

PRESENTATION BY: OSCAR RUTAR, P. ENG.

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Dear Mayor Iveson & Councillors:

Thank you for allowing me to present my views on the Infill Hydrant Program.

I have applied twice for funding under the program and have been denied twice. Getting rejected twice is disappointing enough, however trying to figure out the program has been almost impossible. Seems like it was intentionally very opaque.

The eligibility requirements were reasonably spelled out, however the six scoring criteria are poorly defined. Only after numerous emails and long telephone discussions did I find out that each criteria was scored from 0 to 10. Nowhere does it say what gets a score of ten or worse, a score of zero. Secondly, it is not disclosed that when determining total score, each of the scores are multiplied together. This means a score of zero in any category results in a total score of zero.

To add to the lack of transparency, the ranking criteria:

1. System Capabilities
2. Neighbourhood Renewals and Arterial Program
3. Location and Use
4. Transit Network
5. Readiness
6. Coordination

do not match very well with "category rankings" which have been listed in the following order in correspondence to me:

- Land Use and Location
- System Capability
- Transit and Active Transportation
- Current State
- Renewal Status
- Project Adjacency

Why the same headings, in the same numerical order were not used escapes me, unless it was intended to be confusing.

My two applications failed due to zero scores. The first, because construction had started. This is spelled out under "readiness". My beef is that the requirement for a hydrant was not advised until an application for water service was made, which was after a foundation permit was already issued. This tells me that maybe hydrant requirements need to be advised much earlier in the building approval process.

On the second application, the application failed because the project had not proceeded to at least the pre-development permit stage. The eligibility criteria clearly states: "Only applicants/developers who have received responses for zoning applications, pre-application submissions or development permit applications from the City of Edmonton are eligible to apply for funding consideration by the Infill Cost Share project. These applications must have obtained advisements or conditions of approval (that entail the construction of a public water distribution system, which involves water mains and associated appurtenances) from the City of Edmonton." After the fact, the rules seem to have changed.

The take-away from this is that the time frame for applying between pre-development permit meeting and foundation permit is too short, and way too late in the process.

Needless to say, my experience with the hydrant program has not been enjoyable.

Now to the bigger picture.

The real estate development business is risky enough due to fluctuating economic conditions, financing costs, commodity price fluctuations, unpredictable weather, to name a few.

Utility costs for a site should not be one of the big unknowns. Applying for relief on costs through a vague competition is not the answer either. For a pilot project when funds are limited, maybe, however as a permanent solution, certainly wrong. Why is there even an expectation that new infill development should absorb utility cost upgrades that benefit the entire community? The utility upgrades if needed are most likely needed because the infrastructure is well past the original design life. Infill typically occurs in neighbourhoods that are over fifty years old. The costs should be spread over the entire neighbourhood or community as they have already received full benefit.

Alternatively, if there is a valid belief that new developments should pay a "capital" cost, then it should be according to a specified formula. The Sanitary Sewer Trunk Charge (SSTC) which even though quite onerous (\$1,222/dwelling in a multi-family development) at least is predictable. An investment decision can be made accordingly, well before even purchasing a property.

If the City Plan truly desires infill development, there should be an easing of financial and regulatory hurdles, not an increase. Foisting huge water main and fire hydrant capital costs onto a single development is a sure way of sending developers either to

the suburbs or surrounding communities. The residents of Millwoods or West Edmonton have not been asked to pay a portion of the capital cost of the LRT construction. Yet, building the Valley Line encourages people to live in the suburbs as it makes it easier to get to the downtown/core of Edmonton. I would say that it goes somewhat counter to the concept of increasing density in the mature areas of Edmonton.

Thank you for taking time to listen to my concerns.

Oscar Rutar