



Off-site Levy Bylaw Review – Transportation Working Group Stakeholder Consultation Meeting Notes

Date/Time: May 31, 2023 / 1:00 – 2:30 pm

Location: MS Teams – video conferencing

Attendees:

Internal	External
Brian Arthur	Joel Armitage
Marcus Berzins	Brett Friesen
Maggie Choi	Guy Huntingford
Garrath Douglas	Mohamad Mohamad
Quinn Eastlick	Jackie Stewart
Ben Gilchrist	
Nazrul Islam	
Matthew Sheldrake	
Erika Van Boxmeer*	
Regrets	
Jennifer Black	Bob Faktor
Feisal Lakha	Shameer Gaidhar
	Brian Hahn
	Sina R

Agenda

1. **Welcome & Agenda Overview** (Brian Arthur)
2. **Levy Rate Model Adjustments** (Brian Arthur)
3. **Bylaw Continuity** (Brian Arthur)
4. **Past Estimates vs Actuals** (Brian Arthur)
5. **Levy Rate Model Discussion** (Brian Arthur)
6. **Discussion and Next Steps** (Brian Arthur)

Feedback collected:

Bylaw Continuity

- Slide 4:
 - Can you explain time limited sources of funding?
 - The money that’s in the balance previous to this bylaw rolls into the City contribution going forward? In the previous bylaw there was a certain percentage of the two buckets (City/developer), shouldn’t the buckets stay the same? Not sure how that money rolls into the City portion in the new bylaw. There appears to be a crossover that I don’t agree with, if The City was contributing equal shares, then it would make sense for the



proportions to match going forward. The City's proportional share shouldn't include past levy contributions from developers.

- Financial Model Tab 8
 - \$177M is the closing balance, but by 2029 The City will need to find funding from elsewhere. Is the information beyond 2026 an estimate, because Council approval is needed for projects past 2026?
 - How often will the levy be updated, and the levy rates change? Used to be every five years, will that stay the same or go to every one or two years?
- Perhaps giving us a real-life project example for how 2016/18 levies would be used going forward might help explain how these levies will be used.
 - Will help us track how we will transition from the existing levy to the new levy, so we better understand the transition.
- The only things that are really going to change going forward are if lands are annexed right? The process/sequency should update easily because the methodology is all inclusive. Will just need to update for inflation and project cost estimates? Won't we only need to update if whole new lands are added, or if projects are removed from the list, then the rates will need to be adjusted?
- For the Water updates being annually, that is on the assumption that the denominator is based on the approved areas, whereas if the denominator were larger, the infrastructure would already be projected... like this transportation model... correct?
- Financial Model Tab 4 - The differences between the two bylaws seem to be mainly policy-based changes, when it comes to projects included in the capital list now. 5A Network and RouteAhead driven projects, they weren't included in the 2016 bylaw.

General Feedback/Comments

- Can you walk through the benefit calculation, can see the math between the greenfield and the shared benefit. Can you explain why the methodology was changed, what's considered greenfield and what's considered shared?
- The 50% in greenfield areas, is it fair to say that the assumption is that it's the new population that has yet to be levied plus the already levied greenfield population which equals 100% of the costs? Greenfield areas are paying for 100% of the cost of roads in greenfield areas? The shared benefit money is considered collected and/or spent? Does this take into account the reconciliation of the receivables from development agreements? Prior to finalization of the bylaw can we amend the 2023 development agreement number?
- Tab 6, Figure 4 – Is it fair to say in applying this principle, the 59% is 100% paid for by new residents. The people in the greenfield area are paying for 21% of the shared area because new people are part of the overall area. Clarify whether my understanding of the assumption you've made is the following assumption – the greenfield areas where infrastructure needs to be built will also need to pay for a portion of the blue areas because people in the greenfield area will need to use that infrastructure, but people in the established area won't use the infrastructure in the greenfield area? Will the established area projects still be needed if the city doesn't continue to grow? How do you defend the projects in the established area map versus the greenfield area map to Council? When it comes to the BRT, how do you calculate the benefiting area (you have people from the established area and greenfield area using the BRT bus to travel throughout the city)? Are there BRT projects in Figure 7 that were removed from the levy? For



the BRT you're assuming that people are not taking it from the established area out to the greenfield area.

- The 2016 model used the RTM to calculate a discount for portions of trips from outside of the region that could be applied, will that be done with this model too or is the discount too difficult to determine?
 - So instead of a broad brushed discount you've already removed the costs from the levy rate.
- Can we lower the discount rate to 3.2% to lower the increases over time? This way there won't be such a large increase to start with.
- Is the escalation rate being a 5-year smoothed average for non-residential building cpi, is it the same metric you've used in past bylaws? We've seen some massive anomalies in forecasted rates in recent years.
- Who does a final review/audit of the models? What's the process for vetting the models?
- Appreciate the level of detail provided in the model and how the models are communicated. It's not a simple process or model so appreciate this work.

5A Network

- This wasn't included in the previous bylaw, only the pedestrian overpasses were. The logic to including them is?
- Can you quantify and break out how much is contributed to the 5A infrastructure?

Summary of Action Items

- Create an example of a project that falls under the current levy and will transition over to the new levy.
- Update the escalation rate definition in the spreadsheet.