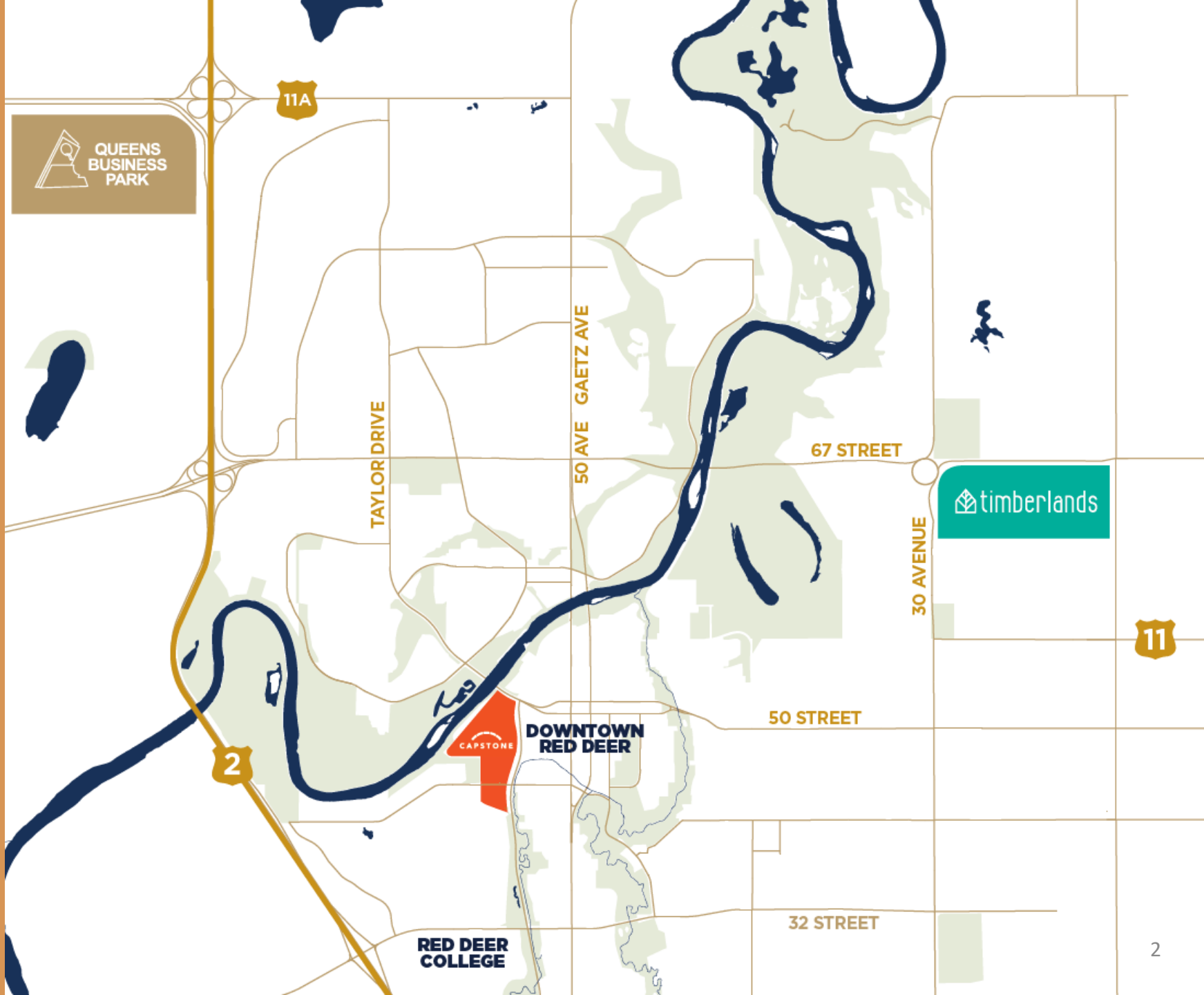


RED DEER LAND

2021 ANNUAL REPORT



Red Deer Kinsmen Dream Home in Timberlands



MESSAGE

2021 marked the 100th Anniversary of The City of Red Deer being in the land development business, and through all that time, its mission and purpose hasn't changed. We exist in order to proactively manage city-owned property, which attracts and encourages private sector development. We develop available land for residential, industrial and mixed-use purposes, with the goal of providing options for every type of developer.

Red Deer Land operates within the Land and Economic Development department at The City of Red Deer. We are a self-supporting business unit – not only are we not funded with tax dollars, but we contribute to the tax base, as outlined in the Financial Benefits summary within this report. Red Deer Land contributes funding to capital projects such as infrastructure projects in Capstone, including Canada 150 Square, the Green Spine, and Riverwalk.

It is our hope that this report will provide you with transparency of our operations and results, and I encourage you to contact us if you have further questions. We're proud to share our accomplishments to date, and the benefits that Red Deer Land provides to the community. Like you, we're excited about recent development in Red Deer, and look forward to a strong future.

John Sennema, Manager, Land and Economic Development

CONTENTS

Red Deer Land History and Mandate	5
The City of Red Deer Strategic Goals	6
Our Team	7
Highlights and Accomplishments	8
Market Share Summary	9
Sales and Inventory Review	12
Financial Benefits to the Community	13



Painted Sea Can by Paula Sommers

RED DEER LAND HISTORY AND MANDATE

The City of Red Deer has been in the land development business since 1921, when a major economic downturn resulted in a significant number of properties being transferred to The City as a result of non-payment of property taxes. When the economy recovered two decades later, The City had a massive amount of land on hand for sale - as lots were sold, the City reinvested a good portion of the excess revenue into new City-owned subdivisions.

To enhance long-term growth and prosperity for Red Deer, Red Deer Land develops available land for a wide range of residential, industrial and mixed-use projects. We are responsible for creating these unique opportunities for the private sector through land development, management and marketing, providing options for every level of developer.

As we are rooted in the future of our city, we must assist in the economic, orderly and well-planned development of city-owned land. To do this, Red Deer Land is committed to being financially responsible, an economic driver, a leader, and providing benefit to the Community:

- Financially Responsible – Red Deer land operates under regulations of the Municipal Government Act and continues to not be tax supported and operates as a separate business unit in the City. Revenues are used to off-set the price of industrial land and contribute to community projects.
- Economic Driver – Red Deer Land ensures that there is readily available serviced land for industrial development and land is available for purchase by citizens and businesses.
- Leader – Red Deer Land tries and tests new processes, practices and ideas such as housing types, environmental initiatives, design elements, and new products.
- Community Benefit – Red Deer Land holds and aggregates land for community uses. It over-dedicates land for parks and environmental preservation and uses revenues to create public spaces and maintain competitive prices for industrial land.

THE CITY OF RED DEER STRATEGIC PLAN 2019-22

The mandate and activities of Red Deer Land align closely with The City of Red Deer's Strategic Plan 2019-2022:

- A Safe Community – Red Deer is a safe and secure community. Safety is strengthened through a focus on enforcement, as well as prevention, intervention and education.
- A Socially Responsible City – Red Deer offers a welcoming community where everyone can enjoy a high quality of life. As a community, together we advocate for much needed social infrastructure and build a resilient community.
- A Chosen Destination – We are a four-season destination where visitors and residents enjoy our parks, trails and distinctive amenities, all within our “city in a park”. Centrally located in the province, we attract events that generate investment and enhance our community identity.
- An Economic Leader – We have a strong, dynamic economy, fostered by entrepreneurship and innovation. Leveraging our central location, Red Deer is an economic hub with a revitalized downtown and diverse local economy.

OUR TEAM

Interim City Manager
Tara Lodewyk

Acting General Manager, Development and Protective Services
Ken McMullen

Land & Economic Development Manager
John Sennema

Land Coordinator
Wade Martens

Land Sales Admin Clerk
Wendy Jacobi

Capstone
Project Manager
Cory Edinga

Economic Development Officer
Michelle Zeggil

Economic Development Officer
Peter McGee

Economic Development Officer
Bre Fitzpatrick

Economic Development Officer
John Powell

Economic Development
Marketing Specialist
Kayla Smith

Economic Development
Research Specialist
Melody McKnight

2021 HIGHLIGHTS AND ACCOMPLISHMENTS

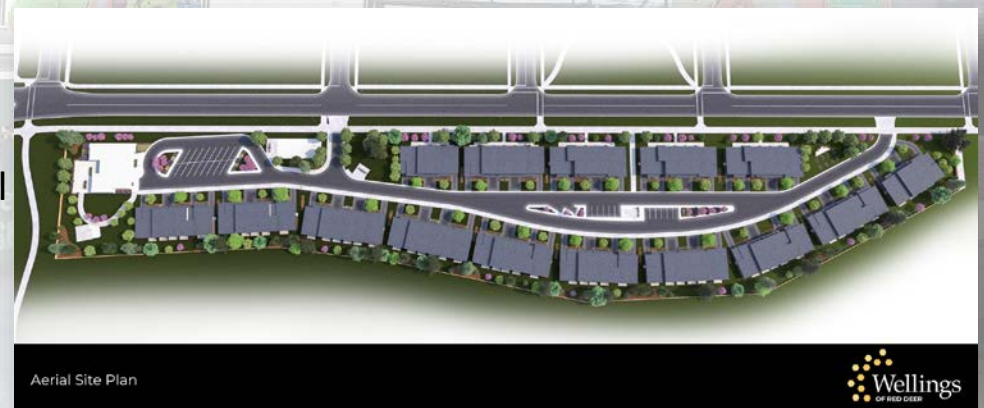
Timberlands

Timberlands continues to be transformed into a dynamic hub serving as a mixed-use commercial, professional and residential space. Following the development of 12.5 acres by Developments 2 Inc. (Timberlands Market and Timberlands Station) which currently has no vacancy, they are currently working on an additional 4.5 acres of commercial development, called Timberlands Crossing.

Timberlands was also the community of choice for the 2021 Kinsmen Dream Home. Continuing their practice of using local homebuilders and trades, this year's 3,500 sq ft Dream Home was designed and built by Truline.

We also continued our relationship with Kim Fox, RE/MAX Realtor, with ongoing promotional campaigns to highlight the benefits of the many new product types available in Timberlands, including wide-shallow lots, and carriage homes.

Ontario-based Nautical Lands Group completed deep utility work in Timberlands, in preparation for a land deal that will close in early 2022 with work continuing in the spring.



2021 HIGHLIGHTS AND ACCOMPLISHMENTS

Queens Business Park

Queens Business Park began a relationship with Salomons Commercial, in order to continue promoting Red Deer's newest industrial business park. Built and serviced to accommodate the needs of any incoming venture, both Heavy and Light Industrial lots available on the main arterial roadway of 75 Avenue and Queens Drive.



Glover International Trucks



Wajax

2021 HIGHLIGHTS AND ACCOMPLISHMENTS

Capstone

Red Deer Land is responsible for socializing and marketing the vision of a master planned, mixed-use community, developed by Gehl and endorsed by Red Deer City Council. To date, over \$45M has been spent creating roads and park spaces and readying the area for Developers.



2021 HIGHLIGHTS AND ACCOMPLISHMENTS

Capstone

With the completion of Canada 150 Square and the Riverwalk, Capstone was able to host a full calendar of outdoor place making and events in 2021, all within applicable COVID restrictions. This included:

Spring Celebration

Father's Day

Hot Dog Day

Calgary Stampede Fireworks presented by Bell
Capstone Quest

E-scooter Launch

OpenStory (Capstone received an Economic
Developers Association of Canada Marketing
award for this event)

OpenArt (with 30 art-based activities)

Olympic Celebrations with free Yoga and Fitness
Classes in the Square

World Fencing Day – Red Deer Fencing Club
demonstration

Truth and Reconciliation Event

Halloween

Best in Snow

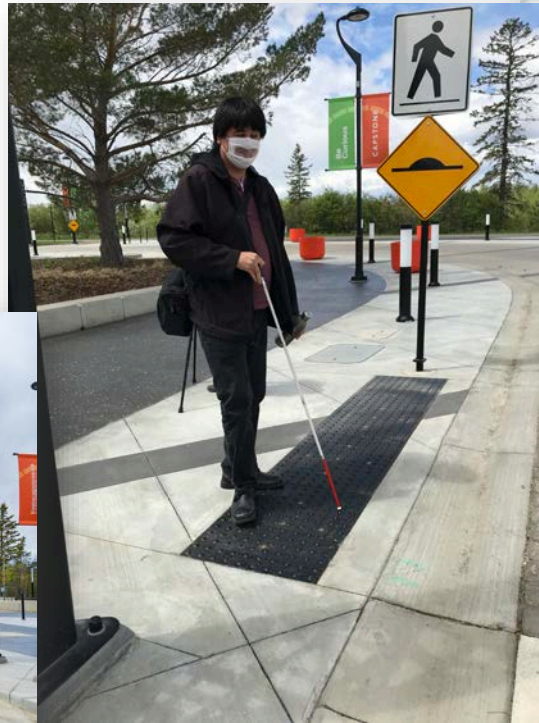
Late Night Shopping



2021 HIGHLIGHTS AND ACCOMPLISHMENTS

Capstone

Capstone was proud to receive a Gold Level rating from the Rick Hansen Foundation Accessibility Certification™, for providing meaningful accessibility in the public spaces of this community. Planning for additional amenities continues for Capstone, a master-planned community with a buildout that will continue over the next 20 years.



2021 HIGHLIGHTS AND ACCOMPLISHMENTS

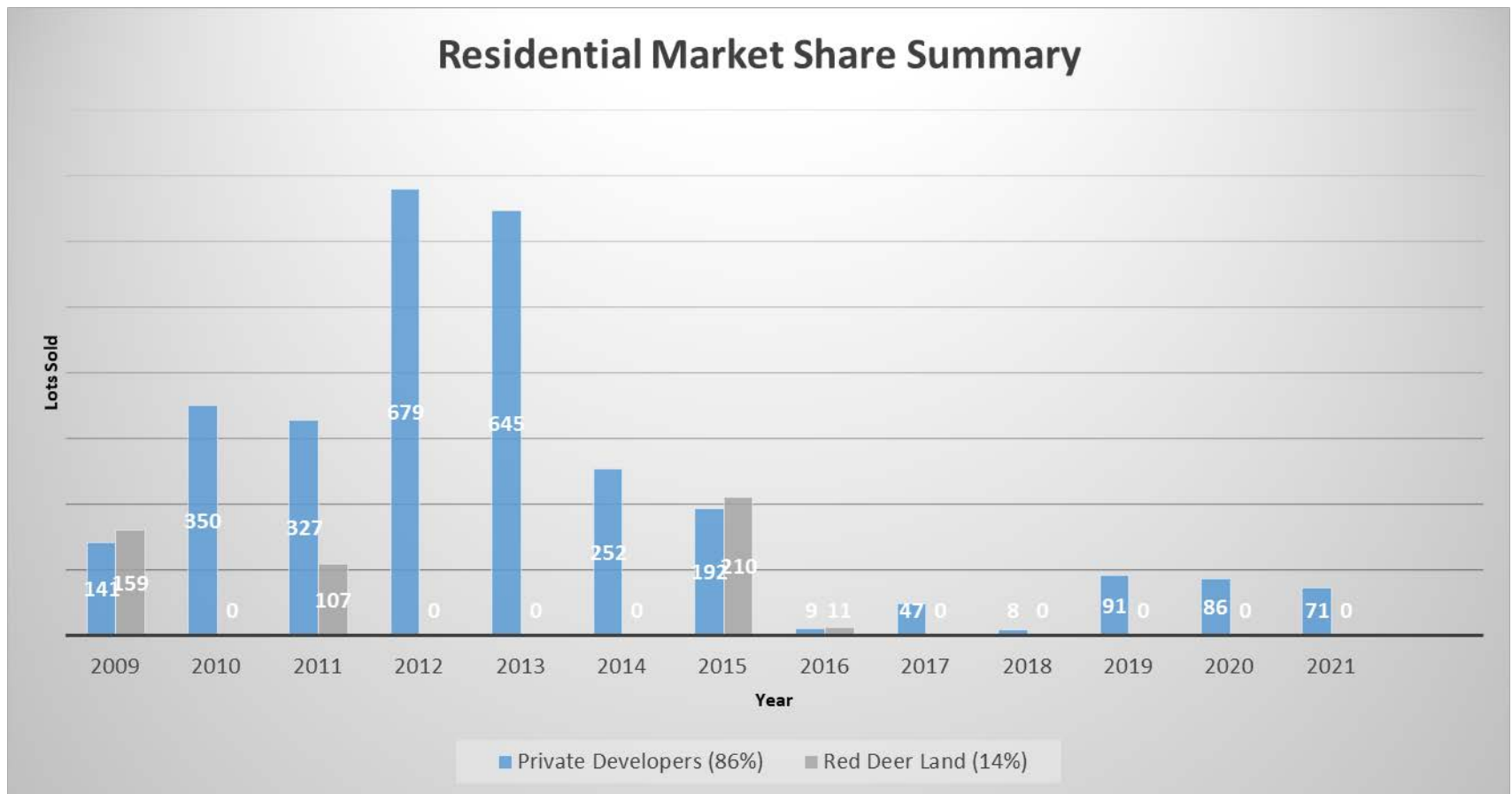
Capstone

Capstone is home to the Common Ground Garden Project (ReThink Red Deer). This dedicated group of volunteers was able to grow and donate over 300 lbs of fresh food in 2021, benefiting the Red Deer Food Bank and Mustard Seed. They also held regular educational drop-in events, as well as an Appreciation event. The land has been donated by the City of Red Deer on a temporary basis for their use.



RESIDENTIAL MARKET SHARE SUMMARY

Market share is calculated based on the number of new residential lots that are subdivided and registered with Alberta Land Titles each year. Red Deer Land's average market share from 2009-2021 is 14%. The City has not registered any new lots with Alberta Land Titles since 2016, as we are focused on our current development projects in Timberlands, Queens Business Park, and Capstone, which all have sufficient available lots to meet current demand.



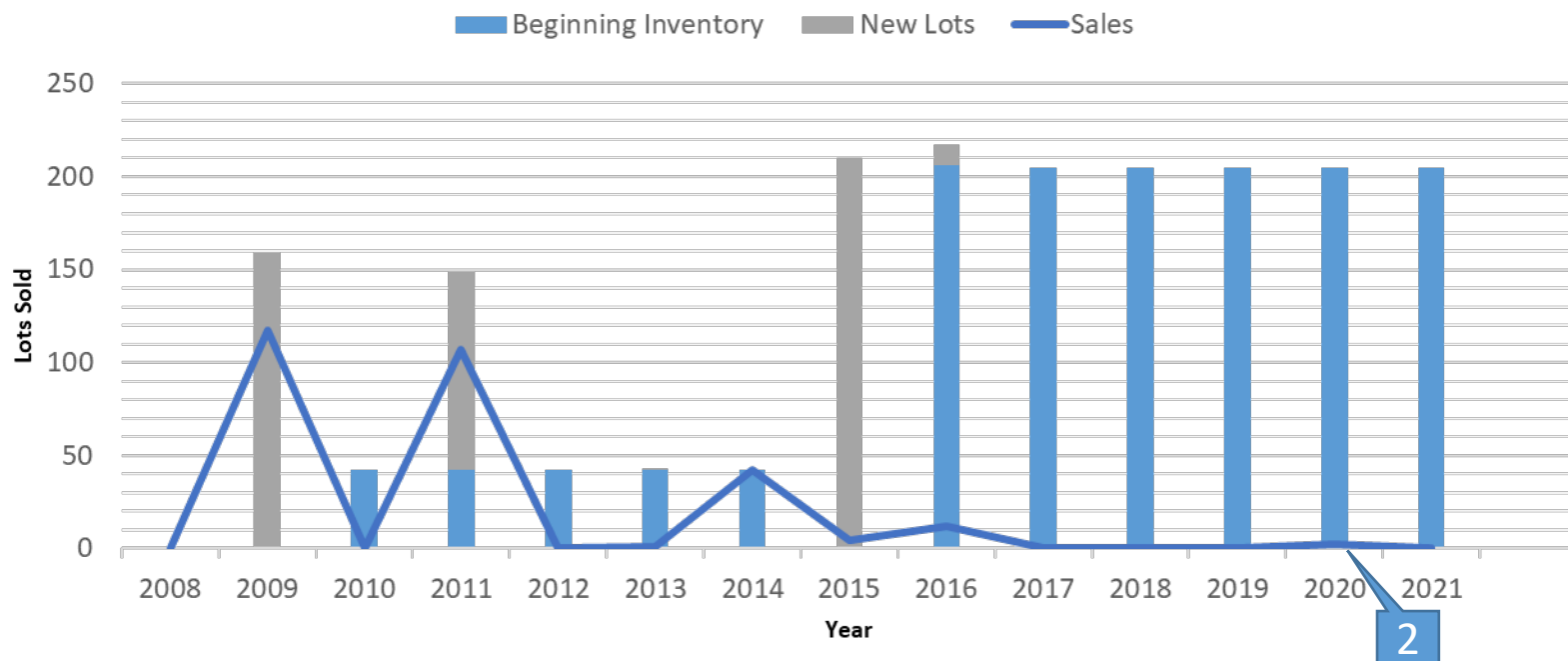
SALES AND INVENTORY REVIEW

Single-Family Residential (R1)

Single-Family Residential land is measured by the number of new lots that were added to the inventory in any given year, and the number of lot sales. The City takes responsibility and initiative to introduce new housing types, environmental initiatives, unique design elements, and new products. It's not unusual for sales to ebb and flow, as introducing new product can take more time. In response to the economic challenges in Alberta over the past few years, we had the lots reassessed to ensure that they are competitively priced within our market and are working with Kim Fox, RE/MAX Realtor, to assist with the marketing of individual lots. The success of new development in the commercial areas of Timberlands will also promote residential sales.

Single-Family Residential – Inventory vs. Sales

*Number of lots



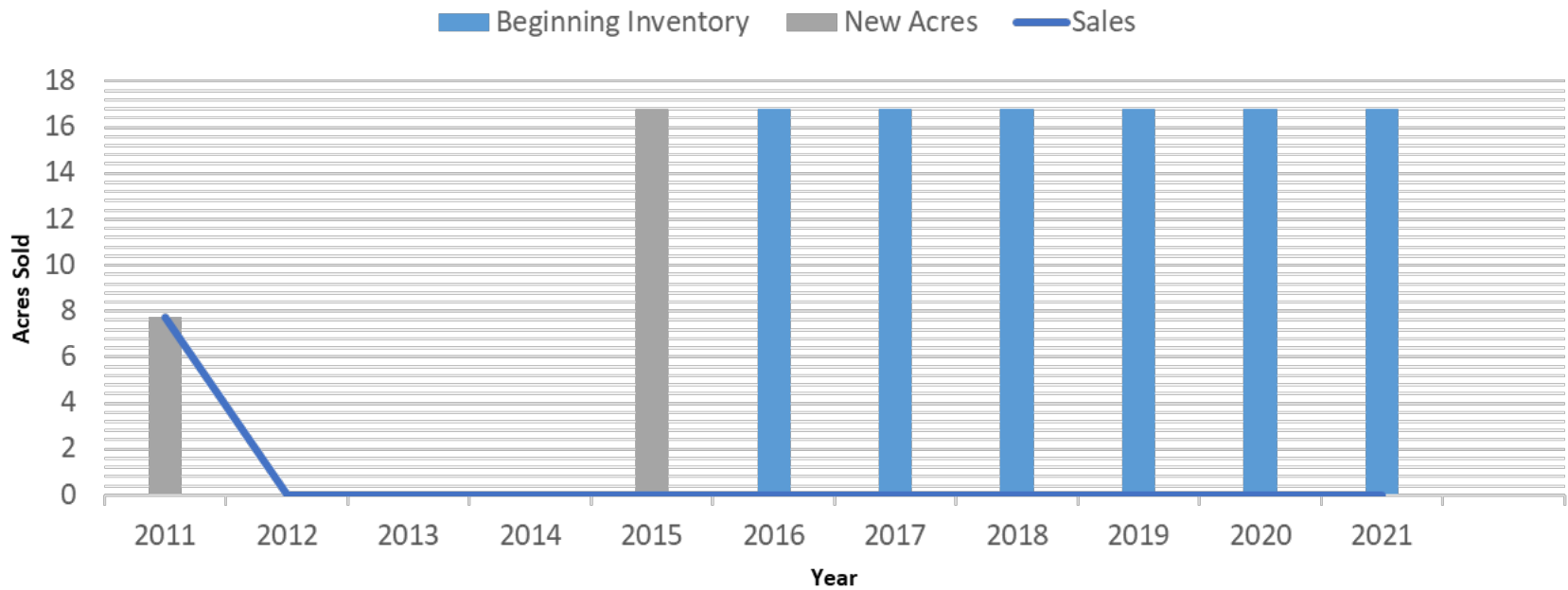
SALES AND INVENTORY REVIEW

Multi-family Residential (R2 and R3)

Multi-Family Residential land is measured by acres – the number of additional acres that were added to the inventory in any given year, and the number of acres sold. Currently, there are a number of multi-family residential lots on hold that are expected to close in early 2022.

Multi-Family Residential – Inventory vs. Sales

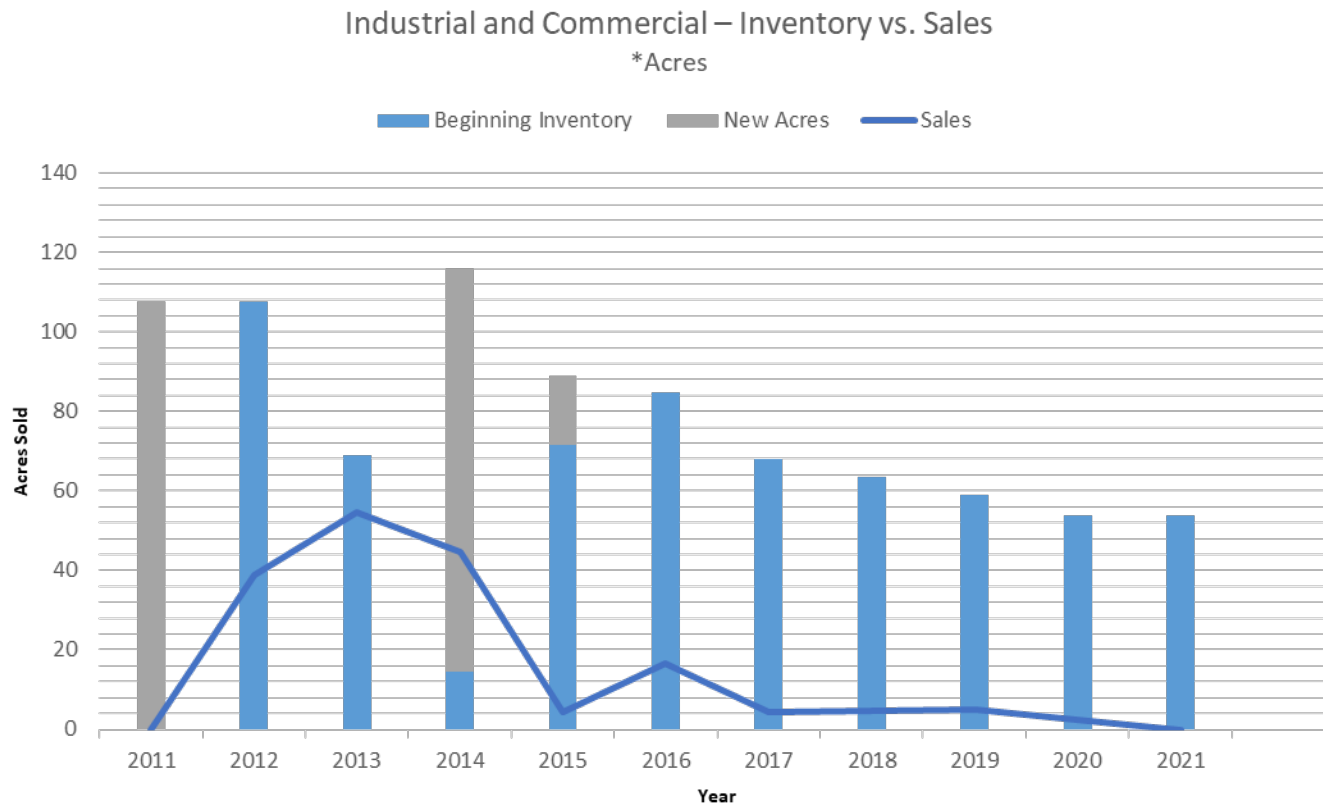
*Acres



SALES AND INVENTORY REVIEW

Industrial and Commercial

Industrial and Commercial land is measured by acres – the number of additional acres that were added to the inventory in any given year, and the number of acres sold. With the completed industrial development of four new land sales in Queens Business Park last year (2020), we will continue to advance infrastructure in Phase 3 to ensure that we have enough available land for future industrial needs. We have also engaged Salomons Commercial Realty to assist with the promotion and sales of remaining available lots in Queens Business Park.



FINANCIAL BENEFITS TO THE COMMUNITY

As detailed in our 2021 Highlights and Accomplishments, the work done by Red Deer Land benefits the community in multiple ways. There are financial benefits as well: every \$1.4M in benefits to the tax base reduces the impact to the tax base by 1%. It also provides funding for Capital projects such as infrastructure in Capstone, as well as Operations and Greenspace preservation.

	2021	Cumulative total 2006-2021
Community Projects - Capital		
Capstone - Green Spine		\$ 504,000
Capstone - Canada 150 Square		\$ 1,928,000
Capstone - Infrastructure		\$ 9,000,000
Capstone - Community Events and Public Amenities	\$ 214,000	\$ 214,000
		\$ 11,646,000
Operating Budget		
Annual Dividend Payment	\$ 100,000	\$ 5,749,641
Operating Budget Funding	\$ 1,024,670	\$ 15,616,253
		\$ 21,365,894
Community Benefit		
Municipal Reserve Over dedication	\$ -	\$ 3,490,748
Greenfield Development Tree Preservation		\$ 1,400,000
Common Ground Garden Project (donated land use)	\$ 40,000	\$ 40,000
		\$ 4,930,748
TOTAL REINVESTMENT	\$ 1,378,670	\$ 37,942,642



Prepared by Land and Economic Development City of Red Deer

December 2021

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