

THREE SISTERS MOUNTAIN VILLAGE SOCIO-ECONOMIC, MUNICIPAL FISCAL IMPACT AND COMMERCIAL MARKET NEEDS ASSESSMENTS

Reports prepared/written by Nichols Applied Management Inc. and Altus Group (Updated October 2020)

Three Sisters Mountain Village (TSMV) owns roughly 80 per cent of the developable land left in Canmore and will be seeking Town of Canmore approval to move forward with their plans to develop two areas: Three Sisters Village, a resort area for residents and guests, and Smith Creek, a new residential community. Our Area Structure Plans (ASPs) have been informed by numerous supporting studies. This document provides a summary of the highlights from the Socio-economic Impact Assessment, the Municipal Fiscal Impact Assessment and Commercial Market Needs Assessment of this future development.

Commercial uses envisioned for all Three Sisters Mountain Village developments will provide a mix of office, creative manufacturing, retail, and indoor recreation space to address local and visitor needs as Canmore grows over the next 20 to 30 years. These studies address key topic areas such as affordability, economic diversification, and tax implications to the Town and its citizens, and more.



TSMV is planning for up to **801,000 square feet of total retail and service commercial space** across the two ASP areas. This square footage is based on forecasted market demand at build out of Canmore.

» **602,000 square feet proposed within the Three Sisters Village ASP, and 199,000 square feet proposed within the Smith Creek ASP.**



Three Sisters Village will provide land that could house up to 188,000 square feet of indoor recreation space, a portion of which may be used for a Town facility (civic use) by the general public. For context, Elevation Place is approximately 77,000 square feet.



Three Sisters Village aims to deliver a walkable, pedestrian and cycle-friendly mixed-use village centre, appropriate for smaller-scale local independent retailers and commercial uses to serve residents and visitors.



The total future population of both planning areas is anticipated to be approximately 14,500 (includes permanent and non-permanent residents and daily visitors). This will be accommodated through:

- » **Proposed 3,070-4,980 units in Three Sisters Village** (5,800-10,000 estimated population)
- » **840-1,730 residential units in Smith Creek** (2,200-4,500 estimated population)
- » **Employee housing for all visitor accommodation** 240 beds proposed within The Gateway development in Stewart Creek.

Socio-Economic Impact Assessment

This Socio-Economic Impact Assessment (SEIA) characterizes the existing conditions in the Town of Canmore and identifies what impact the development of the TSMV project may have on the socio-economic fabric of the community.

The continued growth of Canmore within the TSMV lands has long been planned for. Development of this land will ultimately allow Canmore to continue to grow at generally the same pace and in the same manner as the preceding 15 years.

This project represents the opportunity to address a number of socio-economic concerns currently in the community:

» **Increased housing supply with additional Canmore Community Housing (perpetually affordable housing) units** is expected to improve the rental and ownership market. The addition of 220 to 440 PAH units will reduce cost pressures faced by local business and create an environment with more opportunities suitable for younger families.

- » **The addition of non-residential land** will reduce the excess demand for commercial and light industrial land and allow for the growth of local companies.
- » **An increasing population base** will likely make Canmore a more appealing market for new retailers and service providers.

Annual Economic Impacts of Construction

Impact Category	Gross Domestic Product (\$ millions)	Labour Income (\$ millions)	Jobs
Direct	90	55	720
Indirect	45	30	1,255
Induced	30	10	325
Total	165	95	2,300

Fiscal Impact Assessment

The Municipal Fiscal Impact Assessment (MFIA) study assesses the fiscal impact of the proposed development on the Town of Canmore and existing taxpayers. This includes the future operational and maintenance costs related to the project, including accounting for the potential maintenance of infrastructure, such as the wildlife fence. The following represents only a subset of the total benefits TSMV will have on the community.

According to the MFIA, this project represents an opportunity for the Town to grow in a fiscally sustainable manner.

- » **The balanced land-use mixture provides an assessment base that is more positive than the Town's existing base.** Non-residential property is taxed at a higher rate and provides the opportunity to reverse a recent trend in the community of a diminishing share of non-residential assessment (and return to the assessment split last seen

Town's Assessment Base

	Min Scenarios	Max Scenarios	Town in 2019
Residential	78%	79%	82%
Non-Residential	22%	21%	18%

in 2010).

- » **The assessment shift is expected to lead to tax rates (at full build out) that are below those in 2019 and 2020,** which will leave ratepayers in the community better off.
- » **Canmore is expected to maintain tax rates well below average for Alberta towns** despite serving a large tourist population with per-capita expenditures above the provincial average for towns.

The report concluded that after accounting for increased costs of services and infrastructure, the Town of Canmore is expected to be in a net positive fiscal position. This is an indication that the current level of services offered to residents can be municipally sustained as a result of this project moving forward.

The report also concluded that at both minimum and maximum build-out a positive fiscal impact is generated. Commercial development can be reduced by 30% without increasing tax rates.

Commercial Market Needs Assessment

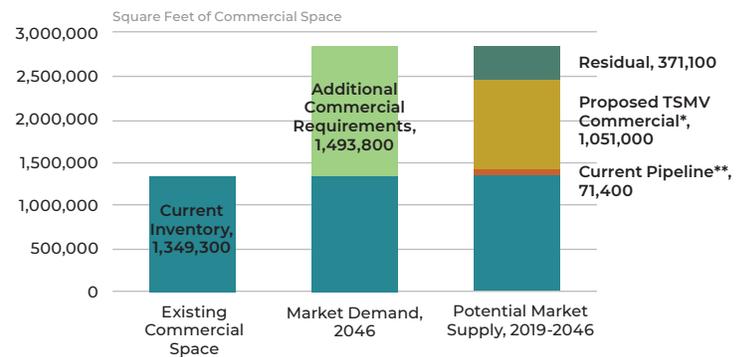
THREE SISTERS VILLAGE: mixed-use resort centre community and pedestrian-friendly retail area, focused on leisure and recreation, health, wellness and lifestyle-oriented commercial uses, facilities, activities and experiences. The Village will include an innovative mix of retail, restaurant, office and creative manufacturing uses with a variety of residential and tourist homes.

SMITH CREEK: a new vibrant, cohesive and comprehensively planned community that will serve Canmore by providing a variety of housing options and a diversity of commercial services and amenities needed for daily living in the light industrial and commercial areas.

The proposed development of commercial space in the Three Sisters Village and Smith Creek districts area will be warranted in the short to long term given market conditions, forecasted population, income and expenditure potential growth, as well as the existing and future commercial inventory.

Commercial Revitalization

Market Supply and Demand, Commercial Space, Town of Canmore, 2019-2046



Note: Figures rounded to the nearest 100 square feet

Source: Altus Group

* Assumes full built-out of TSMV by 2046

** Currently under construction or approved