

Subject:	Regional Stormwater Off-Site Levy Bylaw Update
Date:	April 16, 2024
Presenter:	Jeannette Lee, Manager
Department:	Capital & Engineering Services

REPORT SUMMARY

Bylaw C-8008-2020 – Regional Stormwater Off-Site Levy Bylaw was approved by Council in June of 2020. The Regional Stormwater Off-Site Levy Bylaw provides for the fair and equitable collection of Off-Site levies related to Regional Stormwater Infrastructure in accordance with the *Municipal Government Act*. The levy structure provides a mechanism to collect adequate funding to construct the necessary Regional Stormwater Management Infrastructure to support the growth of key development areas in East Rocky View County.

The Regional Stormwater Off-Site Levy Bylaw update was prepared following a comprehensive review of the infrastructure and financials to the end of 2023. Key updates to the Bylaw include:

- Updated schedules based on levies collected since the last bylaw.
- Updates to infrastructure expansion costs and accommodation for inflation.
- Addition of Schedule “A3” to capture the internal infrastructure to support the Janet area.
- Addition of Schedule “A4” to capture the internal infrastructure to support the Conrich ASP.

A summary of all the proposed changes to the Schedules within the Bylaw has been provided in Attachment A of this report. This report is intended to provide the Committee with the updated rate, calculated based on the levy collected to date and adjustment of future construction costs. The next phase of this process would be to initiate the engagement process with external stakeholders prior to a report to Council with the amended Bylaw by Q4 of 2024.

ADMINISTRATION’S RECOMMENDATION

THAT the Governance Committee receives the Regional Stormwater Off-Site Levy Bylaw update report as information.

BACKGROUND

In June of 2020, Council approved Bylaw C-8008-2020 – Regional Stormwater Off-Site Levy to support the long-term development of key growth areas within the east side of the County. The current bylaw includes a levy framework that supports the construction of the infrastructure associated with the Cooperative Stormwater Management Initiative (CSMI) System, along with improvements required to support the growth of the Langdon area.

In October of 2020, Rocky View County signed the CSMI User Agreement, the CSMI Development Agreement, and the CSMI Management Agreement; all of which enabled the cooperative to be formed in the third quarter of 2020. The Province of Alberta, through the Alberta Community Resilience Program (ACRP), Alberta Community Partnership (ACP) and Federal New Build Canada Fund (NBCF) provides funding for projects that enhance or enable the protection of infrastructure and/or mitigate public safety hazards as result of the implementation of CSMI.

CSMI is a long-term sustainable solution for stormwater management. It facilitates municipalities to grow and develop land while maintaining water quality in the irrigation system. This supports a vibrant agricultural economy and the long-term health of nearby water courses. The solution combines existing and new infrastructure to divert stormwater runoff away from the primary irrigation delivery system, treat it as necessary and eventually release it to Service Berry Creek. CSMI is a partnership with the City of Calgary, the Town of Strathmore, and the Western Irrigation District, which are recognized through financial contribution-based developable lands that will benefit from the overall Regional Stormwater infrastructure.

The Langdon Regional Drainage levy schedule is a continuation of the 2018 levy structure and remains valid. This area-specific levy structure captures the recommended infrastructure required to support the stormwater runoff from existing and future developments within the Hamlet.

DISCUSSION

Two key themes of the Council's Strategic Plan are thoughtfully managing growth and ensuring the County's financial prosperity. Growth resulting from new development creates opportunities for residents and businesses by fostering a vibrant and diverse economy and generating additional tax revenues to support County services. Growth also affects the costs of operating and maintaining the County's Infrastructure. Balancing the benefits and costs of growth is a key focus of the County's Strategic Plan and the levy structure is a critical tool to help achieve that. It ensures that new development pays a proportionate share of the costs needed for the addition, expansion, and long-term sustainability of the County's Stormwater conveyance network resulting from that growth.

Schedule "A-1" – CSMI

The CSMI rate is calculated based on the relevant capital costs associated with the regional stormwater infrastructure over the defined area of land that is projected to be developed over the next 25 years. The levy rate is computed considering financing needs and projected capital costs. Property owners within the designated Benefitting Area are subject to the levy, determined by applying the levy rate at the time of subdivision and/or development permit application.

The current CSMI levy rate is \$14,807/ha or \$5,992/acre. Considering the updated developable area that will contribute to this levy is 3,746 ha (9,257 acres) and the updated cost (\$77,138,200), the resulting levy amount is \$20,592/ha or \$8,333/acre.

Schedule "A-2" – Langdon Regional Drainage

The proposed updates to the levy bylaw have been derived through various updates to key information that apprise the rates and schedules presented in the bylaw. The updated cost estimate has been adjusted to reflect the current cost of construction and the levy collected to date.

The current Langdon Regional Drainage levy rate is \$7,879/ha or \$3,188/acre. Considering the updated developable area that will contribute to this levy is 407 ha (1,006 acre) and the updated cost (\$10,665,700), the resulting levy amount is \$26,206/ha or \$10,602/acre.

Proposed New Schedules

As the County continues to see developments within the Janet and Conrich Area Structure Plans, crucial infrastructure becomes necessary to address stormwater management. The proposed specific area schedules aim to secure sufficient reserve for constructing the primary network for stormwater conveyance to establish the necessary infrastructure connections and integrate with the CSMI point of connection. The levy is intended specifically to fund the construction of the infrastructure within the ASP boundary to ensure the effective implementation of the stormwater management conveyance system.

Janet

The Janet Master Drainage Plan (MPE, 2016) underwent thorough review to ascertain the costs for inclusion in the Janet stormwater levy. This plan delineates the conveyance infrastructure into the West and East Janet systems, demarcated by the Western Headworks (WH) canal, comprising various conveyance paths and regional ponds. Anticipated growth and development in the existing industrial area west of the WH Canal necessitate the connection of the Janet stormwater conveyance system with the CSMI network in the near term. Establishing a levy structure for collecting funds for constructing the municipal conveyance system is imperative for supporting Janet's future growth. Moreover, additional infrastructure will be required to address the drainage pattern east of the WH Canal, with implementation scheduled for a future date contingent upon greater certainty regarding land use.

The total estimated cost of this 3.6 km regional pipe alignment including approximate land costs is \$11,898,700. Considering the developable area that will contribute to this levy is 719 ha (1,776 acre), the resulting levy amount is \$16,549/ha or \$6,700/acre.

Conrich

Similar to the Janet ASP, the Conrich ASP requires comprehensive infrastructure to manage stormwater effectively. By implementing a levy structure, funds can be allocated toward constructing essential stormwater conveyance systems within the Conrich ASP boundary. This investment ensures that as development progresses within the area, adequate measures are in place to address stormwater runoff, prevent flooding, and protect water quality. Integrating the Conrich ASP stormwater infrastructure with the broader CSMI network enhances regional resilience and promotes efficient management of stormwater runoff. Implementing a stormwater levy for the Conrich ASP is essential to ensure sufficient reserve is being collected to support the future growth of the area.

Segment 1 - \$13,115,600

Segment 2 - \$6,311,200

Segment 3 - \$2,272,500

Segment 4 - \$1,577,200

Segment 5 - \$2,354,300

TOTAL = \$25,630,800

Considering the developable area that will contribute to this levy is 4,017 ha (9,926 acre), the resulting levy amount is \$6,381/ha or \$2,582/acre.

Development Area	CSMI Schedule "A1" \$/acre	Langdon Schedule "A2" \$/acre	Janet Schedule "A3" \$/acre	Conrich Schedule "A4" \$/acre	Total \$/acre
Langdon	\$8,333	\$10,602			\$18,935
Janet (west of Canal)	\$8,333		\$6,700		\$15,033
Conrich	\$8,333			\$2,582	\$10,915

Each municipality tailors its levy structure based on unique factors such as local infrastructure needs, anticipated rate of development, and the characteristics of each jurisdiction for consideration. The County's proposed stormwater offsite levy rate may appear to be higher than the City of Calgary and lower than other that of neighbouring municipalities. While this adjustment is necessary to ensure the sustainability and effectiveness of our stormwater management infrastructure, we understand the importance of maintaining economic competitiveness.

Municipality	\$/hectare	\$/acres
Calgary	\$20,869	\$8,445
Red Deer	\$114,010	\$46,138
Airdrie	\$4,439	\$1,796
Chestermere	\$92,417	\$37,399
Canmore	\$16,231	\$6,568
Lethbridge	\$58,000	\$23,471
Red Deer County	\$31,390	\$12,703

As per the MGA, all off-site levies allow a municipality to recover capital costs for these types of infrastructure based on the degree of benefit the development will receive from these facilities. It is a levy imposed by a municipality through authorization by the Municipality's Council by the adoption of a bylaw. As the County's development proceeds, levy funds are collected, future servicing needs are refined and prioritized, and capital funding plans are developed, it is expected the County will be required to review and update the levy rates as appropriate on a regular basis.

Pending the comments and feedback from the Governance Committee, additional engagement will be completed with external stakeholders on the details of the proposed changes. Administration anticipates a report to Council seeking approval of amendments to this Bylaw, inclusive of all the proposed changes in Q4 of 2024.

ALTERNATE DIRECTION

Administration does not have an alternate direction for the Governance Committee's consideration.

ATTACHMENTS

Attachment A: Proposed Regional Stormwater Off-Site Levy Bylaw Schedules
Attachment B: Presentation



ROCKY VIEW COUNTY

SCHEDULE "A-1" - CSMI Benefitting Area

1. The rationale for and calculations of the CSMI Base Levy Rate applicable to the portion of the CSMI Benefitting Area located within Rocky View County's boundaries, as shown on Map A, to pay for the cost of new or expanded Regional Stormwater Infrastructure required for benefitting Subdivision or Development are based upon the CSMI regional Stormwater Management Infrastructure capital costs detailed in the "Co-operative Stormwater Management Initiative - Water Balance and Stream Erosion Analysis Report" prepared by MPE Engineering Ltd., dated September, 2015 (the "CSMI Report") and the ~~CSMI Stormwater Levy update dated January 15, 2020.~~ **East Stormwater Levy Report dated March 27, 2024.**

Rationale:

2. As a result of the anticipated increase of Stormwater run-off within the County boundaries due to newly created Residential, Agricultural, Business and Institutional development, the County requires the development of the CSMI Regional Stormwater Management Infrastructure to efficiently treat and transport Stormwater to the identified receiving water bodies.
3. As detailed in the CSMI Report, the total **remaining** construction costs for the CSMI regional Stormwater Management Infrastructure **(Rocky View County portion) as of 2024** is approximately ~~\$57,151,403~~, **\$77,138,200** inclusive of Infrastructure construction and land acquisition, if required.
 - a) **The total Rocky View County portion of CSMI Regional Stormwater Management Infrastructure cost is \$79,913,700.**
 - b) **The CSMI Levies collected up until the end of 2023 is \$2,775,500.**
 - c) **Total remaining CSMI infrastructure cost as of 2024 is \$77,138,200.**
4. The total area of lands located within the CSMI Benefitting Area, based upon a 25-year growth projection ~~(as shown on Map A)~~ is ~~3860~~ **3,965 Ha (9,798 ac).**
5. **The Total Contributing Area for the Rocky View County consists of 3,746 Ha (9,257 ac) as follows:**
 - a. **Total benefiting area is 3,965 Ha (9,798 ac)**
 - b. **An estimated 219 Ha (541 ac) of existing developed lands**
 - c. **Total CSMI Contributing Area of 3,746 Ha (9,257 ac)**
6. The total area of benefitting Lands located within the County which are also located within the CSMI Benefitting Area are outlined on Map A.

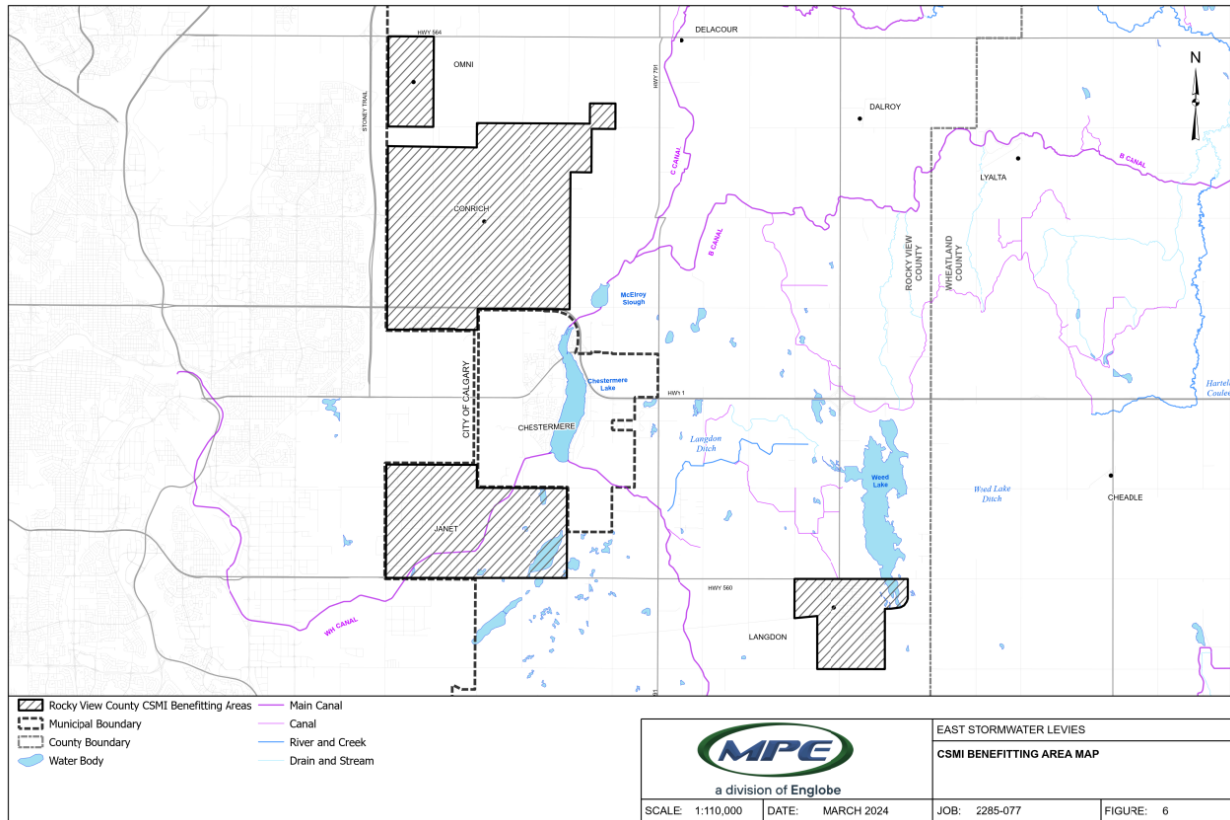
The total CSMI Base Levy Rate applicable to **the Contributing Area Subdivision and Development within the CSMI Benefitting Area within the County is as follows:**

~~\$57,151,403 / 3860 Ha = \$14,807 / Ha or \$5,992 / Acre~~
\$77,138,200 / 3,746 Ha = \$20,592 / Ha or \$8,333 / Acre



ROCKY VIEW COUNTY

SCHEDULE "A-1" - MAP A - CSMI BENEFITTING AREA MAP





SCHEDULE "A-2" - Langdon Regional Drainage Benefitting Area

1. The rationale and calculations of the applicable Off-Site Levy to be imposed within the Hamlet of Langdon, as identified on Map B, to pay for the cost of new or expanded Regional Stormwater Infrastructure required for and/or benefitting Subdivision or Development within the Langdon Regional Drainage Benefitting Area are based upon the "Langdon Comprehensive Stormwater Review Report" prepared by MPE Engineering Ltd. dated February 2016 (the "Langdon Stormwater Report") **updated March, 2024.**

Rationale:

2. The Off-Site Levy calculations are based on the figures and recommendations provided within the Langdon Stormwater Report.
3. With the increase of Stormwater run-off within the Hamlet of Langdon due to both existing and newly created Residential, Business and Institutional development, the County requires the development of Regional Stormwater Infrastructure as identified in the Langdon Stormwater Report and Map B to efficiently transport Stormwater to the identified receiving water bodies (the "Langdon Regional Stormwater Infrastructure").
4. The Langdon Regional Stormwater Infrastructure is comprised of the following infrastructure projects:
 - a) The Glenmore Redirection, and
 - b) The Municipal Ditch Upgrades (Piped Option)
5. ~~As outlined in the Langdon Report~~ The estimated **remaining construction** costs for the Langdon Regional Stormwater Infrastructure **as of 2024** is ~~\$7,800,000.00~~ **\$10,665,700** as follows:
 - a) **Total construction costs of the Langdon Stormwater Infrastructure are \$10,717,300.**
 - b) **An estimated amount of \$51,600 paid prior to 2024.**
 - c) **Total remaining infrastructure cost of \$10,665,700.**
6. The Lands benefitting from the Langdon Regional Stormwater Infrastructure are indicated on Map B and consist of the entire Hamlet of Langdon boundary of 990 Ha (2,446 ac). ~~as follows:~~
 - a) ~~An estimated 417ha (1,030 acres) of existing developed Lands~~
 - b) ~~An estimated 573ha (1,416 acres) of estimated developable Lands~~
 - c) **Total benefitting area is 990 ha (2,446 ac)**



ROCKY VIEW COUNTY

7. The Total Contributing Area for the Hamlet of Langdon consists of 407 Ha (1,006 ac) as follows:
 - a) Total benefitting area is 990 Ha (2,446 ac)
 - b) An estimated 583 Ha (1,440 ac) of existing developed Lands
 - c) Total Contributing Area of 407 Ha (1,006 ac)

The total Langdon Regional Stormwater Infrastructure Levy Rate applicable to ~~Subdivision and Development~~ **the Contributing Area** within the Langdon Regional Drainage Benefitting Area within the County is as follows:

~~\$7,800,000/ 990Ha = \$7,879/ Ha or \$3,188/Acre~~

\$10,665,700 / 407 Ha = \$26,206/ Ha or \$10,602/Acre



ROCKY VIEW COUNTY

SCHEDULE "A-2" - MAP B LANGDON REGIONAL DRAINAGE BENEFITTING AREA MAP





SCHEDULE "A-3" - Janet Regional Drainage Benefitting Area

1. The rationale and calculations of the applicable Off-Site Levy to be imposed within the Hamlet of Janet, as identified on Map B, to pay for the cost of new Regional Stormwater Infrastructure required for and/or benefitting Subdivision or Development within the Janet Regional Drainage Benefitting Area are based upon the "Janet Master Drainage Plan" prepared by MPE Engineering Ltd. dated June 2016 (the "Janet MDP") and the updated costs.

Rationale:

2. The Off-Site Levy calculations are based on the figures and recommendations provided within the Janet MDP.
3. With the increase of Stormwater run-off within the Hamlet of Janet due to both existing and newly created Residential, Business, and Institutional development, the County requires the development of Regional Stormwater Infrastructure as identified in the Janet MDP and Map C to efficiently transport Stormwater to the identified receiving conveyance system (the "West Janet Regional Stormwater Infrastructure").
4. The West Janet Regional Stormwater Infrastructure is comprised of approximately 3.6 km of regional pipe alignments, and costs include estimated land acquisition.
5. As outlined in the Janet MDP and updated costs for a pipe option, the estimated construction costs for the Janet Regional Stormwater Infrastructure are \$11,898,700.
6. The Lands benefitting from the West Janet Regional Stormwater Infrastructure are indicated on Map B and consist of the entire Hamlet of Janet boundary north and west of the WH Canal of 1,218 Ha (3,010 ac).
7. The Total Contributing Area for the Hamlet of Janet north and west of the WH Canal consists of 719 Ha (1,776 ac) as follows:
 - a) Total benefitting area is 1,218 Ha (3,010 ac)
 - b) An estimated 499 Ha (1,234 ac) of existing developed Lands
 - c) Total Contributing Area of 719 Ha (1,776 ac)

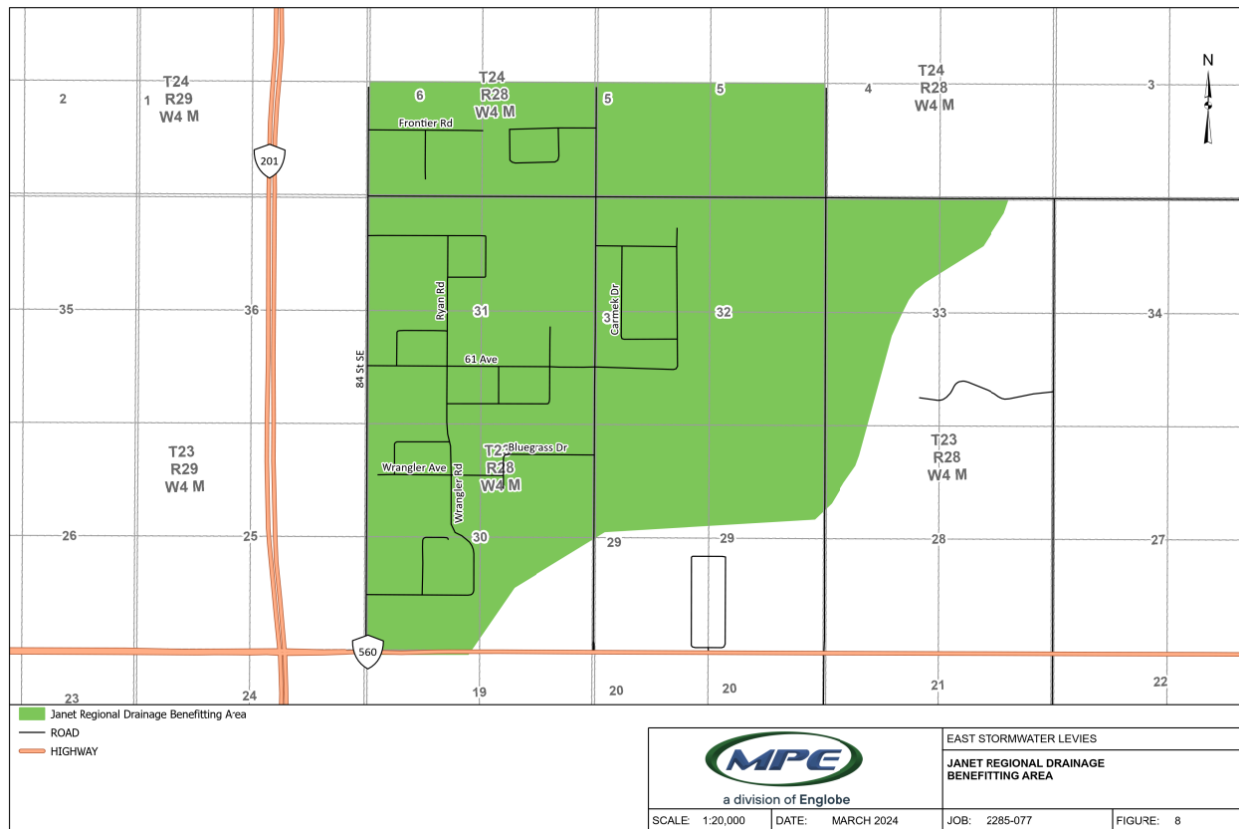
The total Janet Regional Stormwater Infrastructure Levy Rate applicable to the Contributing Area within the Janet Regional Drainage Benefitting Area within the County is as follows:

\$11,898,700 / 719 Ha = \$16,549/ Ha or \$6,700/Acre



ROCKY VIEW COUNTY

SCHEDULE "A-3" - MAP C JANET REGIONAL DRAINAGE BENEFITTING AREA MAP





SCHEDULE "A-4" - Conrich Regional Drainage Benefitting Area

1. The rationale and calculations of the applicable Off-Site Levy to be imposed within the Hamlet of Conrich, as identified on Map B, to pay for the cost of new Regional Stormwater Infrastructure required for and/or benefitting Subdivision or Development within the Conrich Regional Drainage Benefitting Area are based upon the "Conrich Master Drainage Plan" prepared by MPE Engineering Ltd. dated April 2023 (the "Conrich MDP").

Rationale:

2. The Off-Site Levy calculations are based on the figures and recommendations provided within the Conrich MDP.
3. With the increase of Stormwater run-off within the Hamlet of Conrich due to both existing and newly created Residential, Business and Institutional development, the County requires the development of Regional Stormwater Infrastructure as identified in the Conrich MDP and Map D to efficiently transport Stormwater to the identified receiving conveyance system (the "Conrich Regional Stormwater Infrastructure").
4. The Conrich Regional Stormwater Infrastructure is comprised of regional ditch and pipe alignments, and costs include estimated land acquisition, including the following segments:
 - a) Segment 1_0
 - b) Segment 2_0
 - c) Segment 3_0
 - d) Segment 4_0
 - e) Segment 5_0
5. As outlined in the Conrich MDP, the estimated construction costs for the Conrich Regional Stormwater Infrastructure are \$25,630,800.
6. The Lands benefitting from the Conrich Regional Stormwater Infrastructure are indicated on Map B and consist of the entire Hamlet of Conrich boundary of 4,410 Ha (10,897 ac).
7. The Total Contributing Area for the Hamlet of Conrich consists of 4,017 Ha (9,926 ac) as follows:
 - a) Total benefitting area is 4,410 Ha (10,897 ac)
 - b) An estimated 393 Ha (971 ac) of existing developed Lands
 - c) Total Contributing Area of 4,017 Ha (9,926 ac)

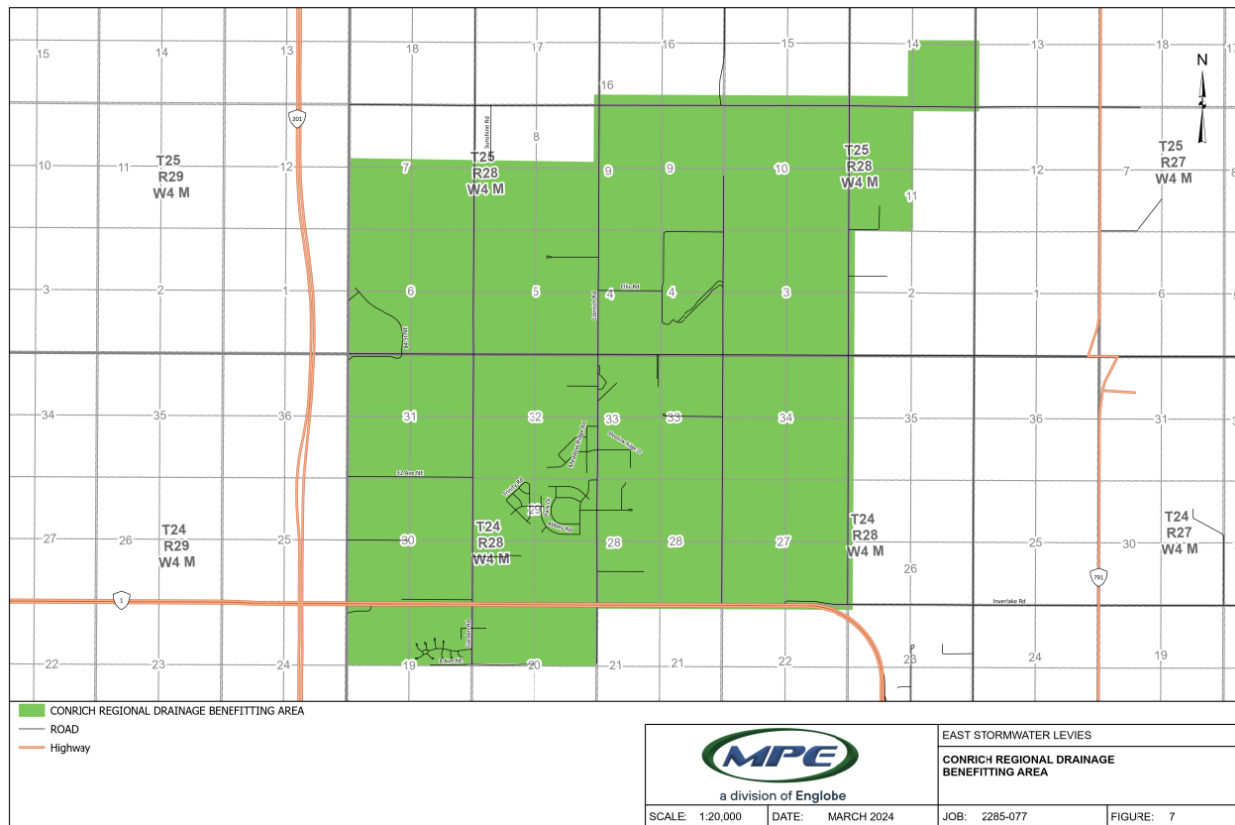
The total Conrich Regional Stormwater Infrastructure Levy Rate applicable to the Contributing Area within the Conrich Regional Drainage Benefitting Area within the County is as follows:

$$\text{\$25,630,800} / 4,017 \text{ Ha} = \text{\$6,381/ Ha or \$2,582/Acre}$$



ROCKY VIEW COUNTY

SCHEDULE "A-4" - MAP D CONRICH REGIONAL DRAINAGE BENEFITTING AREA MAP



Regional Stormwater Off-Site Levy Bylaw Update

Governance Committee

April 16, 2024

Jeannette Lee, Manager Capital & Engineering Services



Municipal Government Act, RSA 2000, M-26

- Municipality can improve the Off-Site Levy to recover capital costs of new or expanded infrastructure associated with new or expanded:
 - Water supply and treatment, storage and transmission;
 - Sanitary treatment, movement or disposal;
 - Stormwater drainage facilities;
 - Transportation network improvements;
 - Community recreation facilities;
 - Fire hall facilities;
 - Police station facilities;
 - Libraries; and
 - Land required for or in connection with any facilities above; and
- Imposition of the levy can only be collected once for each purpose on the subject land.
- Off-Site Levy may only be triggered as a condition of subdivision approval or the issuance of Development Permits. Levy cannot be imposed at the time of Building Permits or issuance of occupancy.
- Off-Site Levy Bylaw will require consultation with stakeholders, ongoing reporting and transparency its determination.

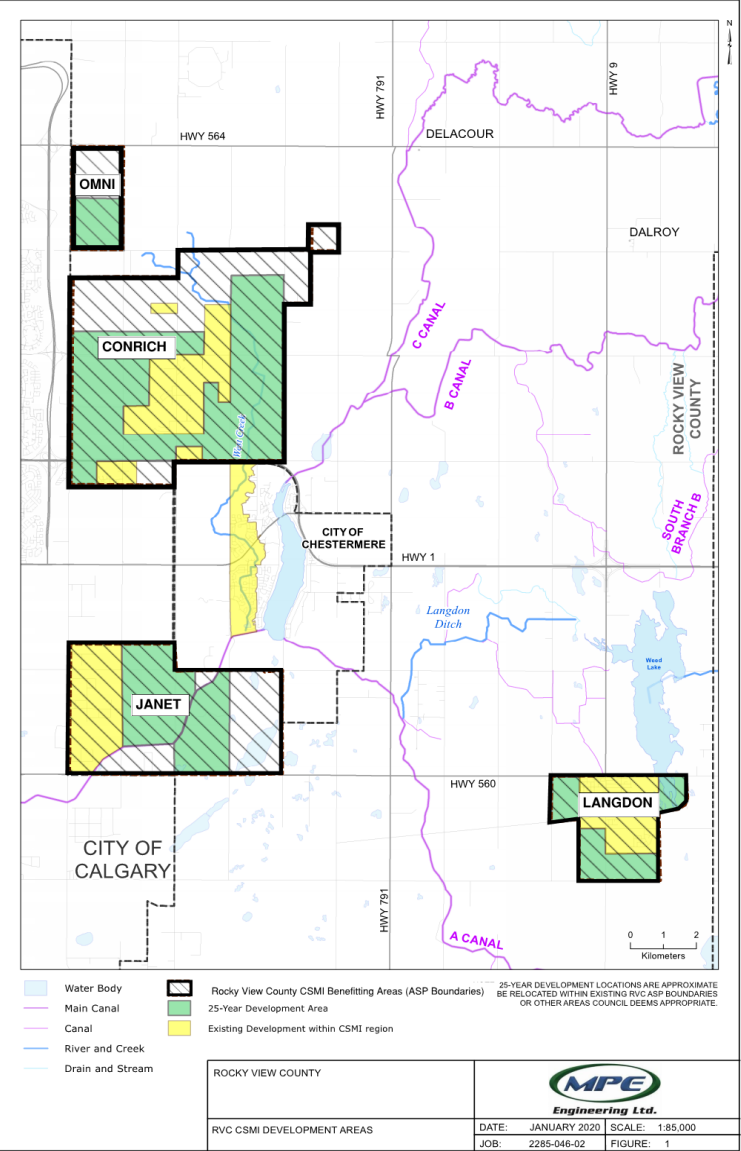


Off-Site Levy Payment Deferral

- Section 648(401) of the MGA allows for the Off-Site Levy to be collected by installments or over time.
- Intent is to assist the Developer to manage cash flow and financing for the development.
- Current Practice:
 - Deferring payment over time is only applicable when there is a Development Agreement to be executed as a condition of the subdivision.



Current Off-Site Levy Schedule

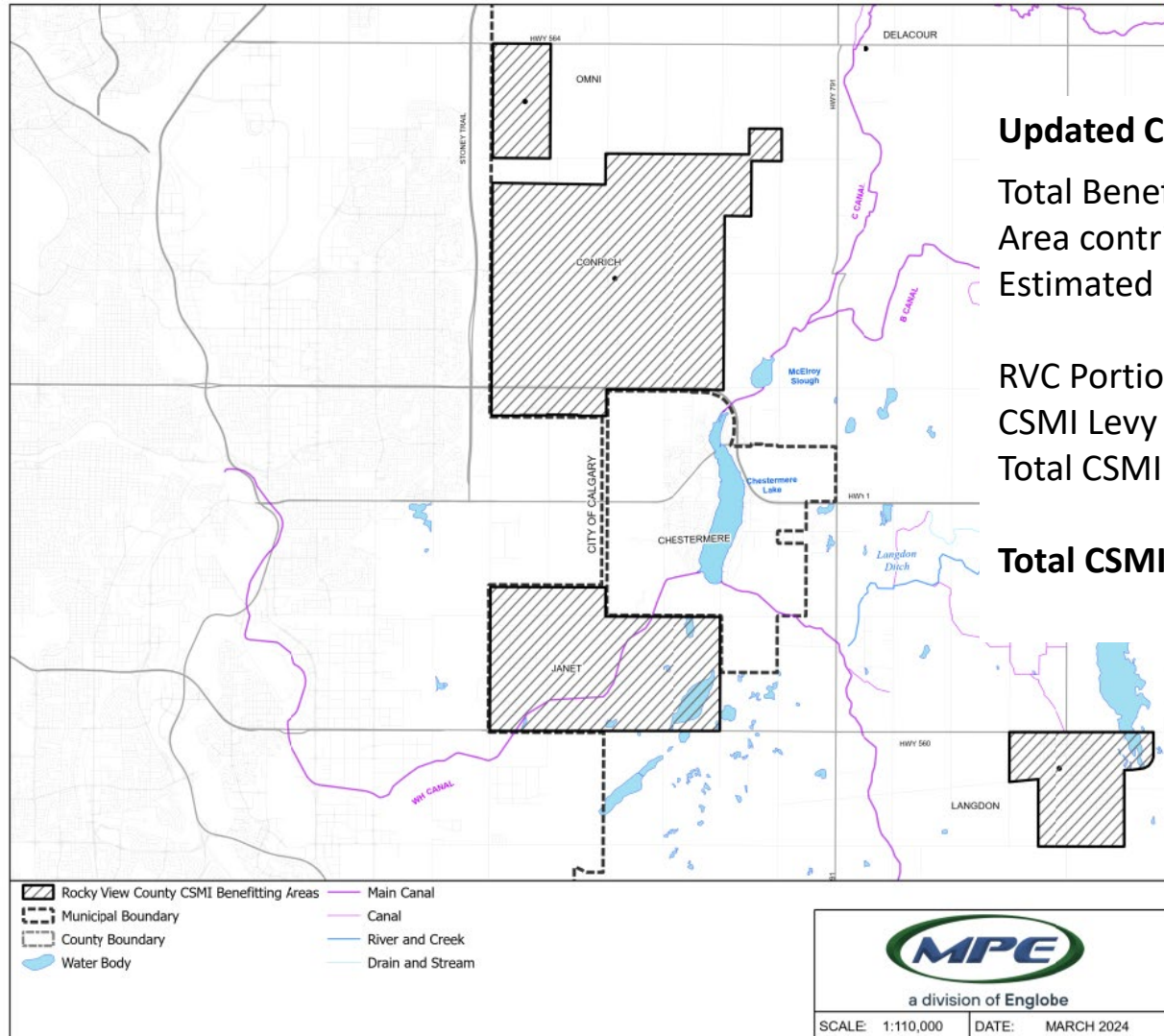


Off-Site Levy Schedule	Cost	Service Area Map
Schedule A-1: CSMI Levy	\$14,807 / Ha (\$5,992 / acre)	Map A
Schedule A-2: Langdon Regional Drainage Levy	\$7,879/ha (\$3,188/acre)	Map B



- CSMI Cooperative has been established
- Current CSMI Cooperative members include:
 - Rocky View County
 - WID
 - City of Calgary
 - The Town of Strathmore
 - Chestermere and Wheatland County have withdrawn from CSMI
- Stage 1-S Bypass south of Chestermere Lake has been completed
- Stage 1-E Underdrain has been completed
- Detailed design is underway for the extension of 1-S to Janet and 2-S to The Langdon Ditch

Updated CSMI Levy



Updated CSMI Levy

Total Benefitting Area (25-year development estimates) = 9,798 acres
 Area contributed to CSMI levy prior to 2024 = 541 acres
 Estimated Remaining Development Acreage = **9257 acres**

RVC Portion of CSMI System Cost = \$79,913,700
 CSMI Levy prior to 2024 = \$2,775,500
 Total CSMI Levy Cost = **\$77,138,200**

Total CSMI Levy = \$8,333/acre



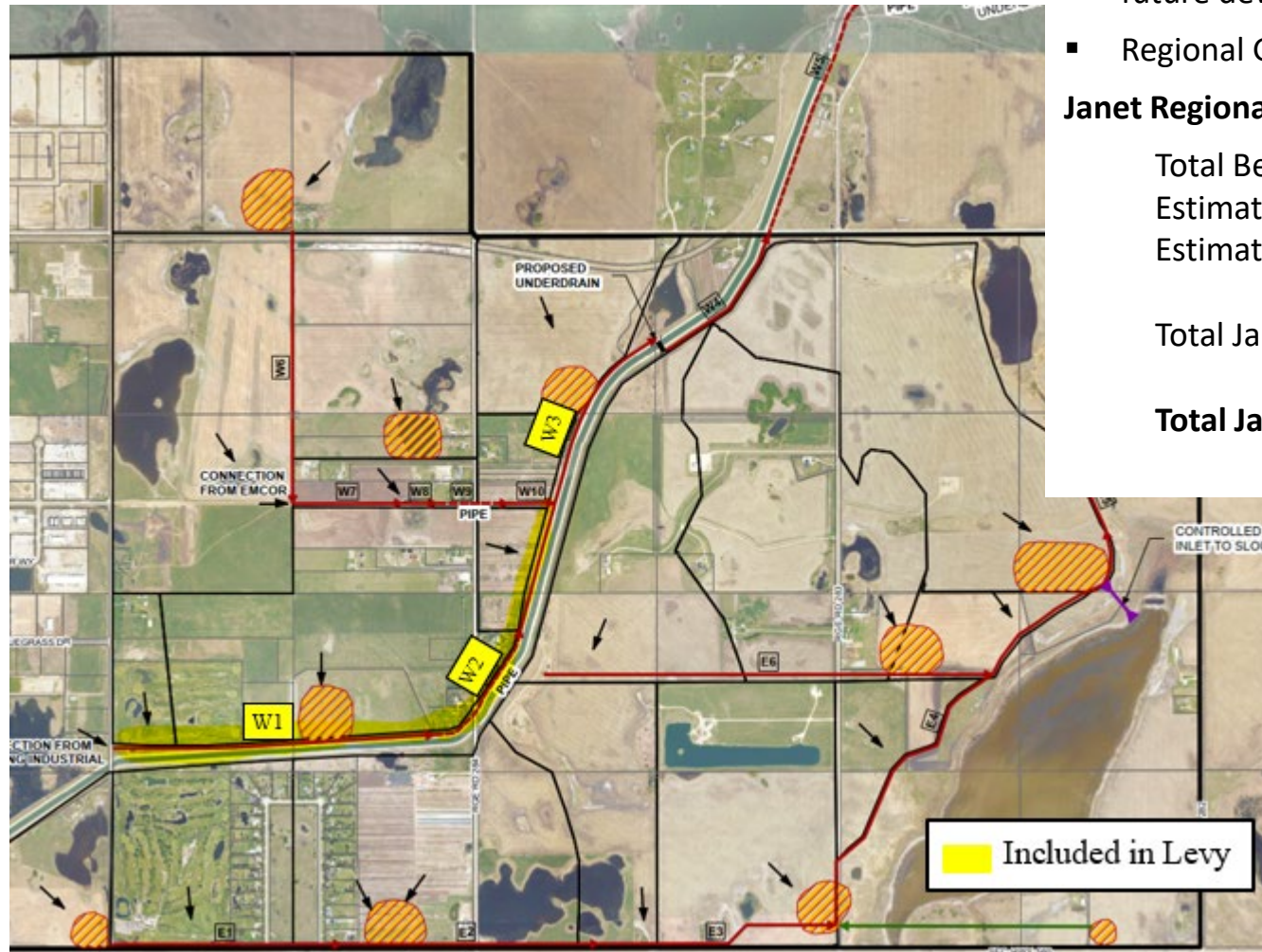
New Janet Schedule

Janet Drainage Infrastructure:

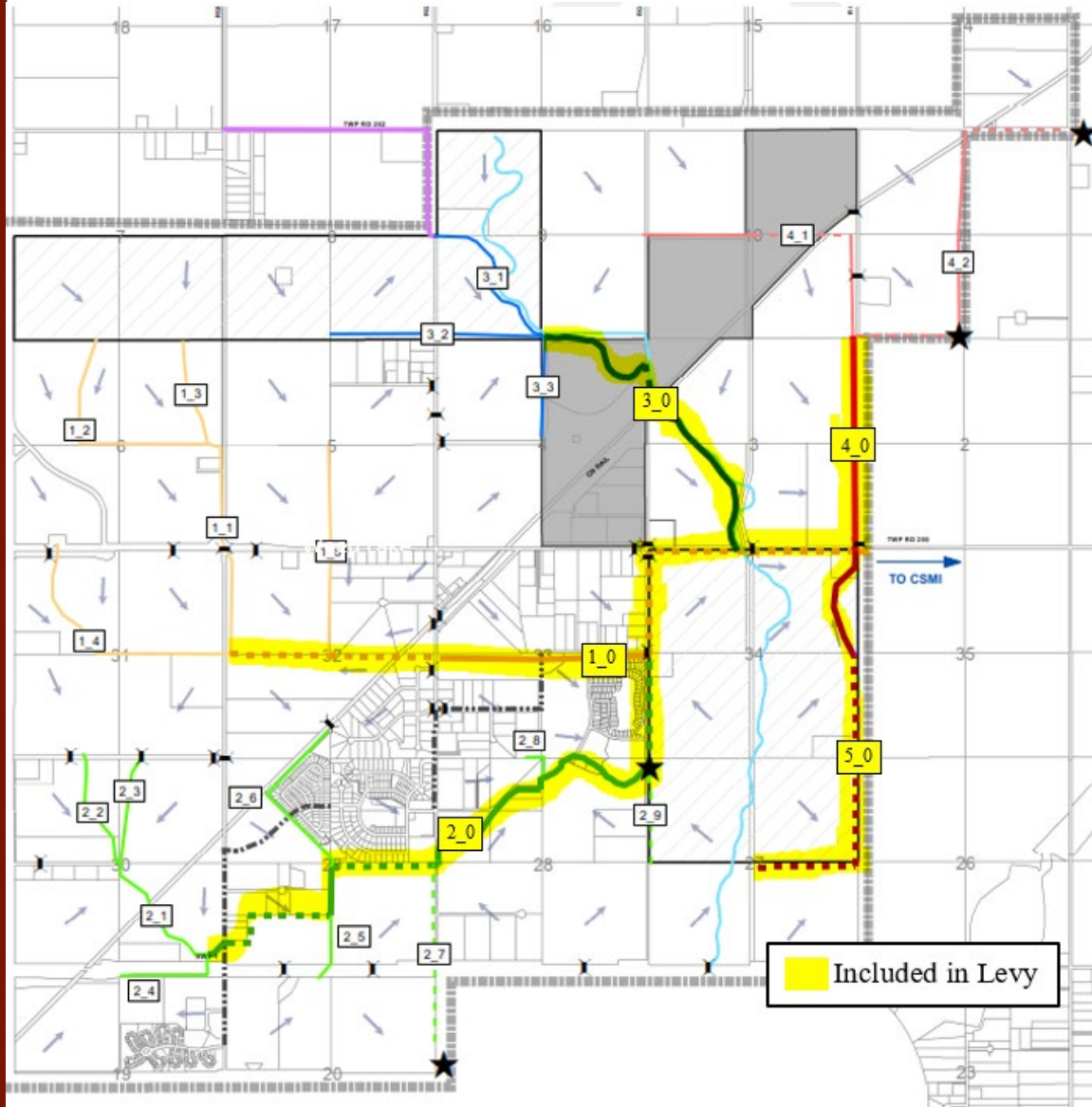
- Local conveyance system connecting to CSMI to service existing and future development on the north and west side of the WH Canal.
- Regional Gravity Conveyance – pipe system

Janet Regional Drainage Levy:

Total Benefitting Area (ASP based) =	3010 acres
Estimated Developed Area =	<u>1234 acres</u>
Estimated Remaining Development Acreage =	1776 acres
Total Janet Stormwater Infrastructure Costs =	\$11,898,700
Total Janet Levy =	\$6,700/acre



New Conrich Schedule



Master Drainage Plan (2023 costs)

- Local conveyance system connecting to CSMI to service existing and future development
- Regional Gravity and Force main Conveyance

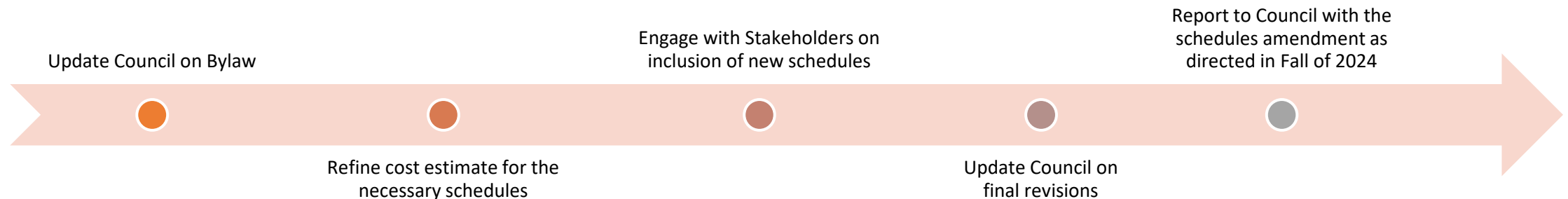
Conrich Regional Drainage Levy:

Total Benefitting Area (ASP based) =	10,897 acres
Estimated Developed Area =	<u>971 acres</u>
Estimated Remaining Development Acreage =	9,926 acres
 Total Conrich Stormwater Infrastructure Costs=	 \$25,630,800
 Total Conrich Levy =	 \$2,582/acre



Next Steps....

- Stakeholder Consultation on Bylaw
- Website – Supporting Information
- Engage industry representatives and stakeholders on updates/changes
 - Rocky View 2020
 - BILD Calgary Region
- Final Edits & Consolidate Feedback
- Prepare final bylaw package for Council consideration
- Bylaw would then apply to development after date of adoption



Comments and Questions

