

## BYLAW 20767

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

#### Recommendation

1. That the 2024 operating expenditure budget within Parks and Road Services, City Operations, specific to the cost to repair and maintain existing alley lights be adjusted to \$1,239,533, as outlined in the March 12, 2024, Financial and Corporate Services report FCS02317.
2. That the 2024 revenue budget within Parks and Road Services, City Operations, specific to the special tax revenue be adjusted to \$883,619, as outlined in the March 12, 2024, Financial and Corporate Services report FCS02317.
3. That Bylaw 20767 be given the appropriate 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 20767 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 20767 be considered for third reading.”

#### 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 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.

## **BYLAW 20767 - To authorize the City of Edmonton to impose a special tax for the repair and maintenance of the Alley Lighting**

The 2024 special tax rate is \$1.03 per assessable metre for Alley Lighting, a decrease of 25 per cent compared to the cost of \$1.37 per assessable metre in 2023. The 2024 rate is based on historical cost analysis and past averages of maintenance and energy expenditures to estimate costs required to power and maintain alley lighting. The decrease in the rate is primarily due to the excess revenue of \$355,914 collected as part of the 2022 Alley Lighting Maintenance Special Tax applied to the 2024 Alley Lighting Maintenance Rates.

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 2024. As a result, a budget adjustment is also required to reflect the estimated cost in 2024 for the repair, maintenance and energy consumption of the alley lights. The estimated cost of the repair and maintenance of Alley Lighting for the 2024 taxation year is \$1,239,533, however excess revenue of \$355,914 from 2022 will be applied to 2024 required special taxation revenues reducing the required taxation revenues to \$883,619. This adjustment will not impact the general tax-levy for 2024 previously approved by City Council during budget deliberations, as it is specific to alley lighting and only those benefiting property owners. The expenditures are fully offset by revenue generated through this special tax.

The Bylaw needs to be approved at the March 12, 2024, City Council meeting for the rate to be added to the 2024 property tax account notices for homeowners benefiting from alley lighting, which are typically mailed out in late May of every year.

In accordance with section 386(2) of the *Municipal Government Act*, which speaks specifically to special taxes, if there is any excess revenue, the municipality must advertise the use to which it proposes to put the excess revenue. In 2023 there was an overcollection of approximately \$52,000 in special tax for alley lighting maintenance, which was collected specifically to fund 2023 estimated alley lighting maintenance cost. Administration will bring a separate report outlining the proposed use of the excess 2023 revenue as it needs to be advertised and wait a 60-day petition period in accordance with legislative requirements. As a result of the advertising and petition period timelines the excess revenue from 2023 could not be applied to the 2024 rates, but will be used to offset the 2025 special tax for alley lighting maintenance.

### **Community Insight**

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.

### **Attachments**

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### **Others Reviewing the Report**

- M. Plouffe, Chief People Officer and City Solicitor