

COUNCIL REQUEST FOR DECISION

MEETING DATE: November 16, 2020

SUBMITTED BY: S. Olson, Director, Engineering

PREPARED BY: R. Graham, Infrastructure, Manager

REPORT TITLE: Bylaw No. 1063-2020 – Off-Site Levy Bylaw (1st Reading)

EXECUTIVE SUMMARY

The rate changes are necessary in order to properly reflect the updated construction costs of the various infrastructure projects that are required as a result of new development.

The off-site levy reserves fund new or expanded transportation, water and sanitary sewer infrastructure projects that are needed to accommodate new subdivision development and growth which are described in detail under Schedule "C". The cost to provide these necessary infrastructure projects may vary on a yearly basis due to the ever-changing construction costs due to a varying economic environment. As the construction costs will change on a yearly basis, the City needs to adjust the Off-Site Levy Bylaw accordingly.

RECOMMENDATION

That Council gives Bylaw No. 1063-2020, First Reading.

RATIONALE

Through the Off-Site Levy Bylaw update process developers are presented with the changes to the model prior to final approval of the bylaw by Council.

STRATEGIC / RELEVANT PLANS ALIGNMENT

The projects as identified under Schedule "C" in the bylaw are recommendations resulting from the most current Transportation Master Plan, the City of Leduc Water Master Plan and the City of Leduc Sanitary Sewer Master Plan.

ORGANIZATIONAL IMPLICATIONS

ADMINISTRATION:

The annual update re-assessed all off-site levy projects and cost estimates. Project costing estimates are based on 2019 construction tender rates in the Capital Region provided by McElhanney.

This Bylaw No. 1063-2020, if approved, is intended to adjust the off-site levy rate charged on a per hectare basis for new development within the boundaries of the City of Leduc. The weighted average off-site levy rate in 2019 was \$135,737 and this year's update will result in a minor decrease of approximately a 2%.

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Leduc 2020	Transportation Levies (per Ha)	Water Levies (per Ha)	Sanitary Levies (per Ha)	Total (per Ha)
High	\$122,295	\$18,938	\$55,093	\$196,326
Low	\$66,243	\$18,938	\$-	\$85,181
Weighted Average	\$93,873	\$18,938	\$20,269	\$133,080

RISK ANALYSIS: FINANCIAL / LEGAL:

For the bylaw to be formally passed by Council it will require three readings at two separate Council meetings. As required by the *Municipal Government Act* ("MGA"), the Bylaw will be advertised prior to second reading.

In accordance with the *MGA* no public hearing is required for this bylaw. The off-site levies mainly affect the development community, who are independently consulted prior to the bylaw being presented.

IMPLEMENTATION / COMMUNICATIONS:

On October 30, 2020, the proposed adjustments to the Off-Site Levy Bylaw were presented to the members of the Urban Development Institute (UDI) – Leduc. Any comments received by UDI will be taken into consideration, and where applicable addressed during the next Off-Site Levy Bylaw update. Advertising will proceed in accordance with the Advertising Bylaw.

ALTERNATIVES:

1. That Council direct Administration to bring back amendments to Bylaw No. 1063-2020 and leave Bylaw No. 1035-2019 in place until that point in time;
2. That Council defeat first reading of Bylaw No. 1063-2020 leaving Bylaw No. 1035-2019 in place for 2020. A new bylaw will be brought forward as part of the 2021 budget deliberations.

ATTACHMENTS

Proposed Bylaw No. 1063-2020 Off-Site Levy Bylaw

PowerPoint Presentation