

BYLAW 20782 - Amendment to Off-site Levies Bylaw 19340

Recommendation

That Urban Planning Committee recommend to City Council:

That Bylaw 20782 be given the appropriate readings.

Purpose

- To update the catchment area boundaries shown in Schedule A of Bylaw 19340 - "Schedule A - Fire Halls with Catchment Boundaries map".
- To change the name of one catchment area from "Charlesworth" to "Walker".

Readings

The Bylaw 20782 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 20782 be considered for third reading."

Advertising and Signing

The Bylaw has been advertised in Edmonton on March 18, 2024 and March 25, 2024.

REPORT

Bylaw 20782 is proposed as an amendment to Bylaw 19340 - Facilities Off-Site Levies Bylaw (Attachment 1). Bylaw 19340 was approved by Council on August 16, 2021 and came into effect January 1, 2022. Bylaw 19340 allows for the collection of off-site levies from land developers to pay for the capital cost of new or expanded fire halls and the infrastructure and equipment required to operate them, pursuant to Section 648 of the *Municipal Government Act*, RSA 2000.

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Fire Hall Catchment Area Revisions

Edmonton Fire Rescue Services recently updated their data to include future arterial and collector roads, rather than existing roads only. This data is used as an input for catchment boundary modeling, which determines the boundaries of fire hall catchment areas based on the most effective drive times from a fire hall.

The fire hall catchment areas have been revised from those shown on Schedule A of the original bylaw submission, as a result of this updated data and modeling. The proposed location of the Charlesworth fire hall was relocated to the Walker neighbourhood. The name of that catchment area has been revised to Walker on the Schedule A and Schedule B of the bylaw. The proposed changes are shown in Attachment 2. These changes must be approved by way of bylaw by City Council before these can come into effect.

Fire Hall Off-Site Levies

In developing the Facilities Off-Site Levies Bylaw, Administration considered legislation, development charges the City already collects and concurrent City initiatives that impact development. This analysis determined that the use of levies for firehalls was appropriate and supports the City's ongoing financial viability. The Offsite Levies bylaw is strongly aligned with The City Plan as off-site levies help to fund the infrastructure and services that contribute to the vibrancy of neighborhoods, supporting the goals of Urban Places in ConnectEdmonton and complete districts envisioned in The City Plan.

Several types of facilities are eligible under the *Municipal Government Act* to be funded using off-site levies, including fire halls, recreation centres, libraries, police stations and interchanges. Following analyses and engagement with industry stakeholders, Administration agreed to implement off-site levies in phases, with the fire hall levy as the first phase. This limits the short term impacts on developer charges, while maintaining the opportunity to potentially implement levies for other types of eligible facilities in the future.

Fire halls are well suited for off-site levies for the following reasons:

- The area benefiting from the fire hall (the catchment area), can be well defined, which is a legislative requirement.
- Communities served by the fire halls can rely on prompt emergency services that protect life, property and the environment, enabling the City to meet target response times.
- Dwelling units constructed outside a 10-minute fire response catchment have increased construction costs to meet safety codes compared to those within the fire response catchment.
- Using off-site levies to pay for fire halls reduces pressure on City budgets.

Off-Site Levy Process and Fee Calculation

Off-site levies are imposed as a condition of subdivision approval and collected under the provisions of a Servicing Agreement. The Facilities Off-site Levies Standard provides direction for

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the approach, principles, management and administration of off-site levies to support the Facilities Off-Site Levies Bylaw.

An off-site levy is calculated by distributing the facility's cost over the entire assessable area within a catchment. The facility's cost includes the estimated or actual cost of design and construction of a facility in accordance with all safety codes and City policies. The facility's cost only considers the capital cost and does not include operating or maintenance cost. The cost includes the infrastructure and equipment required to operate the facility. Some examples of infrastructure and equipment required to operate the facility include provisions for parking, on-site and off-site utilities necessary to service a fire hall, and vehicles, furniture, fixtures, equipment and apparatus required for the initial operation of a fire hall. Part 1 of Bylaw 19340 (Attachment 3), under the "Appurtenances" definition, includes further details.

Industrial areas are exempt from payment of off-site levies to encourage development of the City's non-residential tax base. The share of cost for industrial areas, as well as for any land that has already been developed within a benefiting area, is offset by municipal contributions.

Community Insight

The *Municipal Government Act* and City Charter Regulation require municipalities to consult in good faith with stakeholders, which are defined as any person that will be required to pay the levy when the bylaw is passed, or any other person the municipality considers to be affected. Administration engaged the development industry when developing the bylaw amendment as follows:

1. The Working Committee completed a thorough analysis of proposed changes to Bylaw 19340. This committee includes representatives from across City departments and the development industry (Urban Development Institute - Edmonton Metro).
2. The Steering Committee completed a high-level review of the proposed changes and reviewed recommendations from the Working Committee. The Steering Committee includes senior representatives from across City departments and industry (Urban Development Institute - Edmonton Region).

Both Committees approved the changes included in this proposed bylaw amendment.

Budget/Financial Implications

Edmonton's Facilities Off-Site Levies Bylaw provides a mechanism to finance the construction of fire halls. This may reduce the amount of funding needed from other sources including the general tax levy. However, provincial grants cannot be used for the portion of costs of fire halls that are already receiving funds from the Offsite Levies bylaw. The City shares in the cost of facilities for communities that were partially developed prior to implementation.

The City will recover approximately 40 to 45 per cent of the costs to construct the fire halls listed in Schedule B of Bylaw 19340 through off-site levies at full build-out of these communities, once

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all of the lands are developed. The remaining share of costs, estimated at approximately 55 to 60 per cent, will require funding from the City through other sources such as tax levy on a pay-as-you-go basis, through tax-supported debt or grant funding. The City must also cover any operating and maintenance costs once the capital construction is completed.

Legal Implications

The proposed amendment to the Facilities Off-Site Levies Bylaw does not impact the legal status of the bylaw, which will continue to operate in accordance with the requirements of the *Municipal Government Act*.

Attachments

1. City of Edmonton Facilities Offsite Levies Amending Bylaw 20782
2. Bylaw 19340 and Amending Bylaw 20782 Redline Comparison
3. City of Edmonton existing Facilities Offsite Levies Bylaw 19340

Others Reviewing the Report

- C. Taylor, Acting City Solicitor