

BYLAW 19974

A Bylaw to authorize the City of Edmonton to impose a special tax for the repair and maintenance of the Alley Lighting

RECOMMENDATION

1. That the 2022 operating expenditure and revenue budget within Parks and Road Services, City Operations, specific to the cost to repair and maintain existing alley lights (expenditure) and the offsetting special tax revenue (revenue), both be increased to \$1,889,764, as outlined in the February 22, 2022, Financial and Corporate Services report FCS01038.
2. That Bylaw 19974 be given three readings.

Purpose

To impose a special tax for the repair and maintenance of existing alley lighting.

Readings

After the budget adjustment is approved, then Bylaw 19974 is ready for three readings.

A majority vote of City Council on all three readings is required for passage.

If Council wishes to give three readings during a single meeting, then prior to moving third reading, Council must unanimously agree “That Bylaw 19974 be considered for third reading.”

Position of Administration

Administration supports this Bylaw

Report Summary

This budget adjustment and Bylaw provides for funding to cover the repair and maintenance of existing alley lighting, consistent with City process.

REPORT

The costs to construct alley lighting are paid in whole or in part by benefitting property owners through a local improvement tax. Benefitting property owners are also subject to a special tax to

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cover the costs for the repair, maintenance and energy consumption of the alley lights. The special tax rate is recalculated annually by the Parks and Roads Services branch to fairly reflect the cost to repair, maintain and power alley lights across the City.

The 2022 special tax rate is \$2.21 per assessable metre for Alley Lighting, an increase of 39.87 per cent compared to the cost of \$1.58 per assessable metre in 2021. The 2022 rate is based on historical cost analysis to estimate costs required to power and maintain alley lighting in 2022. The increase in the 2022 rate is the result of higher than anticipated projected maintenance costs in 2022, based on costs experienced in 2021. 2021 saw higher material costs, as well as an unanticipated change in process along with increased modifications and upgrades required by the electric utility to complete maintenance to required standards.

In accordance to Section 385 of the *Municipal Government Act*, the special tax collected for repair and maintenance of alley lighting must match the estimated cost of the specific service included in the budget for 2022. As a result, a budget adjustment is also required to reflect the estimated cost in 2022 for the repair, maintenance and energy consumption of the alley lights. The estimated cost of the repair and maintenance of Alley Lighting for the 2022 taxation year is \$1,889,764. This adjustment will not impact the general tax-levy for 2022 previously approved by City Council during the fall budget deliberations, as it is specific to alley lighting and benefit property owners. The expenditures are fully offset by revenue generated through this special tax.

This Bylaw needs to be approved at the February 22, 2022 Council meeting in order for the rate to be added to the 2022 property tax accounts of homeowners benefiting from alley lighting, which are typically mailed out in late May of every year.

COMMUNITY INSIGHTS

Alley lighting maintenance costs are assessed annually to property owners along the alley. The change in rate is communicated to the affected property owners with the receipt of their annual tax assessments.

ATTACHMENT

1. Bylaw 19974

OTHERS REVIEWING THIS REPORT

M. Plouffe, City Solicitor