

**TOWN OF NANTON  
BYLAW #1223/10**

**A BYLAW OF THE TOWN OF NANTON, IN THE PROVINCE OF ALBERTA, FOR THE PURPOSE OF ESTABLISHING AN OFF-SITE LEVY FOR LAND THAT IS TO BE SUBDIVIDED OR DEVELOPED WITHIN THE TOWN OF NANTON.**

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**WHEREAS** the *Municipal Government Act* permits a Council to impose a levy known as an Off-Site Levy in respect of land to be developed or subdivided within a municipality's limits, and to authorize an Agreement to be entered into for payment of the levy;

**AND WHEREAS** the Municipality has engaged in consultation with representatives of the development industry to address and define existing and future infrastructure requirements of the Municipality with respect to circumstances of the Municipality and the benefits of development;

**AND WHEREAS** the Council received advice and Reports respecting upgrades to Off-Site Infrastructure which set out a fair and equitable calculation of Off-Site Levies in accordance with the purpose of the *Municipal Government Act*;

**AND WHEREAS** Council has advertised its intention to consider the provision of this Bylaw pursuant to the requirements of the *Municipal Government Act*;

**NOW THEREFORE** the Council of the Municipality in the Province of Alberta, duly assembled, hereby enacts as follows:

1. **Definitions**

1.1 The following terms shall have the following meanings in this Bylaw:

- a) **"Bylaw"** means the off-site levy bylaw established by the Municipality, to which this Schedule "A" is attached;
- b) **"Chief Administrative Officer"** means the Chief Administrative Officer for the Town, regardless of the specific title that may be conferred on that Officer by Council from time to time;
- c) **"Council"** means the Council for the Town of Nanton;
- d) **"Developable Land"** shall mean all land contained within the Development Region:
  - i. upon which Development takes place after the date of passing of this Bylaw; or
  - ii. for which Subdivision approval is obtained after the date of passing of this Bylaw;excluding all Developed Land.
- e) **"Developed Land"** shall mean land that has been subject to Development or a Subdivision prior to the date of passing of this Bylaw, and in respect of which off-site levies for the same services have been paid.
- f) **"Development"** means "development" as defined in the *Municipal Government Act*, R.S.A. 2000, c. M-26, s. 616.



- g) **“Development Agreement”** means “development agreement” as referred to in the *Municipal Government Act*, R.S.A. 2000, c. M-26, ss. 650 and 655.
- h) **“Development Region”** includes the area of land within the municipal limits of the Municipality’s boundaries identified in Schedule “B”, attached;
- i) **“Growth”** shall mean:
  - i. the creation of new lots through Subdivision; and
  - ii. the occurrence of Development.
- j) **“Municipality”** means the Town of Nanton.
- k) **“Off-Site Infrastructure”** shall mean those components and projects referred to in the Reports, in relation to water facilities and sanitary sewer facilities;
- l) **“Off-Site Levy”** means the off site levy imposed pursuant to this Bylaw under the authority of the *Municipal Government Act* RSA 2000, c. M-26;
- m) **“Reports”** means the following:
  - i. “Nanton Infrastructure Master Plan” prepared by Associated Engineering, dated 2008;
  - ii. “Development Charges Calculations Memo” prepared by Associated Engineering, dated February 17, 2009;
  - iii. “Projected Inflation for Off-Site Development Costs, prepared by Associated Engineering, dated October 10, 2009
- n) **“Subdivision”** means “subdivision” as defined in the *Municipal Government Act*, R.S.A. 2000, c. M-26, s. 616.

## 2. **Imposition of Levy**

- 2.1 There is hereby imposed a levy which shall be known as an Off-Site Levy in respect of all Developable Land.
- 2.2 The amount of the levy imposed is as calculated in Schedule “A”.
- 2.3 The Off-Site Levy is comprised of the Off-Site Infrastructure, and pursuant to the calculation details contained in this Bylaw and the Reports.
- 2.4 The Off-Site Levy will be assessed on all Developable Land within the Development Region on a per hectare basis as provided in Schedule “A” of this Bylaw, excluding those portions of Developable Land that are designated pursuant to a Subdivision as:
  - a) Municipal Reserve.
- 2.5 Unless otherwise agreed upon, the Off-Site Levy is due prior to the issuance of Subdivision approval for the Development Region or the issuance of a Development permit in relation to the subject parcel.

### 3. **Objects, Principles and Criteria**

- 3.1 The objects, principles and criteria of the Off-Site Levy shall be in accordance with the following:
- a) This Bylaw creates an Off-Site Levy to provide funds for the construction of Off-Site Infrastructure required for Growth.
  - b) Development in new growth areas through Off-Site Levies will provide the capital that will fund the infrastructure required for Growth. Those who benefit from the infrastructure, which is defined by all Developable Land in the Development Region, should share proportionally, on a per hectare basis, in related costs.
  - c) Provision of Off-Site Infrastructure by developers of Developable Land will not create an advantage or penalty due to the time or location of development.
  - d) Off-Site Infrastructure will be provided to maintain sustainable, cost effective and orderly Growth.
  - e) The calculation of the Off-Site Levy should be an open and transparent process.
  - f) All funds collected from the Off-Site Levy will be credited to a separate and distinct, identifiable Off-Site Levy account, which may be invested as per the Municipality's Investment Policy until used for the construction of the specified Off-Site Infrastructure. The management of the Off-Site Levy account should be an audited process, with reports available to the public and industry.
  - g) The Off-Site Levy will help allow the Municipality to recover the cost of infrastructure required for Growth:
    - i. Using financing strategies that remain sustainable;
    - ii. Facilitating development by reducing risk on early developers and ensuring future developers share the costs of the facilities from which they benefit; and
    - iii. Promoting cost effective and orderly development;
  - h) The Off-Site Levy will help promote orderly development by:
    - i. Providing Off-Site Infrastructure, once the appropriate planning is in place, and when warranted in development; and
    - ii. Providing infrastructure for contiguous development;
  - i) The Off-Site Levy will help create a transparent process by:
    - i. Providing opportunity for industry input into the levy, its definition and administration;
    - ii. Conforming with the *Municipal Government Act*, R.S.A. 2000, c. M-26, as amended or repealed and replace from time to time; and
    - iii. Providing reports on levies;

- j) The Off-Site Levy will help create a clear process for calculation of the rate, levies and credits by:
  - i. Creating consistent and predictable levies and credits;
  - ii. Creating predictable and stable levies over time; and
  - iii. Documenting a process for establishing the levy rate.

#### 4. **Development Agreements**

- 4.1 The entering into of a Development Agreement with respect to, amongst other things, the collection of an Off-Site Levy is hereby authorized.
- 4.2 Council delegates the authority to enforce and administer this Bylaw, including, but not limited to, the authority to enter into Development Agreements on behalf of the Municipality and to defer collection of Off-Site Levies imposed pursuant to this Bylaw, to the Chief Administrative Officer.
- 4.3 Council may from time to time adopt policies or guidelines for the assistance and direction of the Chief Administrative Officer in determining which Development and Subdivision applications shall require a Development Agreement.
- 4.4 Where it is determined that a Development Agreement is appropriate for any application for Development or Subdivision, the applicant or the owner, as the case may be, shall enter into a Development Agreement with the Municipality and such Development Agreement shall ensure that:
  - a) provision be made for the payment of Off-Site Levies as specified in this Bylaw, or that provision may be made for the deferring of payment of the Off-Site Levies to a future time certain or uncertain; and
  - b) no further Off-Site Levies shall be required to be paid under Development Agreements that have been previously collected in full in respect to all of the lands which are the subject of the Development or Subdivision application.

#### 5. **Accounting**

- 5.1 All funds collected pursuant to this Bylaw shall be accounted for in a special fund and expended only as permitted under the provisions of the *Municipal Government Act*, R.S.A. 2000, c. M-26, as amended or repealed and replace from time to time.

#### 6. **General**

- 6.1 Nothing in this Bylaw precludes the Municipality from:
  - a) imposing further or different levies, duly enacted by bylaw, on any portion of the Developable Lands in respect of which the Municipality has not collected levies;



- b) deferring collection of the Off-Site Levy for the stated objects of this Bylaw, on any portion of Developable Lands in respect of which the Municipality collected levies, including requiring security for payment of such deferred levies; or
- c) reducing or forgiving payment of the levies required pursuant to this Bylaw, or otherwise providing for credits for other Off-Site or Oversize infrastructure constructed by a developer in calculating and/or collecting the levies that become payable pursuant to this Bylaw.

6.2 Schedules "A" and "B" to this Bylaw may be amended from time to time by resolution of Council.

6.3 This Bylaw shall take effect and come into force effective after final reading and signature thereof by the Chief Elected Official and Chief Administrative Officer, or their authorized delegates.

**FIRST READING** passed in open Council duly assembled in the Municipality, in the Province of Alberta, this 5<sup>th</sup> day of, April A.D. 2010

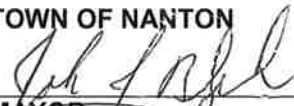
TOWN OF NANTON

  
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 MAYOR

  
 \_\_\_\_\_  
 CHIEF ADMINISTRATIVE OFFICER

**SECOND READING** passed in open Council duly assembled in the Municipality, in the Province of Alberta, this 9<sup>th</sup> day of, August A.D. 2010


TOWN OF NANTON

  
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 MAYOR

  
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 CHIEF ADMINISTRATIVE OFFICER

**THIRD AND FINAL READING** passed in open Council duly assembled in the Municipality, the Province of Alberta, this 9<sup>th</sup> day of, August A.D. 2010.

TOWN OF NANTON

  
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 MAYOR

  
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 CHIEF ADMINISTRATIVE OFFICER

**SCHEDULE "A"**  
**DEFINED OFF-SITE LEVY RATES**

2009 OFF-SITE LEVY RATES (BASE)

DESCRIPTION	CURRENT OFF-SITE LEVY
Water	\$42,957/ha
Sanitary Sewer	\$37,716/ha
<b>Total</b>	<b>\$80,673/ha</b>

2010 OFF-SITE LEVY RATES

DESCRIPTION	CURRENT OFF-SITE LEVY
Water	\$43,473/ha
Sanitary Sewer	\$38,169/ha
<b>Total</b>	<b>\$81,642/ha</b>

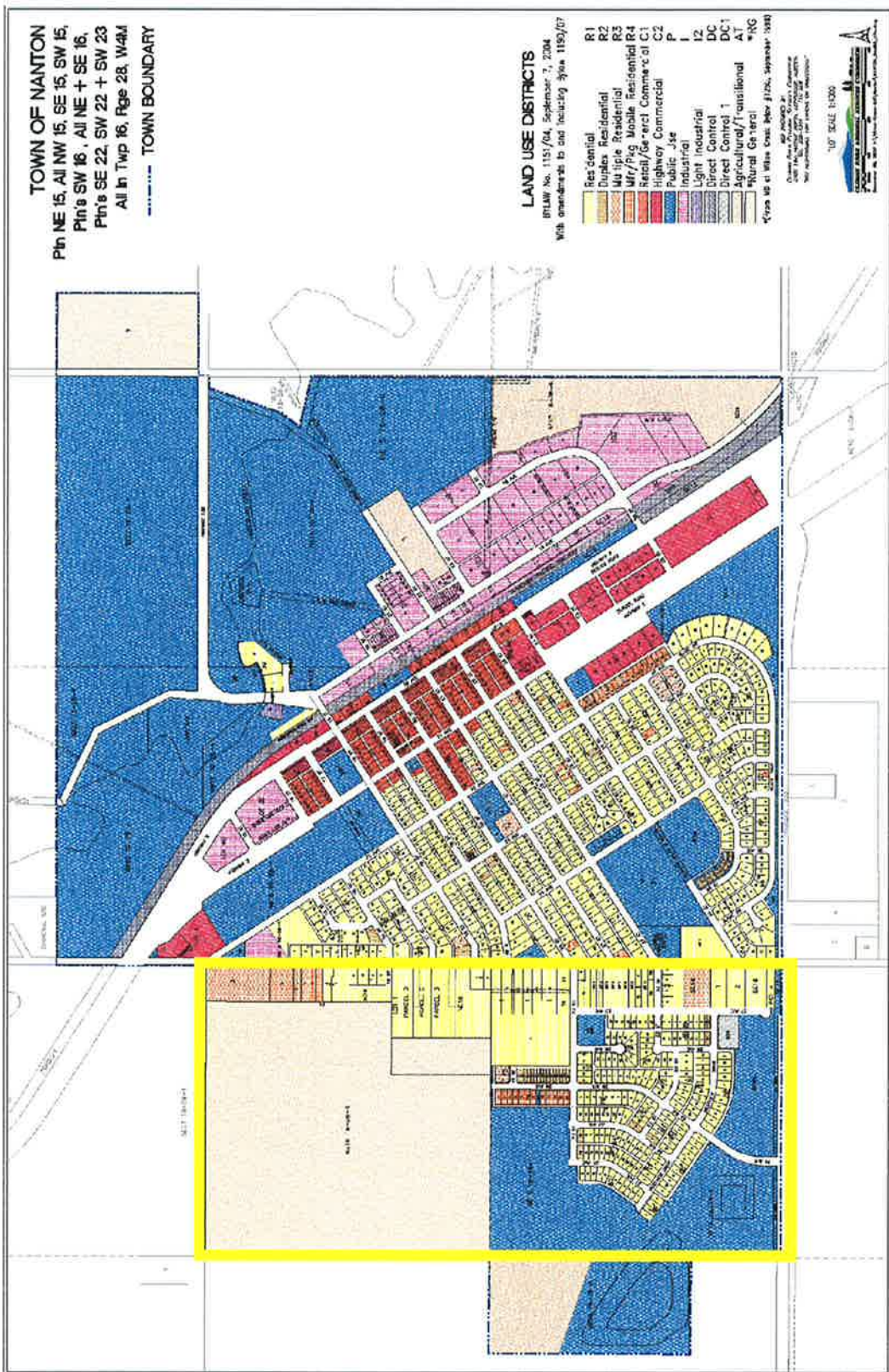
2011 OFF-SITE LEVY RATES

DESCRIPTION	CURRENT OFF-SITE LEVY
Water	\$44,375/ha
Sanitary Sewer	\$38,961/ha
<b>Total</b>	<b>\$83,336/ha</b>

2012 OFF-SITE LEVY RATES

DESCRIPTION	CURRENT OFF-SITE LEVY
Water	\$45,277/ha
Sanitary Sewer	\$39,753/ha
<b>Total</b>	<b>\$85,030/ha</b>

### SCHEDULE "B" MAP OF DEVELOPMENT REGION



**Date:** February 17, 2009      **File:** 2008-3719.A.01.00  
**To:** Mary Robley, CAO - Town of Nanton  
**From:** Guy Kieper  
**Project:** 2008-3719  
**Subject:** Development Levy Calculations – Rev 20100331

## MEMO

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### 1 PURPOSE

Development levies are established to provide a funding source for the construction of infrastructure required to support growth. The subject infrastructure provides common use to more than one development and, consequently, the burden of developing the infrastructure should be shared by all benefiting developments.

Specific goals of establishing development levies include:

1. Providing funding to support cost effective and orderly growth of the community.
2. Supporting an open and transparent infrastructure development program to promote development.
3. Promoting cost-effective development

### 2 BASIS

The following framework is defined for the calculations:

#### 2.1 Application

Development levies will be assessed on all developable lands within the Town's boundaries. Development levies will be collected in the following circumstances:

1. Development of land for a new or alternate land use.
2. Properties wherein land use intensity is changed.
3. Infill development of vacant land.

Where a new service is provided to an existing property and it is not appropriate to apply a development levy, a reasonable connection charge should be applied.

#### 2.2 Development Horizon

For the purpose of estimating development levy costs, a development horizon population of approximately 4550 persons is established. Based on information provided in the 2008 (draft) Municipal Development Plan (2008 MDP), this development horizon is not expected to be reached before 2030. The defined development horizon population is not consistent with the "design population" noted in Associated Engineering's Town of Nanton Infrastructure Master Plan, October 2008, (2008 IMP). The population defined in the 2008 IMP is based upon development of land that is located both inside and outside of the municipal boundaries of Nanton.





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### **2.3 Translating Per Capita Projections**

Per capita projections are translated to unit area projections by assuming a residential density of 34.1 persons per hectare – i.e., a dwelling density of six units per acre and occupancy of 2.3 persons per dwelling unit.

### **2.4 Developable Lands**

Development levy calculations are derived by distributing costs against developable land that is residentially zoned. Since no specific institutional-commercial-industrial (ICI) service demands are established in the 2008 MDP and 2008 IMP, attributing all common development costs to the residential land base is appropriate.

Table 1 reports the areas assumed in calculating the development levy. At full build-out, these developable lands will support the development horizon population of 4550.

### **2.5 Unit Net-Developable - Area Basis**

Estimated development levy costs are established on a net-developable-area basis. This net area is presently defined as the gross development area less a 10% allowance for municipal reserves.

### **2.6 Included Infrastructure**

Nanton will continue to assume responsibility for the provision of infrastructure which they deem to benefit the town at large, regardless of where the infrastructure is located. The infrastructure listed hereafter is to be supported by the (general) development levy:

- a. Water
  - i. Intake and supply
  - ii. Raw water reservoir
  - iii. Water treatment plant
  - iv. Treated water reservoirs
  - v. Distribution pumping
  - vi. Water mains greater than 250 mm-diameter.
  
- b. Wastewater
  - i. Sanitary sewers greater than 300 mm-diameter
  - ii. Lift stations
  - iii. Wastewater treatment plant
  - iv. Outfall.



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**Table 1**  
**Estimates of Development Areas**

Development Areas		GDA (ha)	MR (ha)	NDA (ha)	Estimated Population <sup>1</sup>
A	Existing Used Residential			78.06	2216 <sup>2</sup>
B	Existing Unused Residential			11.87	405
C	Remainder of West View (subdivision)	12.36	1.24	11.12	379
D	Remainder of NE16-16-28 W4M	50.49	5.05	45.44	1550
<b>Developable Residential Land (B+C+D)</b>				68.43	2334
<b>Total Residential (A+B+C+D)</b>				146.49	4550

Notes:

GDA – Gross Developable Area

MR – Municipal Reserve (10% GDA)

NDA – Net Developable Area

<sup>1</sup> Assumes 34.1 persons per hectare

<sup>2</sup> Estimated population of Nanton in 2007, 2008 IMP

### 3 DEVELOPMENT LEVY SUPPORTED IMPROVEMENTS

An itemized listing of proposed development-levy costs supported improvements is presented in Table 2. The following comments are provided to support Table 2:

#### 3.1 Continuity with Master Plans

The development levy costs are based on constructing improvements suggested in the 2008 Infrastructure Master Plan (Associated Engineering). The improvements defined in the 2008 Infrastructure Master Plan (2008 IMP) support both developed and developable lands within and outside of the Nanton’s municipal boundaries. Care and studied interpretation is required to reconcile the calculation of development levy costs with the 2008 IMP. Future estimation of development levy costs should be coordinated with updating the MDP and completion of supporting master infrastructure servicing plans.



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### **3.2 Cost Estimates**

Most of the costs to be supported by the general development levy are derived from the 2008 IMP. The wastewater treatment expansion is based on a simple per capita estimate. Presently, it is assumed that all of the projects will receive 60% conditional-funding from external sources. All costs are considered current in 2009.

### **3.3 Apportioning Benefit**

The inclusion of infrastructure improvements that benefit both the existing town and future development are distributed to the entire supporting area at the development horizon. For example, the recent expansion and enhancement of the water treatment facility is an improvement that is applied to both existing and future developable land (146.49 ha). Alternatively, the expansion of treated water storage is attributed solely to support future development (68.43 ha).

### **3.4 Front-End Financing**

In instances where insufficient development levy funds are available to support the timely construction of infrastructure necessary for a specific development, the subject developer will be expected to provide financing for, and otherwise support, development of required infrastructure, in accordance with Nanton's master infrastructure servicing plans. The developer may be reimbursed through the development levy fund, according to arrangements established in the specific development agreement.

### **3.5 Data Gaps**

Insufficient infrastructure service planning and conceptual design of road and stormwater infrastructure have been completed to date. Once necessary planning and conceptual development for these infrastructure types are completed, corresponding costs may be added to the general development levy by the Town of Nanton

### **3.6 NE16-16-28-W4M (AREA 1)**

The general development levy does not fully account for sanitary improvements required to support development in NE16-16-28-W4M. Presently it is assumed that a new sanitary trunk will be required to service this area. A specific arrangement to support this improvement will be negotiated within the corresponding development agreement.

**Table 2**  
**Estimated General Development Levy**

Improvement		Project Cost <sup>1</sup> (\$)	Grant Support <sup>2</sup> (\$)	Net Cost (\$)	NDA (ha)	Development Charge (\$/ha)
Water						
3 <sup>1</sup>	18 Street Upgrade <sup>3</sup>	1,524,000	914,000	609,600	146.49	\$4,161
4 <sup>1</sup>	Additional Pumping Capacity	129,000	77,400	51,600	68.43	\$754
7 <sup>1</sup>	26 Avenue Upgrade - 16 Street to 22 Avenue	1,940,500	1,164,300	776,200	68.43	\$11,343
8 <sup>1</sup>	26 Avenue Upgrade - 16 Street to 22 Street	2,708,500	1,625,100	1,083,400	68.43	\$15,832
14 <sup>1</sup>	Increase Potable Water Storage	1,859,000	1,115,400	743,600	68.43	\$10,867
Wastewater						
3 <sup>1</sup>	18 Street Upgrade <sup>3</sup>	1,682,000	1,009,200	672,800	146.49	\$4,593
13 <sup>1</sup>	20 Avenue Sanitary	1,427,000	856,200	570,800	146.49	\$3,897
	Wastewater Treatment Expansion <sup>4</sup>	5,000,000	3,000,000	2,000,000	68.43	\$29,227
	<b>General Development Charge</b>					<b>\$80,673</b>

<sup>1</sup> Reference to Nanton Infrastructure Master Plan (Associated Engineering, 2008).

<sup>2</sup> Assume 60% external funding for all costs.

<sup>3</sup> Water and wastewater portion of 2008 IMP project assumed to be 50% each.

<sup>4</sup> Estimate \$2,150 per capita for WWTP expansion.

NDA – Net developable area

**Date:** October 10, 2009      **File:** 20083719.A.01.00

**To:** Georgina Sharpe, Planning & Development Officer

**From:** Guy Kieper, P.Eng.

**Project:** 20083719

**Subject:** Projected Inflation for Off-Site Development Costs

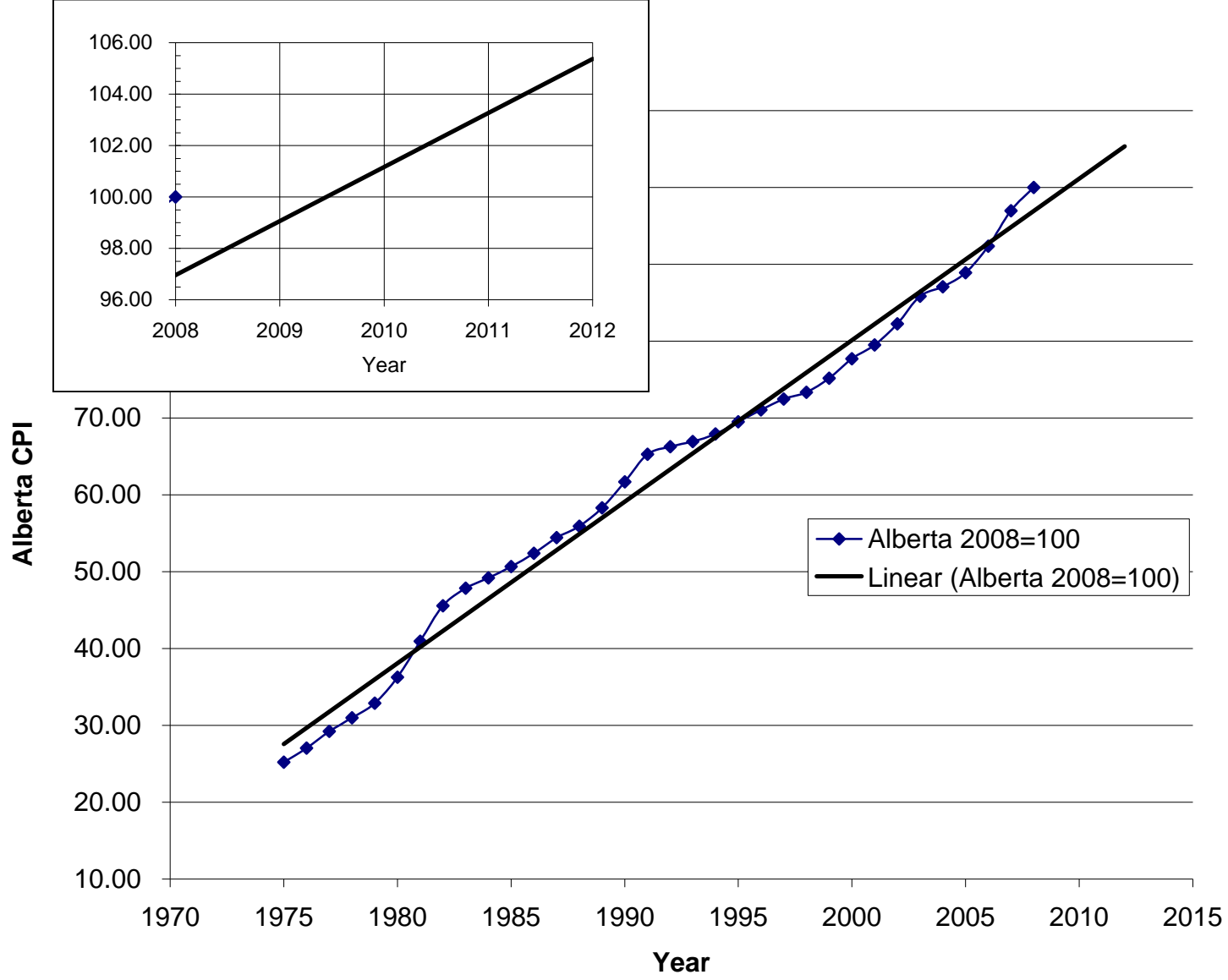
## MEMO

In early 2009, Associated Engineering estimated costs required to support the construction of off-site water and sanitary infrastructure within the Town of Nanton. In October 2009, the Town of Nanton requested Associated Engineering update the costs referenced in the aforementioned work and provide projections for 2010, 2011, and 2012.

The attached graph displays Consumer Price index values for the Province of Alberta since 1975, standardized to 2008. The data suggests that an average annual inflation of 2.1% has been experienced in the province during the last 35 years. An inset plot highlights average inflation projections from 2008 through 2012. Based upon the noted projections, the following inflationary predictions are made:

Year	Multiplier
2008	1.00
2009	0.991
2010	1.012
2011	1.033
2012	1.054

If the Town of Nanton is unable to more fully evaluate off-site development costs in the near future, we suggest that the original cost estimates be adjusted using the multipliers defined herein.



**RESOLUTION # 268 - 12/10/15 - Hensel**

Approved amendment of Schedule "A" of Bylaw #1223/10, Town of Nanton Off-Site Levy bylaw, as per Section 6.2 of the bylaw, to add 2013 – 2015 levies, reflecting a 2.3% annual increase as follows:

Year	Water	Sanitary Sewer	Total
2013	\$ 46,265	\$ 40,620	\$ 86,885
2014	\$ 47,253	\$ 41,488	\$ 88,741
2015	\$ 48,241	\$ 42,355	\$ 90,596

CARRIED