional information.

Costs:

[13] Extension of Waverley Street through Waverley West (from eastern periphery) to Brady Road. Total cost estimate of $9.7 million includes four travel lanes, lighting, sidewalks, trees and 33% for contingency and engineering. Cost estimate to the City of Winnipeg is **$4.85** million with developer contributing 50%. Development to be phased in as Waverley West progresses.

[14] Improvements to existing Waverley Street (boundary road). Redevelopment of Waverley south of Bison Drive to a four lane arterial, plus two additional lanes north of Bison. Cost for roadwork, plus lighting, sidewalks, trees and 33% for contingency and engineering totals $4.7 million, with city contributing 50% of the cost **($2.35 million**). An additional **$1.1** million would be required to upgrade this portion of Waverley to a 6 lane section throughout, City cost included after buildout.

[15] Improvements to Existing Waverley and Bison Intersection. Cost estimate for intersection improvements totals approximately $712,000 (costs include all turn lanes, and improvements to traffic control signals, 33% for contingency and engineering, with City share 50% or **$360,000**.

[16] Extension of Bison Drive, 550 metres east of Waverley, through Waverley West to Brady Road. Construction cost estimate $10.6 million (includes four travel lanes, lighting, sidewalks, trees and 33% for contingency and engineering. City of Winnipeg share is **$5.3 million**. Development to be phased in as Waverley West progresses.

[17] Extension of Kenaston Boulevard to the Perimeter Highway. Initial cost estimate to construct Kenaston to a four-lane expressway is $33.4 million (including grade-separated fly-overs at Bison Drive and at Ladco Main Street, lighting, noise attenuation berms, street lighting, trees, 25% contingency; no engineering, GST or PST), fully funded by the City (at grade intersections funded by developer).

For the purpose of this study, it is assumed that ½ of the usage of Kenaston **($16.7 million**) will be attributed to area development with the other ½ attributed to regional/city/province as Kenaston will function as a regional expressway route. Additional $4.15 million to add a third

lane in each direction after buildout, with ½ of the cost attributed to area development **$2.1 million**, and other half for regional needs. Development phased in as Waverley West progresses.

[18] Offsite transportation improvements to Waverley, Kenaston, Bishop Grandon as identified in the Waverley West Transportation Report have been estimated to cost a total of approximately $30.9 ($23.2 million plus 33% for contingency and engineering). The cost attributed to Waverley West development totals approximately **$20.8 million** ($15.65 million plus 33% for contingency and engineering). Development to be phased in as Waverley West progresses.

[19] Fire and Paramedic Services. Capital budget estimate - **$11.0 million**, includes initial capital costs for potential station and equipment, plus additional capital contributions every 10 years.

[20] Police Services. Capital budget estimate - **$2.5 million**, includes capital costs for equipment in initial years, plus additional capital contributions every 10 years.

[21] Community Services: Capital budget estimate **$23.34 million**. The estimated cost of a multi-regional recreation/community services centre for southwest Winnipeg - $35 million. At full build out, Waverley West would account for approximately 1/3 of the usage therefore 1/3 of the initial capital cost, plus another 1/3 of the renewal cost.

[22] Miscellaneous Capital Improvements. A capital budget line item added to the Cost-Benefit Analysis to cover any unforeseen capital items that may arise after development. **$15.0 million**

[23] Infrastructure renewal: **$94.2 million**. Renewal of regional transportation system within Waverley West totals $37.9 million. This includes redevelopment of Waverley Street ($16.25 million); Bison Drive ($10.6 million); and Kenaston ($22 million - less berms and grade separation interchanges), again as Kenaston has regional and province wide benefits, only 50% is considered in this analysis ($11 million). Local street renewal would require an additional estimated $51.3 million ($120/front foot x 1,940 acres x 220ff/acre = 426,800 ff), plus an estimate of $5 million for main streets).

Should the City pass a frontage levy in 2005 at $1.00 per front foot, over fifty years this would generate approximately $22.0 million – the frontage levy is not accounted for in this analysis. All water and waste infrastructure would be renewed by the public utility through frontage levies and user fees, and therefore not included in this analysis. The frontage levy alone for water and sewer renewals would generate nearly $44.0 million over 50 years from Waverley West development. See Attachment "C" for additional information.

[24] Assumed annual operating cost to service *new* residential development has been estimated on a per household basis. It is also estimated that the cost to provide services to residents in Waverley West will start off significantly less than in existing areas of the City, and will gradually increase as the development ages. The average city household costs **$960** to service, which is approximately 19% less than the average for single-family houses.

[25] Estimate that the operating expenditures for the commercial/business will be **10%** of the operating expenditures for the residential lands. Rationale is that the area to be dedicated for commercial/business use is approximately 10% of the residential area.

[26] It is expected that at completion there could be as many as four transit routes servicing Waverley West. The Waverley West Transportation Review (ND LEA, 2003) provides additional information on the potential transit requirements. The City's cost estimate to operate these four bus routes is approximately $9.0 million annually, which includes all Transit operating and capital costs.

It is expected that there will be some efficiencies to the existing Transit system though the establishment of these four routes. For the purposes of this analysis, an assumption has been made that between 5-15% efficiency will be generated. These are incorporated into the low and high scenarios. Revenue from rider-ship from Waverley West is expected to be between $2.7 and $3.7 million. As outlined in section 4.2 of this report, 5.9% of the operating costs generated in Waverley West go to Transit, which accounts for approximately $500,000.

This analysis estimates that approximately ***$4.35 million*** would be required annually after full build out (over and above revenues from rider-ship and taxation) to operate these four routes as outlined in the table below.

$ millions	Low	High
Cost of New Routes	$9.0	$9.0
Less Efficiencies	-$1.4	-$0.5
Less Revenues from Waverley West	-$3.7	-$2.7
Operating Loss from new routes	$3.9	$5.8
Less Subsidy paid in WW Property Taxes	-$0.5	-$0.5
Subsidy	$3.4	$5.3
Average	**$4.35**	

[27] It is anticipated that by the end of year 2004, the supply of building lots in South West Winnipeg will be greatly diminished (except for Fairfield Park's estimate of 150 lots, an additional 100 lots in Richmond West, and approximately 100 additional lots in Whyte Ridge). The 410 lots expected to be absorbed in Waverley West annually could be absorbed in other areas of the city, or alternatively outside of Winnipeg. It is expected that a proportion of the lots that would have been built in Waverley West will in fact develop outside of Winnipeg resulting is a loss of revenue.

The Lost Opportunity Cost displays the lost revenue to the City of Winnipeg (taxation revenue less operating costs) when lots that would otherwise be built in Waverley West are now built outside of the City. Many capital costs would remain, as residents outside of the City would continue to utilize Winnipeg streets and other services.