

2015 GROUP ONE LOCAL IMPROVEMENT PROJECTS

EXECUTIVE SUMMARY

The purpose of Bylaws 1R2015 and 2R2015 is to carry out owner-initiated local improvement projects in 2015. These projects include laneway paving in residential areas, new driveway crossings to lower the height of the curb and to construct one new owner initiated residential sidewalk. Adoption of these bylaws is required to facilitate completion of these projects via Local Improvement financing.

All of the projects included in these bylaws were initiated or requested by adjacent property owners.

ADMINISTRATION RECOMMENDATIONS

That Council:

1. Increase budget and appropriation to Roads Capital Program 147-148 by \$3,944,812 in 2015; and
2. Give three readings to Bylaw 1R2015; and
3. Give three readings to Bylaw 2R2015.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2014 July 28 Council approved Local Improvement Bylaws 3R2014 and 4R2014 for 2014 Group Two Local Improvement Projects.

BACKGROUND

Local Improvements (LI's) are construction projects on City property that Council considers to be a greater benefit to a particular area of the municipality than to the whole municipality. Examples include street or lane paving and driveway crossings.

Municipalities have a long history of using LI's to help cover the cost of infrastructure. LI charges are assessed to adjacent benefiting properties and then added to property taxes until the costs are repaid. The Municipal Government Act (MGA) provides provincial statutory guidelines for the administration of Local Improvements.

There is no cost sharing between The City and property owners with respect to laneway and roadway paving, driveway crossings and new concrete sidewalks (i.e. where no sidewalks previously existed). The full costs for these improvements are charged to the property owners.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Local Improvement Bylaws are processed according to the MGA (section 396) and various policies and guidelines, as follows:

- A petition package to initiate the local improvement is obtained by calling The City of Calgary Operations Centre at 3-1-1.
- To be valid, a petition must be signed by at least two-thirds (2/3) of the affected property owners representing at least half (1/2) the assessed value of land.

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- The completed petition form is returned to The City for validation.
- When a valid petition is received, the proposed project is included in the next available group of local improvements.
- A Notice of Intention is mailed to each affected property owner outlining the type of proposed construction, the estimated cost and the property owner's estimated share of the cost.
- Property owners have the right to submit petitions to The City against the proposed local improvements. To be valid, a "petition against" must be signed by at least two-thirds (2/3) of the affected property owners representing at least half (1/2) the assessed value of land.
- A "petition against" must be received within the 30 days of the mailing date of the Notice of Intention.
- If a valid petition against a project is received, The City is prohibited from proceeding with the work (MGA 396 (3)). In this case, The City deletes the local improvement from the LI bylaw.
- In all cases, The City advises affected property owners in writing whether or not the petition is valid.

Bylaw 1R2015 is required for lane paving in residential areas with standard widths (Attachment 1).

Bylaw 2R2015 is required for new residential driveway crossings, 1 new residential sidewalk and 1 paving of a "miscellaneous area" laneway (Attachment 2).

The scope of improvements, program costs and specific tax rates used for the Group One LI's are set forth in the Bylaws. A general listing of tax rates used by The City is included with this report (Attachment 3).

Stakeholder Engagement, Research and Communication

Notices of The City's intention to undertake 41 LI projects were sent to affected property owners on 2014 November 17. The deadline for receiving petitions against these projects was 2014 December 17 at 4:30 p.m.

"Petitions Against" were requested and sent out for 15 projects. Six petitions against were returned and all were invalid. The remaining nine were not returned. Council will be informed by Administration at the 2015 March 30 meeting of any additional petitions received subsequent to preparation of this report.

If a late petition is received, it will be recommended that Council identify and approve the withdrawal of any project prior to second reading of the bylaws, direct Administration to recalculate dollar values and amend the bylaw content accordingly. Second and third readings may be given to the bylaws, as amended, with Council's understanding that all changes will be

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made by Administration and delivered to the City Clerk's office to serve as the legal corporate record.

Affected property owners will be notified in writing of Council's decision.

One lane paving project in Ward 10 was initiated by The City at the request of the ward Councillor. This project has non-standard length/width and is indicated as "miscellaneous area" laneway in Bylaw 2R2015. Costs for this project are allocated per property instead of the typical costs per metre.

Strategic Alignment

Through the owner-initiated LI process, The City and property owners facilitate and support efforts to improve neighbourhood assets. LI projects maintain or improve accessibility, and enhance appearance without burdening all taxpayers with the full financial responsibility of improving these public spaces.

Social, Environmental, Economic (External)

Owner-initiated LI projects can improve a specific area's liveability. They can contribute to increased attractiveness and accessibility. The LI process provides a mechanism for adjacent residents to improve public infrastructure such as paving a lane, while sharing the cost over numerous properties.

Lane paving is an effective means of dust reduction, offers better drainage, and prevents erosion of the lane surface. Proper driveway crossings often replace ramps or built-up material in the gutter, resulting in improved drainage.

Low effective interest rates, as set by the Alberta Capital Finance Authority, and a 15 year amortization help lower annual costs for affected property owners.

Financial Capacity

Current and Future Operating Budget:

None.

Current and Future Capital Budget:

The full costs for first time paving of lanes, roads and construction of new sidewalks and driveway crossings are borne by the property owners. The current budget includes funds borrowed by The City to contract work outlined in the Bylaws. The borrowed funds are ultimately repaid by the property owners and are not mill rate supported.

Total budget available is \$1,343,255 however; these funds are fully allocated to the Group One Local Improvement Projects. An increase in appropriation of \$3,944,812 is required for the Roads Capital Program 147-148, resulting in a total 2015 budget of \$5,288,067. Details are shown in the Summary of Financial Impact (Attachment 5).

Risk Assessment

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The City's ability to complete needed LI projects and serve customers (property owners) in a timely manner could be negatively impacted if the LI bylaws are not approved.

REASON FOR RECOMMENDATIONS:

Through the LI process, property owners have the opportunity to upgrade infrastructure to improve quality of life in their community.

ATTACHMENTS

1. Proposed Local Improvement Bylaw No. 1R2015 of The City of Calgary
2. Proposed Local Improvement Bylaw No. 2R2015 of The City of Calgary
3. 2015 Local Improvement Uniform Tax Rates
4. Petition Against Summary Report
5. Summary of Financial Impact