



Regional Stormwater Off-Site Levy Bylaw

Electoral Division: All

File: 1007-755

Date:	January 7, 2025
Presenter:	Jeannette Lee, Manager
Department:	Capital & Engineering Services

REPORT SUMMARY

This report is for Council’s consideration of the proposed amendments and second and third reading of the amendments to Regional Stormwater Off-Site Levy Bylaw C-8547-2024. The first reading of the Regional Stormwater Off-Site Levy Bylaw C-8547-2024 update took place at the July 23, 2024, Council Meeting. Since first reading, Administration has undergone a consultation process with the relevant stakeholders and legal review for compliance with the Municipal Government Act and the Off-Site Levies Regulation. A summary of the consultation process can be found under Attachment ‘B’.

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 funding 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 since first reading of this Bylaw include:

- The benefiting area under Schedule ‘B-2’ – Langdon has been updated to reflect the full benefiting area of the infrastructure improvements inclusive of existing area and future growth resulted in the new rate of \$11,234/ha or \$4,547/acre.
- The benefiting area under Schedule ‘B-3’ – Janet has been updated to reflect the full benefiting area of the infrastructure improvements inclusive of existing area and future growth resulted in the new rate of \$9,769/ha or \$3,953/acre.
- The benefiting area under Schedule ‘B-4’ – Conrich has been updated to reflect the full benefiting area of the infrastructure improvements inclusive of existing area and future growth resulted in the new rate of \$5,812/ha or \$2,352/acre.
- Clerical wording changes through the bylaw for clarity.

The purpose of this report is to request Council’s approval for the second and third readings of the amended bylaw. Administration recommends setting April 30, 2025, as the bylaw’s effective date to allow sufficient time to transition files currently in the queue and implement procedural updates.

ADMINISTRATION’S RECOMMENDATION

THAT Bylaw C-8547-2024 be amended in accordance with Attachment A.

THAT Bylaw C-8547-2024 be given second reading, as amended

THAT Bylaw C-8547-2024 be given third and final reading, as amended.

BACKGROUND



Regional Stormwater Off-Site Levy Bylaw

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 which 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 that facilitates municipalities to grow and develop land while maintaining water quality in the irrigation system, which 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.

ANALYSIS

Council's Strategic Plan emphasizes managing growth and ensuring financial prosperity. New development brings opportunities and challenges, impacting both the economy and infrastructure costs. The levy structure, crucial for balancing these dynamics, ensures new development contributes proportionately to infrastructure needs.

Schedule "B-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 "B-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 949.45 ha (2,346 acres), the resulting levy amount is \$11,234/ha or \$4,547/acre.

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Schedule “B-3” – Janet Regional Drainage

The Janet Master Drainage Plan (MPE, 2016) was carefully reviewed to determine costs for the Janet stormwater levy. This plan divides the conveyance infrastructure into West and East Janet systems, separated by the Western Headworks (WH) canal. Establishing a levy structure to fund the municipal conveyance system is crucial for supporting Janet's growth. Additional infrastructure will be needed to address drainage patterns east of the WH Canal, with implementation scheduled later.

Considering the updated developable area that will contribute to this levy is 1,218 ha (3,010 acres) contributing to the levy, the resulting levy amount is \$9,769/ha or \$3,953/acre.

Schedule “B-4” – Conrich Regional Drainage

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.

Considering the updated developable area that will contribute to this levy is 4,410 ha (10,897 acres), the resulting levy amount is \$5,812/ha or-\$2,352/acre.

Summary of Schedules

The proposed amendments to the current Bylaw are based on a comprehensive review of stormwater generated by future development and infrastructure required to address stormwater management. The following table summarizes the rate changes resulting from the work and will form the key charges reflected in a future bylaw, subject to public, Council and stakeholder engagement.

Development Area	CSMI Schedule “B1” \$/acre	Langdon Schedule “B2” \$/acre	Janet Schedule “B3” \$/acre	Conrich Schedule “B4” \$/acre	Total \$/acre
Langdon	\$8,333	\$4,547			\$12,880
Janet (west of Canal)	\$8,333		\$3,953		\$12,286
Conrich	\$8,333			\$2,352	\$10,685

COMMUNICATIONS / ENGAGEMENT

In accordance with the *Municipal Government Act*, municipalities establishing an Off-Site levy must consult in good faith with stakeholders. A “stakeholder” is defined to be any person that will be required to pay the levy when the bylaw is passed, or any other person the municipality considers is affected. This includes developers, landowners, residents, and lobbyists that have an interest in, or may be affected by, the proposed levy.

Following the first reading of the proposed bylaw on July 23rd, 2024, additional engagement was completed. This included:

- Engaging industry representatives and stakeholders on updates and changes
- Advertising in Rocky View Weekly and Social Media
- Holding two in-person information sessions with stakeholders at County Hall

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- Holding an online public information session webinar
- Providing supporting information on the County website
- Direct emailing information through the County Connection e-newsletter

Engagement primarily took place over 2024 and focused on two main objectives:

- Consulting with interested and affected members of the public and development community on the Regional Off-Site Levy Bylaw Updates, and
- Sharing transparent and accurate information about the proposed Regional Off-Site Levy Bylaw Updates, including details on how levy updates were developed and the anticipated impact on residents, developments, and businesses.

Throughout August to October of 2024, a series of public and targeted engagement activities were undertaken to gather insight and feedback on updates and changes to its off-site levy bylaws. These included:

- Correspondence in August 2024 with development associations like BILD Calgary Region and Rocky View Forward to provide updates and gather feedback.
- Two in-house information sessions were held on October 17 and 31, 2024. These sessions at County Hall had 22 attendees who reviewed proposed changes and provided input. Attendees had the opportunity to review the proposed changes, ask questions, and provide feedback which is summarized in Attachment 'C' of this report titled '*Regional Off-Site Levy Bylaw Updates - What We Heard Report*'.
- A public webinar on October 23, 2024, promoted via e-newsletters, social media, and newspapers, attracted strong interest and participation.
- Updates on the County website from August 15, 2024, provided links to bylaw changes, contact information for feedback, and resources like session presentations and webinar recordings.
- Additional feedback was received through seven emails and two stakeholder letters.

Details and feedback summaries are available in the *Regional Off-Site Levy Bylaw Updates – What We Heard Report*. The greatest items of concern gathered through stakeholder engagement included:

1. The effective date of the Off-site Levy Bylaw will significantly impact the current projects, as most are planned years in advance. Implementing changes too quickly could disrupt established parameters for the project's performance.
2. The levy rate increases affect their previous development budgeting.
3. Requesting a phasing or deferring of the levy rate increases.

IMPLICATIONS

Financial

The establishment of these levies for stormwater will create a new funding source for future stormwater management Facility capital investments. Funds collected from each levy schedule per the bylaw will require management within a separate reserve. Usage of these funds can only be applied for the future facility infrastructure as itemized against the schedule within the bylaw. The County is required to provide annual reporting of collecting versus used funds for each levy schedule per MGA legislation. In addition, as development occurs across the County, Administration may be required to review and update levy rates to ensure the rates remain appropriate given facility funding requirements, community servicing demands, and input from the development community.

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Economic Competitiveness

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 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	Levy Rate \$/acre
City of Calgary	\$8,445
City of Airdrie	\$4,439
Town of Chestermere	\$37,400
Red Deer County	\$31,390
Rocky View County	\$10,685 - \$12,880

STRATEGIC ALIGNMENT

Key Performance Indicators		Strategic Alignment
Effective Service Delivery	SD2: Services are resourced and delivered to specific groups as intended, and citizens are satisfied with the outcomes SD2.1: Citizens satisfied with the range of County services available/delivered	The bylaw's purpose is to continue the collection of funding to support a broader range of required services to residents in new developments.
Financial Prosperity	FP2: Ensuring County remains financially sustainable for future generations FP2.1: Assets that are incorporated in an Asset Management Plan	The levy will assist with future financial sustainability as it will provide a source of funding for new infrastructure as the County continues to grow.

ALTERNATE DIRECTION

Alternate Direction 1

THAT Bylaw C-8547-2024 be amended in accordance with Attachment A.

THAT Bylaw C-8547-2024 be further amended to change the effective date of the bylaw in Section 32(2) and 35 from April 30, 2025 to January 31, 2026.

THAT Bylaw C-8547-2024 be given second reading, as amended.

THAT Bylaw C-8547-2024 be given third and final reading, as amended.

Benefits

Deferring the payment of the amended levy rate over a period of time will allow developers and stakeholders additional time to budget for the levy rate increases and reduce impact to development.

Disadvantages

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Deferring the payment of the amended levy rate over a period of time will reduce and delay funds available that can be applied towards stormwater infrastructure.

ATTACHMENTS

- Attachment A: Draft Bylaw C-8547-2024 – Regional Stormwater Off-Site Levy Bylaw
- Attachment B: Regional Off-Site Levy Bylaw Updates - What We Heard Report
- Attachment C: Public Submissions

APPROVALS

Manager:	Jeannette Lee, Manager Capital & Engineering Services
Executive Director/Director:	Byron Riemann, Chief Operating Officer
Chief Administrative Officer:	Byron Riemann, Acting Chief Administration Officer