

THE CITY OF MELFORT

Office Consolidation

THE DEVELOPMENT LEVY BYLAW

NO. 2014-11

Including Amendments to December, 2017

All persons making use of this consolidation are reminded that it has no legal status and that the amendments have been embodied for convenience of reference only. A certified copy of the Bylaw and amendments should be consulted for all purposes of interpreting and applying the law.

AMENDMENTS TO THE DEVELOPMENT LEVY BYLAW 2014-11

AMENDMENTS

DATE PASSED

Bylaw No. 2016-14 Amend Schedule A

June 13, 2016

Bylaw No. 2017-21 Amend Definitions & Schedule A

December 11, 2017

CITY OF MELFORT

BYLAW NO. 2014-11

A BYLAW OF THE CITY OF MELFORT TO ESTABLISH A DEVELOPMENT LEVY FOR NEW SUBDIVISION AND DEVELOPMENT WITHIN THE CITY

WHEREAS *The Planning and Development Act* authorizes a City Council to pass a bylaw to recover the capital cost of services and facilities associated, directly or indirectly, with a proposed development; and

WHEREAS the Section 21.9 of the City of Melfort Basic Planning Statement authorizes the use of development levies;

NOW THEREFORE THE COUNCIL OF THE CITY OF MELFORT IN OPEN MEETING ASSEMBLED ENACTS AS FOLLOWS:

1. Title

This Bylaw shall be cited as the “Development Levy Bylaw”.

2. Interpretation

- a) “Capital Cost” means the City’s cost of providing construction, planning, engineering and legal services that are directly related to the matters for which development levies and servicing agreement fees are established.
- b) “Change in Use” means any building or land where a re-development changes the existing use to a new use, requiring discretionary approval or a change in zoning.
- c) “Change in Intensity of Use” means any building that is increased by the addition of dwelling units such that the ratio of the number of units per metre per frontage exceeds the standard intensity for the zone. The standard intensity is 1 unit/7.5 metres (the minimum frontage for any use), excepting in R3 Multiple Unit Residential, where standard intensity shall be deemed to be 2 units/7.5 metres.
- d) “Development” means the carrying out of any building, engineering, mining or other operations in, on or over land or the making of any material change in the use of intensity of the use of any building or land.
- e) “Development Levy” and “Servicing Fee” shall have the same meaning.
- f) “Development Officer” refers to the Director of Community Services, or designated alternate.

- g) “Subdivision” means a division of land that will result in the creation of a surface parcel, or the rearrangement of the boundaries or limits of a surface parcel, as surface parcel is defined in *The Land Titles Act, 2000*.

3. Purpose

The purpose of this Bylaw is to recover a portion of the City's capital costs for providing or upgrading the following services and/or facilities associated, directly or indirectly, with a proposed development or subdivision:

- a) Sewage, water or drainage works;
- b) Roadways and related infrastructure;
- c) Parks;
- d) Recreational and municipal facilities.

4. Development Levy

On land where a development levy or servicing fee has not yet been collected, a development levy shall be paid on all land that is considered a development or subdivision in accordance with the levies and fees outlined in Schedule ‘A’ of this bylaw.

The development levy shall not be applied to developments or subdivisions where the change in use or intensity of use of any building or land would not result in the City incurring additional capital costs.

5. Terms of Payment

- a) Land subject to a development permit:

The developer shall pay the development levy specified in the Development Permit prior to commencing the development. If the development levy is not paid prior to commencing the development, the Director of Community Services may issue an order stopping the development, as described in Schedule ‘B’ – Development Standards.

- b) Land subject to subdivision:

Where there is a proposed subdivision of land, Council may require a subdivision applicant to pay the development levy pursuant to this bylaw as a condition of subdivision. Approval of said subdivision will not be granted by the City until such time that the development levy is paid by the subdivision applicant. Where an applicant proposes to subdivide land in phases, or stages, the development levy applicable to each phase shall be paid prior to obtaining subdivision approval.

6. Use of Levies and Fees

All development levies and any accrued interest on the money collected shall be deposited into one or more development levy accounts, separate and apart from other funds of the city.

The City shall use the funds received and any accrued interest only to:

- a) Pay the capital cost of providing the services and facilities described in Section 3 of this bylaw;
- b) Pay debt incurred by the City as a result of an expenditure described in Section 3 of this bylaw;

- c) Reimburse an owner described in Clause 173(d) of *The Planning and Development Act, 2007*.

7. Appeals

The requirement to pay a development levy may be appealed in accordance with Clause 176 of *The Planning and Development Act, 2007*.

8. Severability

If any Section or portion of this bylaw is for any reason held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, that Section or portion shall be deemed severable and shall not affect the validity of the remaining portions of this bylaw.

9. Enforcement

In the event that any development levy payment imposed by this Bylaw, payable under a Development Levy Agreement, is not paid at the time or times specified within the Agreement and without limiting the remedies of the City, the Development Officer may issue an Order pursuant to Section 242 of *The Planning and Development Act, 2007* prohibiting further development on the Development lands. The Development Officer may register an interest in the land registry against the affected title pursuant to Section 242(7) of *The Planning and Development Act, 2007*.

10. Effective Date

This Bylaw shall come into force and have effect upon approval of the Minister.

INTRODUCED AND READ a first time this 14th day of April, 2014.

READ A SECOND TIME this 9th day of June, 2014.

READ A THIRD TIME AND PASSED this 9th day of June, 2014.

MAYOR

CITY CLERK

S E A L

CERTIFIED a true copy of Bylaw No.
2014-11, adopted by resolution of Council on the 9th
day of June, 2014.

City Clerk

**Schedule 'A' to
Bylaw 2017-21 a Bylaw to Amend Bylaw 2014-11
Development Levy Rates**

Base Rate effective January 1, 2015

The calculation of the following development levy rates are based on the City of Melfort Off-Site Levies Report, dated March, 2014, prepared by Catterall & Wright, attached as Schedule 'C' to this bylaw.

1. 2014 LEVY REVIEW

	Value/Person
Infrastructure Facilities:	\$ 2,438.15
Arterial Streets and Trunk Mains:	\$ 1,600.00
Recreational and Municipal Facilities:	\$ 7,793.00
Total Value Per Person	\$ 11,831.15

2. DEVELOPMENT LEVY RATES

a) Base Rate effective January 1, 2015:

- i) The 2014 Base Rate for Residential Development is comprised of the levy for infrastructure facilities, arterial streets and trunk mains and recreational and municipal facilities, as follows:
Single Family Residential Development - \$1,198.73 per front metre
Multi-Family Residential Development - \$81,633.68 per acre
- ii) The 2014 Base Rate for Commercial/Industrial Development is comprised of the levy for infrastructure facilities, arterial streets and trunk mains, as follows:
Commercial/Industrial Development - \$13,931.62 per acre

b) Phase-in of Base Rate:

- i) Effective January 1, 2015, the development levies for Residential Development, as described above in 2(a)(i), will be phased-in over a ten-year period, with 1/10th applied annually until the levy is fully implemented on January 1, 2024.
- ii) Effective January 1, 2015, the development levies for Commercial/Industrial Development, as described above in 2(a)(ii), will be phased-in over a twenty-year period, with 1/20th applied annually until the levy is fully implemented on January 1, 2034.

c) Annual Inflationary Increase:

The Development Levy Rates are to be increased annually, effective January 1st of each year, based on the inflationary formula of 100% of the Construction Price Index, calculated over twelve months running from October to September.

d) Variable Rate:

Where a proposed development and/or subdivision involves previously developed land, the Development Levy may be varied to reflect only the increase in “intensity of use” resulting from the new development, up to a maximum of 100%.

Increase in intensity shall be determined as shown in the following examples:

i) **A four-plex on a 30 metre lot**

Standard intensity is 1 unit/7.5m = 4 units/30m

Proposed intensity is 4 units/30m of frontage

Increase over standard intensity is 0%

ii) **A six-plex on a 30 metre lot**

Standard intensity is 1 unit/7.5m = 4 units/30m of frontage

Proposed intensity is 6 units/30m of frontage

Increase over standard intensity is 50%

iii) **An eight-plex on a 30 metre lot**

Standard intensity is 1 unit/7.5m = 4units/30m of frontage

Proposed intensity is 8 units/30m of frontage

Increase over standard intensity is 100%.

**Schedule 'B' to
Bylaw 2014-11
City of Melfort Development Standards**

DEVELOPMENT SERVICING STANDARDS

**MINIMUM DESIGN STANDARDS FOR LOCAL IMPROVEMENTS FOR
DEVELOPMENTS BY PRIVATE OWNERS IN THE CITY OF MELFORT**

PRELIMINARY PROPOSAL FOR DEVELOPMENT

Development of new areas requires the approval of the City Council. It should be clear to the Owner that the City wishes to be fully informed in regard to the proposed development prior to granting approvals for the subdivision. To this end, the Owner is requested to present his proposal to the City for study and advice prior to approval in principle of the subdivision and development.

Prior to any development taking place, the Owner shall submit a preliminary proposal of development to the City. The proposal shall include pertinent information as to standards of construction, requirements for capacity of water mains, sewer mains, roadways, street patterns, utility easements and other significant aspects relating to the proposed development, including the submission of a landscaping design plan.

The preliminary proposal shall include plans of the proposed development at a scale of 1:1000, outlining the concept of lots, blocks and streets. The following shall be included on the plans:

1. Contours of existing land surface relative to geodetic elevation datum and proposed drainage system.
2. Extent and size of water mains.
3. Extent and size of sanitary sewer and storm sewer mains as required.
4. Street widths, cross-sections and drainage.
5. Any other information that the Owner considers necessary to aid the City in assessing and considering the proposed development.

DETAILED DESIGN

At such time as the City approves the Preliminary Report along with required revisions, amendments or deletions, the Owner may proceed with the detailed design and preparation of plans and specifications.

The Owner shall submit to the City four complete sets of professionally-engineered plans and specifications for all Local Improvement Construction proposed. No construction shall commence or be undertaken until the plans and specifications, and any subsidiary plans and specifications, have been approved in writing by the City.

Prior to commencement of construction of Local Improvements, the Owner shall provide two permanent reference points in the Development Area. The elevation of each reference point shall be established to a geodetic datum. These reference points shall be available for use for all construction activities in the Development Area.

All services to be installed by the Owner shall be installed in such a manner as to least interfere with the existing services and any cost incurred by the City on account of the installation of services by the Owner shall be charged to the Owner who will pay the City promptly for such expenditures incurred.

Upon completion of the construction of the Local Improvements the Owner shall submit to the City, two sets of prints and one reproducible set of as-built plans of the works completed. These plans shall be in a form and to the detail required by the City.

CLOSING OF ROADS FOR EXISTING FACILITIES

The City shall be notified in writing twenty-four (24) hours in advance of any closing of developed City streets or shutting off of existing facilities. Notification shall be given to the City when these streets are open to traffic and services are back in operation.

ROAD CROSSINGS:

Developed roads shall be returned to their original conditions. Where it is necessary to excavate across an existing road or lane, excavations shall be backfilled and compacted to the satisfaction of the City.

STANDARDS:

Outlined herein are the standards intended to be the minimum standards for the construction of all Local Improvements. It shall be the Owners' responsibility to develop the subdivision in accordance with standards which are acceptable to the City and which conform to good engineering and construction practices.

The Owner is responsible to develop the subdivision in accordance with all Occupational Health and Safety standards.

The Owner is responsible to develop the subdivision in accordance with all environmental regulations.

TOPSOIL REMOVAL:

The topsoil shall be stripped from all road right-of-ways and lanes prior to construction of any utilities. Such topsoil may be used by the Owner for landscaping within the development. Excess topsoil shall be hauled from site.

TRENCHING AND BACKFILL:

- All utility (gas, power, telephone) trench backfill shall be compacted to a minimum of ninety-six (96%) percent of the Standard Proctor Density. Utility trenches can also be backfilled by using an approved non-shrinkable fill material.
- Backfill of water and sewer service trenches on existing streets shall be 100% granular materials conforming to the specifications for sub-base and crushed granular base as detailed in the "Streets and Lanes" section of these Standards. Backfill shall be compacted to 100% of Standard Proctor Density for the granular fill, sub-base and base materials.

STANDARDS – WATER DISTRIBUTION SYSTEM

The water distribution system shall be adequate to supply the peak hourly demands or the peak day demands plus fire flows, whichever is greater. Fire flow requirements shall be as recommended by the Insurance Advisory Organization.

WATER MAINS

- Minimum size of pipe shall be 150 mm inside diameter
 - Main sizes may be increased or decreased by the City at their discretion
 - Mains shall be located either within the roadway or boulevard and at least 2.0 meters horizontally from any proposed sidewalk, curb or other service structure
 - Mains shall be installed to provide a minimum depth of cover of 3.0 meters below final finished grade
 - Sand bedding 100 mm below the pipe and to 300mm above the pipe for the full trench width shall be provided on all mains
 - Pipe for water mains shall be AWWA-C900 CL150 PVC pipe complete with factory installed elastomeric gaskets, or as otherwise approved
 - Water mains shall be augured or tunneled under existing or future walks, curbs or swales
- The ends of stub pipes shall be marked with a 38mm x 89mm wooden marker extending from the top of the stub pipe to 600mm above finished grade

HYDRANTS

- Maximum spacing of hydrants shall be no more than 110.0 meters, as measured along the travelled road surface or as otherwise required by the City's Fire Chief.
- Hydrants shall be compression type of the same style and make as presently exists in the City and shall include two (2) – 64mm hose nozzles and one (1) – 114mm pumper nozzle
- Operating nuts and threads shall match existing hydrants in the City
- Hydrant leads shall be augured or tunneled under existing or future walks and/or curbs
- A 10.88kg (24 lb) zinc anode shall be attached to hydrants

VALVES

- Valves shall be provided on the mains so that no more than three (3) valves are closed to isolate any one section of water main. Valving shall be provided such that only one hydrant is isolated at any one time
- Valves shall be located at the extension of the street property lines at street intersections or as otherwise approved by the City
- Valves on hydrant leads shall be located in the roadway
- Valves shall be iron body, be resilient seated gate valves conforming to AWWA C509, counter clockwise opening, with ends to suit the pipe
- Valve boxes shall be complete with 25mm square solid steel operating extension stems, stone disc and operating nut with shirt
- The top operating nut shall be within 300mm of design grade
- A 5.44kg zinc (12lb) anode shall be attached to valves

WATER SERVICE CONNECTIONS

- All pipes shall be installed in an augured excavation beneath all future sidewalks and curbs
- Service pipe from the main property line shall have a minimum depth cover of 2.8 meters from finished grade
- Water Service pipe shall be 25mm ASTM D2737 SDR 9 polyethylene tubing or otherwise as approved
- Service boxes shall be set vertical with the tops at the finished ground elevation.

- Curb stop shall be non-draining Mueller Mark II Oriseal with stainless steel stem. Sacrificial anodes shall be installed on the curb stop box. The bottom 1.5 meters of the curb stop box shall be wrapped with Denso tape.
- Water service pipe may be required to be wrapped with 50mm rigid insulation where depth of pipe is less than 2.7 metres

TESTING

- Testing of the water distribution system shall be carried out after the service connections are installed according to AWWA specifications. Leakage testing shall be carried out to a pressure of 1035 kPa
- Chlorine residual and bacterial tests are required in accordance with SERM requirements, and results to be provided to the City
- The City of Melfort will complete all water testing. Costs associated with water testing shall be charged to the Owner who will pay the City promptly for such expenditures incurred.

SANITARY SEWAGE COLLECTION SYSTEM

The sanitary sewage collection system shall be of a sufficient capacity to carry peak hourly sewage flows plus infiltration.

SEWER MAINS

- Minimum size shall be 200mm diameter
- Main sizes may be increased by the City as considered necessary
- Sewer Mains shall be PVC sewer pipe conforming to ASTM D3034, DR35 or as otherwise approved
- Mains shall be located within the roadway or boulevard and at least 2.0 meters horizontally from any proposed sidewalk, curb or other service structure
- Mains shall be installed to provide a minimum depth to invert of 2.8 meters from finished grade. Shallower pipes shall require the approval of the City
- Pipes shall be bedded in sand from 100mm below the pipe to 300mm above the pipe for the full trench width. Improved foundations shall be provided where soil conditions require same.
- Sewer mains shall be augured or tunneled under existing or future walks, curbs or swales
- The ends of stub pipes shall be marked with a 38mm x 89mm wooden marker extending from the top of the stub pipe to 600mm above finished grade

MANHOLES

- Manhole bodies shall be of pre-cast concrete section with a minimum inside diameter of 1050 mm
- All manholes are to be pre-benched
- All manhole sections are to have rubberized gaskets
- Manhole steps shall be of steel safety steps galvanized after fabrication
- Frames and covers shall be of cast iron and asphalt dipped. Norwood F-39 or as otherwise approved
- Maximum spacing between manholes shall be 110 meters

SEWER SERVICE CONNECTIONS

- All pipes shall be installed in an augured excavation beneath all future curbs
- Service pipe at the front property line of each lot shall be the maximum possible depth as allowed by the sewer main depth and not less than 2.0 meters
- Basement depth of each house shall be set such that gravity sewer is possible
- Service pipe shall be of a minimum of 100mm diameter
- Service pipe shall be of PVC or as otherwise approved

- Service pipe shall be connected to the sewer main with an approved saddle

STORM WATER DRAINAGE SYSTEM

STORM SEWER MAINS

- Minimum size shall be 300mm diameter
- Main sizes may be increased by the City as considered necessary
- Storm Sewer Mains shall be PVC sewer pipe conforming to ASTM D3034, DR35 or as otherwise approved
- Mains shall be located within the roadway or boulevard and at least 2.0 meters horizontally from any proposed sidewalk, curb or other service structure
- Mains shall be installed to provide a minimum depth to invert of 1.85 meters from finished grade. Shallower pipes shall require the approval of the City
- Pipes shall be bedded in sand from 100mm below the pipe to 300mm above the pipe for the full trench width. Improved foundations shall be provided where soil conditions require same
- Sewer mains shall be augured or tunneled under existing or future walks, curbs or swales

MANHOLES

- Manhole bodies shall be of pre-cast concrete with a minimum inside diameter of 1050 mm
- All manholes are to be pre-benched
- All manhole sections are to have rubberized gaskets
- Manhole steps shall be of steel safety steps galvanized after fabrication
- Frames and covers shall be of cast iron and asphalt dipped. Norwood F-39 or as otherwise approved
- Maximum spacing between manholes shall be 120 meters

CATCH BASINS

- Catch Basins shall be of pre-cast concrete with a minimum inside diameter of 610 mm, 1220mm depth with 150mm grade ring
- Catch basin leads shall be a minimum size of 200mm diameter
- Frames and covers shall be of cast iron and asphalt dipped. Titan Foundry Ltd. TF-106 for straight-faced curb and TF-35 for rolled curb or as otherwise approved

STORM WATER MANAGEMENT SYSTEM

STORM WATER RETENTION PONDS

- Remove top 100mm of organic material
- Minimum side slopes shall be 4 to 1
- Minimum topsoil placement thickness shall be 100mm
- Grass seed shall be Certified Government Standard No. 1 seed consisting of 1 kg Russian Rye Grass, 2 kg Crested Wheat Grass, 1 kg Creeping Red Fescue, 1 kg Perennial Rye Grass and 3 kg Rebel Tall Fescue
- Seed shall be sown at a rate of 20 kilograms per hectare with a seed drill in two directions for uniform dense turf
- Storm Water retention ponds to be used for recreational purposes shall be seeded to grass with a seed mixture approved by the City's Parks & Recreation Department.

RESIDENTIAL ROADS & STREETS

GENERAL

All lanes shall be graveled and all streets shall be paved. Concrete curbs, gutters, sidewalks and swales where required shall be constructed according to approved plans.

All excavations into existing lanes and streets shall be repaired to the City standard and to the depths of gravel and asphalt to match existing, but not less than the thicknesses stated below.

The developer shall be responsible for repair of settlements for a period of one year following completion of repairs.

GEOMETRIC DESIGN STANDARDS

All street construction including subgrade preparation, graveled sub-base and base, curb and gutter construction and paving shall be according to the City's design standard at the time of construction.

GRADES

- Minimum gutter grades around curves shall be 0.50%
- Minimum gutter grades straight section shall be 0.40%
- All roads shall be crowned on a slope of 3%
- Surface drainage will be carried across streets at intersections in concrete swales or storm sewers with catch basins
- Ditch drainage will be carried across roads and driveway crossings in galvanized steel culverts or approved alternative

All streets shall be constructed as follows:

SUBGRADE:

- Remove organic or otherwise unacceptable sub-grade material, replace with acceptable material compacted in 150mm lifts to a minimum of 98% of the Standard Proctor Density.
- Top 150mm of sub-grade compacted to a minimum of 100% of Standard Proctor Density and graded to within 20mm of final cross section and grade.
- All compacted subgrade surfaces are to be proof-rolled with a piece of heavy equipment such as a fully loaded single or tandem axle truck prior to placement of granular materials. Weak areas must be repaired prior to placement of granular materials.

SUB BASE:

- 350mm of well graded pit-run or sub base material course with a minimum CBR of 25 compacted to a minimum of 100% Standard Proctor Density
- Where determined by weaker soils, extra structural thickness or addition of geotextiles to provide adequate serviceability must be provided.

BASE:

- 150mm of crushed gravel base course with a minimum CBR of 65 compacted to a minimum of 100% Standard Proctor Density
- Where determined by weaker soils, extra structural thickness to provide adequate serviceability must be provided.

ASPHALT SURFACING:

- Local Streets: 65mm of hot mix asphalt surface course with fog coat on the surface
- Collector & Arterial Streets: 75mm of hot mix asphalt surface course with fog coat on the surface
- Truck Routes: 100mm of hot mix asphalt surface course with fog coat on the surface
- Prime approved base surface with approved priming materials, prior to placing hot asphalt
- All hot mixed asphalt shall comply with Saskatchewan Highways specifications 410
- Aggregate to be type 71 gradation
- Asphalt binder to be 150-200A penetration
- Air voids in compacted mix to be 3 percent to 5 percent
- Density of finished pavement to be minimum 97 percent of Marshall Density

CURBS, GUTTERS & SIDEWALKS

- Curbs, gutters and sidewalks shall be constructed on both sides of all streets
- All curbs, gutters and sidewalks shall be constructed of poured-in-place concrete in accordance with the standard drawings attached
- Curb returns at street intersections shall have a minimum radius of 8.000 meters or as required by the City
- The minimum curb radius in crescents and cul-de-sacs shall be 12.000 meters
- Swales shall be constructed at locations required to drain surface runoff water across streets and intersections

CONCRETE

Concrete for all curb, gutter and sidewalk construction shall have an air content of at least 5% and no more than 8% and shall have a minimum 28 day compressive strength of 32.0 MPa.

LOT DRAINAGE

The Owner shall submit to the City an overall lot grading plan of the area to be developed on which shall be indicated the individual lots with the proposed grading of the lots. Rear lot grades shall be a minimum of 150mm above design lane grade or rear drainage grade. Lot grades shall also conform to adjacent existing lots. Also indicated on this plan shall be the design top of curb elevations and the invert to elevation of the sanitary sewer connection at the property line. The Owner shall meet the fill and grading requirements of the Drainage Plan.

GAS, POWER, CABLE, TELEPHONE AND STREET LIGHTING INSTALLATION

Installation of gas, power, cable and telephone services shall be arranged between the Owner and the respective utility/service companies. The Owner shall pay costs for these services. The City shall approve all utility design and locations prior to construction.

Street lighting as designed by SaskPower for residential applications, shall be arranged between the Owner and the City. Street lighting and pathway lighting shall be designed to meet the Illumination Engineering Society of North America's guidelines (IES RP-8-00 and DG-5-94). As a minimum standard, street lighting should be provided for every intersection as well as every second residential lot. The Owner shall pay costs for these services. The City shall approve the street lighting design and locations prior to construction.

DESIGN REVIEW & CONSTRUCTION INSPECTIONS

The City of Melfort holds the right to have their Engineering Representative review all design drawings prior to construction. The City may also require their Engineering Representative to inspect work during construction for compliance with City Standards. Costs associated with design review and construction inspections shall be charged to the Owner who will pay the City promptly for such expenditures incurred.

During construction inspections, if workmanship is determined to be deficient, the City or its Engineering Representative have the right to issue a stop work order and all work shall cease. The unacceptable work will be corrected and/or replaced.

STOP WORK ORDER

The City may issue a Stop Work Order to the Contractor due to non-conformance. Non-conformance includes, but is not limited to:

- Unsafe practices;
- Imminent danger;
- Lack of traffic control;
- Failure to submit required testing certification;
- Construction not in accordance with approved drawings and specifications;
- Non-compliance with the development requirements;
- Damage to existing facilities
- Failure to comply with the terms of the Development Levy Agreement.

Should a Stop Work Order be issued, the Developer shall immediately cease operation, rectify the non-conformance and obtain the City of Melfort's approval prior to proceeding.

**Schedule 'C' to
Bylaw 2014-11
Off-Site Levies Report**

CITY OF MELFORT

OFF-SITE LEVIES REPORT
MARCH 2014
Prepared by Catterall & Wright



CATTERALL & WRIGHT
Consulting Engineers
Saskatoon Saskatchewan
S7H 0S5

Phone 343-7280, Fax 956-3199

March 18, 2013

City of Melfort
P.O. Box 2230
Melfort, SK S0E 1A0

Attention: Mayor and Council

Dear Madame and Sirs:

Re: Off-Site Levies Review

We received authorization from the City of Melfort to provide a review of the City's off-site development levies. The review included compiling records of existing and historic off-site levies policies, reviewing City of Melfort facilities valuations, compiling typical upgrade costs for infrastructure facilities and estimating development levies for new developments.

Background

Development fees (or levies) are an economic instrument that provides municipalities with a revenue source to fund the municipal infrastructure upgrade/expansion as demanded by new developments. Development levies can be used innovatively by municipalities to influence development in accordance with the community's strategic planning and economic goals.

The ability of a municipality to set development levies is outlined in provincial legislation. The municipality may establish a bylaw for the structure of their local development levies.

Typically, new developments are required to pay development levies to the municipality to cover the capital costs of installing or upgrading certain municipal services, including roads, sewer and water mains, drainage facilities and parks and recreation facilities.

Statutory Regulations - Planning and Development Act, 2007

The authority for a municipality to establish and enforce development levies is set out in The Planning and Development Act, 2007 and is contained in Appendix A of this review. Part VIII of the Act -- Development Levies and Servicing Fees, contains the following sections, for which we provide summaries:

168 – Interpretation of the Part

- 169 – Development levy bylaw
- 170 – Bylaw required ministerial approval
- 171 – Development levy agreement
- 172 – Servicing agreement
- 173 – Terms and conditions of development levy agreements or servicing agreements
- 174 – Use of levies and fees
- 175 – Registration of development levy or servicing agreements
- 176 – Appeals on development levy or servicing agreements

Development Levy Bylaw – Section 169

Development levies may be established by bylaw of Council:

- Where an official community plan has been adopted that is not subject to an application for subdivision of land and that authorizes the use of development levies.
- For the purpose of recovering all or part of the municipality's capital costs of providing, altering, expanding or upgrading the following services and facilities associated, directly or indirectly, with a proposed development:
 - Sewage, water or drainage works.
 - Roadways and related infrastructure.
 - Parks.
 - Recreational facilities.
- If the proposed development was not previously the subject of a servicing agreement entered into pursuant to section 172.
- If in the opinion of Council, the municipality will incur additional capital costs as a result of the proposed development.
- If the levies in the development levy bylaw are based on a study of the costs of municipal servicing and recreational requirements.
- If the levies in the development levy bylaw take into consideration future land use patterns and development and phasing of public works.
- With varying levies having regard to zoning districts or other defined uses, land uses, capital costs as they relate to different classes of development established in the bylaw and the size or number of lots or units in a development.
- Provided that similar levies be imposed for developments that impose similar capital costs to the municipality.

- And the bylaw may exempt land uses, classes of development or defined areas as specified in the bylaw.
- And may be exercised by a development officer or authority delegated by Council.
- And adoption of the bylaw must be in accordance with the public participation requirements of Part X unless the Council has been declared an approving authority and has adopted provisions related to development levy bylaws in a public notice bylaw pursuant to section 24.

Development Levy Agreement – Section 171

An application for a development permit may be required to pay any applicable development levies in accordance with the bylaw. The Council may require the applicant to enter into a development levy agreement with the municipality respecting the payment of development levies. A council may only assess one development levy on one development.

Servicing Agreement – Section 172

The municipality may require a subdivision applicant to enter into a servicing agreement to provide services and facilities that directly or indirectly serve the subdivision. Subdivision applicants shall not receive a certificate of approval from an approving authority for their subdivision if a servicing agreement required by the municipality has not been executed.

Servicing agreements may provide for:

- The applicant to install or construct within the proposed subdivision and in accordance with the specifications stated in the agreement:
 - Storm sewers, sanitary sewers, watermain and laterals, hydrants.
 - Sidewalks, curbs, gutters, boulevards, street lights.
 - Graded. Gravelled or paved streets and lanes.
 - Connections to existing services.
 - Area grading and levelling of land.
 - Street name plates.
 - Connecting and boundary streets.
 - Landscaping of parks and boulevards.
 - Public recreation facilities.
 - Other works that Council may require.

- The payment of fees that Council may establish as payment in whole or in part for the capital cost of providing, altering, expanding or upgrading sewage, water, drainage and other utility services, public highway facilities, or park and recreation space facilities located within or outside the proposed subdivision.
- Time limits for the completion of any work or the payment of any fees specified in the agreement, which may be extended by the agreement of both parties.
- Provisions for the applicant and municipality to share the costs of any work specified in the agreement.
- Performance assurances as required by Council.

Servicing agreements shall not provide for the completion of any work by the applicant or the payment of any fees by the applicant that were previously addressed by the payment of development levies or in a development levy agreement pursuant to section 171, unless the municipality will incur additional capital costs as a result of the proposed subdivision.

If required to do so by the municipality, an applicant for subdivision approval shall enter into a servicing agreement within 90 days after the day that the municipality receives the subdivision application, unless that period is extended by mutual agreement.

Terms and Conditions of Development Levy Agreements or Servicing Agreements –Section 173

- Development levy agreements and servicing agreements may contain provisions:
 - Authorizing the payment of levies or fees in instalments.
 - Applying a variable rate where the development is to be constructed in phases.
 - Providing for letters of credit or performance bonds or other form of surety that Council feels necessary to cover the payment of development levies or servicing agreement fees.
 - Providing for reimbursement of development levies or servicing agreement fees that were paid under an agreement, including any accrued interest on the money collected, when other subsequent owners in the benefiting area identified in the agreement are required to pay levies or fees for the development or subdivision of land in the benefiting area.
 - Prescribing any other matter that Council considers necessary to facilitate the agreement.

Use of Levies and Fees – Section 174

- Development levies and servicing fees received by the Municipality shall be deposited into one or more accounts, separate from other funds of the municipality.

- A municipality may use the funds received and any accrued interest only to pay the capital cost of providing the services and facilities referenced in the agreements and described in sections 169(2) and 172(3), to pay a debt incurred by a municipality as a result of an expenditure described in 169(2) and 172(3), or to reimburse an owner described in 173(d).

Registration of Development Levy or Servicing Agreements – Section 175

- A municipality may register an interest, based on a development levy agreement or servicing agreement in the land registry against the affected title.
- On registration of an interest, the rights and privileges in the agreement ensure to the benefit of the municipality and run with the land and are binding on the registered owner of the land.

Appeals on Development Levy or Servicing Agreements – Section 176

- An applicant may appeal to the Saskatchewan Municipal Board within 30 days after the date of Council's written request for payment of development levies or servicing fees with regard to the application of the development levies and servicing fees or the factors considered in the calculation of development levies and servicing fees.
- If the parties are unable to enter into a development levy agreement or servicing agreement within 90 days after an application for a development permit or subdivision, the applicant or owner may appeal to the Saskatchewan Municipal Board to determine whether an agreement is necessary and the terms and conditions of the agreement.
- Council and the applicant may agree to extend the periods for making appeals.

Existing Melfort Development Levy

The City of Melfort does not have an existing Development Levy Bylaw.

Recommended Development Levy Rates

The following development costs should be considered in determining development levies:

- Upgrades to the City water reservoir, pumphouse and sewage pumping facilities will be required as the City expands and population increases.
- Upgrades to the City wastewater treatment lagoon system will be required as the City expands and population increases. A review of other similar lagoon upgrades in Saskatchewan communities yielded an average per capita cost of \$1200.00.

- Costs for completion of parks, including landscaping and amenities such as walking paths, benches, garbage receptacles and playgrounds will be dependent on the quality of the amenities and can vary between \$500.00 and \$1,000.00 per person.
- Costs for sanitary trunk sewers must be included in the cost of a developer's construction for infrastructure crossing their land.
- Costs for large diameter water main trunks must be included in the cost of a developer's construction for infrastructure crossing their land.
- Costs for storm drainage systems must be included in the cost of the developer's construction for infrastructure. Capacities of existing storm sewer infrastructure in Melfort is minimal, and will require upgrades as development continues.

The cost of existing City facilities was very significant to existing tax payers and businesses in Melfort. Some of the costs associated with these facilities can be passed on to new developments, as they will use the facilities in the future and did not contribute to the initial capital cost. Existing municipal facilities include City Hall, the Power House Museum, Kerry Vickar Centre, the library, fire hall, Northern Lights Palace, tourism and recreation facilities, public works shop and office, and airport buildings. The value of these assets was provided by the City of Melfort and totalled \$46,756,900.00, including equipment and furnishings. If this cost is spread over the existing population of approximately 5,700 persons, the cost per person is \$7,793.00.

The cost of existing City infrastructure was very significant to existing tax payers and businesses in Melfort. Some of the costs associated with this infrastructure can also be passed on to new developments, as they will use the facilities. Existing municipal infrastructure includes the water treatment plant, reservoir and pumphouse, eleven sewage lift stations, force mains, and the sewage lagoon. The value of many of these assets was provided by the City of Melfort. Other assets, such as the sewage lagoon, were given a value as estimated by Catterall & Wright. If this cost is spread over the existing population of approximately 5,700 persons, the cost per person is \$2,438.15.

The decision as to how these existing infrastructure assets are valued to new developments is dependent upon local views. Some councils feel that existing residents should not be giving newcomers something that they have bought and paid for, while other councils feel that the new residents add to the community and help to spread the operating costs over a larger tax base; therefore, new residents should receive the facilities at little or no cost.

Determining a development levy rate structure is difficult, as a community wants to ensure that the rate is high enough to help cover future upgrade costs, but low enough to still promote development within the community.

The off-site development levies will also be dependent on the subdivision development being undertaken, and may have to be evaluated on a case by case basis. Some development areas will have the ability to connect directly into the existing infrastructure (water & sewer), while others may have to construct their own pumping station and force main to service lots. In the second case, the developer would not be charged additional levies for wastewater pumping stations and force mains if they are fronting all of those costs in order to complete their development.

It is recommended that a separate development levy rate be set for single family residential, multi-family residential and commercial developments. Appendix A presents a breakdown of the cost per person for existing infrastructure facilities, municipal buildings, and recreational facilities that are relevant for inclusion in the development levy. The total value per person calculated for existing city facilities and infrastructure is \$11,831.00.

Single Family Residential Development

It is recommended that single family residential development have a development levy set based on frontage metre. To come up with a development levy per frontage metre the following assumptions were made:

- 2.3 persons per household (based on 2011 City of Melfort Census data);
- Average Lot Width 22.7m (based on recent developments).

Using the above assumptions the cost per front metre of development is calculated to be \$1,198.73/metre.

$$\text{Front metre levy} = (\$11,831.00 * 2.3 \text{ persons/lot}) / 22.7 \text{m} = \$1,198.73$$

The above front metre rate is comparable to other communities of similar size.

Multi-Family Residential

For multi-family developments it is recommended that the City of Melfort establish a rate based on area. It was assumed that approximately 3 single family lots could be developed per acre of development. At 2.3 persons per lot that corresponds to \$27,211.23 per lot developed. Using 3 lots per acre that corresponds to development levy of \$81,633.68 per acre of development. This is comparable with other communities of similar size.

Commercial/Industrial Development

Based on other communities that we work with, the development levy per acre of commercial development is approximately 50% of the multi-family development levy. The reasoning for the amount being less is that most commercial and industrial developments are less taxing on the existing infrastructure. There are exceptions to this methodology, such as meat processing plants and restaurants, which may require high water use and their wastewater is generally more difficult on the sanitary sewer collection and treatment systems. These will have to be considered special case and evaluated on a case by case basis. For general commercial/industrial development it is recommended that a commercial/industrial development levy be set at \$40,816.84 per acre (50% of the multi-family development levy).

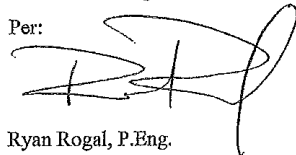
Recommendations

Ultimately, development levy rates are a decision that should be made by council. This report has prepared rates that are reasonable in today's market and are similar to the levies being charged by other communities of similar size. If council feels that they would like to reduce the levies from what is being proposed, by removing an existing Municipal Building or piece of infrastructure from the formula, then it can be reduced by the value/person given to that building or piece of infrastructure. Since Melfort did not previously have a bylaw for development levies, we would suggest phasing the levy bylaw so that developers are not shocked by the new levy amounts. We would suggest starting at 75% of the rates that we have suggested, and each year increasing them by 5% until you reach the recommended development levy. This will hopefully still promote development, while easing developers into the newly established rates.

Respectfully Submitted;

Catterall & Wright

Per:



Ryan Rogal, P.Eng.

