CITY OF MOOSE JAW

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DEVELOPMENT LEVY BYLAW 2018

Bylaw No. 5568

Date of Passage December 10, 2018
(effective date December 10, 2018)

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BYLAW NO. 5568

CITY OF MOOSE JAW DEVELOPMENT LEVY BYLAW, 2018

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THE MUNICIPAL COUNCIL OF THE CITY OF MOOSE JAW ENACTS AS FOLLOWS:

WHEREAS pursuant to sections 169 and 171 of *The Planning and Development Act, 2007*, Chapter P-13.2 provides that the Council of the City of Moose Jaw in the Province of Saskatchewan may pass a bylaw establishing a development levy;

WHEREAS certain lands within the City of Moose Jaw are proposed for future development;

WHEREAS the Council of the City of Moose Jaw has adopted an official community plan that authorizes the use of a development levy;

WHEREAS the Council of the City of Moose Jaw deems it desirable to establish an updated development levy for the purposes of recovering all or a part of the capital costs of providing services and facilities associated with a proposed development, directly or indirectly, in regard to sewage, water and drainage works, roadways and related infrastructure, parks and recreational facilities;

WHEREAS the Council of the City of Moose Jaw has approved a development levy study regarding the estimated capital costs of providing City servicing and recreational requirements (infrastructure), which sets out a fair and equitable calculation of the development levy in accordance with the *Act*;

WHEREAS the Council of the City of Moose Jaw has considered the future land use patterns and development and phasing of public works (infrastructure) to help determine a fair and equitable calculation of the development levy in accordance with the *Act*; and

WHEREAS the Council of the City of Moose Jaw wishes to enact a bylaw to authorize agreements to be entered into with respect to payment of the development levy pursuant to sections 171 and 172 of the *Act*; to set up the conditions upon which the development levy will be applied to specific classes of development and defined areas; and to indicate how the amount of the development levy is determined.

NOW THEREFORE the Council of the City of Moose Jaw duly assembled, enacts as follows:

1. SHORT TITLE

This Bylaw may be cited as the Development Levy Bylaw.

2. PURPOSE AND INTENT

This Bylaw is intended to:

i) Impose and provide for the payment of a development levy;

ii) Authorize agreements to be entered into with respect to payment of the development levy;

iii) Set out the conditions upon which the development levy will be applied to specific classes of development and defined areas; and

iv) To indicate how the amount of the development levy is determined.

3. DEFINITIONS

In this Bylaw:

i) "***Act***" shall mean *The Planning and Development Act, 2007*, Chapter P-13.2.

ii) "**Capital Costs**" means the City's estimated cost of providing, altering, expanding or upgrading services and infrastructures associated, directly or indirectly, with a proposed development pursuant to sections 169 and 172 of the *Act*.

iii) "**City**" means the City of Moose Jaw.

iv) "**Council or the City Council**" means the Council of The City of Moose Jaw.

v) "**Developed Land**" means land which is considered developed and once it is subdivided or development permit issued, development levies have been paid and services provided to the parcel.

vi) "**Developable Land**" means land that has not previously but can be physically provided with water, sanitary sewer and storm drainage service and associated infrastructure and is suitable for urbanization.

vii) "**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 or intensity of the use of any building or land.

viii) "**Development Region**" means all undeveloped land within the City boundary.

ix) "**Development Levy**" means the levy imposed and created by this Bylaw pursuant to the *Act*.

x) "**Development Levy Agreement**" means the meaning ascribed to this term by the *Act* within s 171 of the *Act*.

xi) "**Development Officer**" means the Administrator for the City of Moose Jaw who administers the development permit applications.

xii) "**Infill Development**" means the development or redevelopment of land to which development has previously existed or water, sanitary sewer and storm drainage service and associated infrastructure have been previously provided but where no previous servicing agreement has been entered into or development levy has been collected for the specific proposed development.

xiii) "**Gross Acre**" means the total land area to be subdivided or developed including but not exclusively all lots, roadways, sidewalks, but does not include park space and dedicated lands as defined in the *Act*.

xiv) "**Off-site Infrastructure**" is external roads (e.g. arterials and collectors), sewer, drainage, water and recreational facilities required for the development but installed outside the specific development boundaries.

xv) "**On-site Infrastructure**" is internal roads, sewer, drainage, water and recreational facilities built on the land area defined by the current phase of development or parcel required to provide capacity to service the current phase of development on the parcel.

xvi) "**Proposed Development**" means a permitted or discretionary use within the City of Moose Jaw Zoning Bylaw, No. 5346, for which a person or corporation has made an application for a development permit.

xvii) "**Servicing Agreement**" has the meaning ascribed to this term by the *Act* within s 172 of the *Act*.

xviii) "**Sanitary Sewer Facilities**" Sanitary sewer facilities, in the context of this Bylaw, include pipe, appurtenances, lift stations and force mains.

xix) "**Storm Water Facilities**" Storm water facilities, in the context of this Bylaw, include drainage pipe, appurtenances and any pump stations.

xx) "**Storm Water Detention Facilities**" Storm Water Detention Facilities, in the context of this Bylaw, include storm water ponds, pond outlets up to and including the control structure low flow bypass pipe, overland surface flow routes and land associated with these facilities.

xxi) "**Study**" means the City of Moose Jaw Development Levy Study referenced in Appendix A, prepared by Tom Williams P.Eng and Dwight Mercer M.C.I.P., RPP.

xxii) "**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*.

xxiii) "**Water Facilities**" Water Facilities, in the context of this Bylaw, include pipe, appurtenances, pump stations and reservoirs.

4. ADMINISTRATION AND ENFORCEMENT

Unless otherwise stated in this Bylaw, Council hereby delegates to the City Manager or any City employees assigned by the City Manager the duty and authority to administer and enforce this Bylaw.

5. DEVELOPMENT LEVY APPLICATION

a) This Bylaw applies to Developable Land that benefits or will benefit from municipal services installed or to be installed by or on behalf of the City and for a development which a Development Levy or Servicing Agreement Fee has not been previously collected. The Development Levy imposed by this Bylaw is intended to recover all or a part of the Capital Costs incurred by the City as a result of a Proposed Development, within the corporate boundaries of the City of Moose Jaw. For the purposes of this Bylaw, the Development Levy fee shall be applied equally as a Servicing Agreement Fee within the meaning of s 171 and 172 of the *Act*.

b) The Development Levy is hereby imposed as follows:

i) $49,600 per gross acre on all Developable Land intended for residential or commercial development.

ii) $49,600 per gross acre on all Developable Land intended for industrial development.

iii) Lands proposed for Infill Development within established neighborhoods will be not be charged a Development Levy provided there is sufficient servicing capacity to accommodate the proposed development, in the sole discretion of the City of Moose Jaw. In the case where there is not sufficient capacity, the City may require a third-party Engineering study at the proponent's cost to determine an appropriate development levy and/or cost-sharing arrangement for the required servicing.

iv) In all cases the City reserves the right to require a third-party study at the proponent's cost to determine the impact of a proposed development on off-site City services and adjust the Development Levy charge accordingly.

v) The Development Levy will be subject to a per annum increase of 2% to account for inflation and changing infrastructure costs.

6. AUTHORITY TO ENTER INTO AGREEMENT

Any Development Levy Agreement or Servicing Agreement and the obligation to pay the applicable Development Levy shall be binding on successors in title to the original owner or owners, regardless of whether an interest in respect of the Development Levy Agreement or Servicing Agreement or the obligation to pay the applicable Development Levy is registered by the City against the Development Lands.

7. PAYMENT

The Development Levy provided in this Bylaw shall be paid, either:

i) 100% prior to issuance of a Development Permit; or

ii) In a fashion and timeline deemed appropriate by the City within a Development Levy Agreement, pursuant to s 171 of the *Act*, or Servicing Agreement, pursuant to s 172 of the *Act*.

8. PURPOSE OF THE LEVY

The purpose of this Bylaw is to recover all or a part of the City's Capital Costs for providing or upgrading the services, facilities and infrastructure herein associated, directly or indirectly, with the proposed development.

9. USE OF THE LEVY

a) The City will deposit all Development Levy and Servicing Agreement fees into one or more Development Levy or Servicing Agreement accounts, separate and apart from other funds of the City pursuant to s 174 of the *Act*.

b) The City will use the funds received, and any accrued interest only to:

i) Pay the Capital Cost of providing the services and facilities described in ss 169(2) or 172(3) of the *Act*;

ii) Pay a debt incurred by the City as a result of an expenditure described in ss 169(2) or 172(3) of the *Act*.

10. CALCULATION OF LEVY

The Development Levy Study, the summary of which is attached in Schedule "A" hereto and forming part of this Bylaw determines the Development Levy rates adopted in this Bylaw.

11. APPEALS ON DEVELOPMENT LEVY

The Development Levy or factors considered in its calculation can be appealed to the Development Appeal Board and subsequently to the Saskatchewan Municipal Board in accordance with s 176 of the *Act*.

12. 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 s 242 of the *Act* prohibiting further development on the Development Lands. The Development Officer may register an interest in the land registry against the affected title pursuant to s 242(7) of the *Act*.

13. SEVERABILITY

In the event that any provision of this Bylaw is found to be null or void or contrary to law by any court of competent jurisdiction, then such provision shall be severed from this Bylaw and the remainder of this Bylaw shall continue to be of full force and effect.

14. COMING INTO FORCE

This Bylaw shall come into force and effect on and after the final passing thereof

READ A FIRST TIME THIS 26th DAY OF NOVEMBER, 2018

READ A SECOND TIME THIS 26th DAY OF NOVEMBER, 2018

READ A THIRD TIME AND PASSED ON THIS 10th DAY OF DECEMBER, 2018

MAYOR

CITY CLERK

SCHEDULE "A"
DEVELOPMENT LEVY STUDY SUMMARY AND MAP OF STUDY AREA

Off-Site Development Levy

City of Moose Jaw

Summary Report

6 December 2017

DGMercer Eco Research - *Aude Sapere*
Walker Projects Inc.

EXECUTIVE SUMMARY

This Summary Report outlines the results of a detailed study[1] produced in support of a new and updated **Offsite Development Levy** charge for the City of Moose Jaw. This levy charge is a standard municipal instrument which enables the recovery of costs associated with major land infrastructure development and supports sustainable development within the City as outlined in Provincial planning legislation [See Appendix A].

The overall objective of the study was to calculate an updated "*Offsite Development Levy*" charge in an understandable and transparent manner while remaining current with actual land development costs in Moose Jaw. Charges being levied in other Saskatchewan cities were also monitored. Background data from the *2015 Utility Master Plan* was also utilized in this cost of land development study. The updated data supports a facts-based decision process for both Council and the land development sector.

The study estimated the total land area to be consumed by year 2061 at 2,820 acres - some 45 years into the future. [See Appendix B] The land area included residential "*greenfield*"[2] development, industrial "*greenfield*" development and a series of infill development scenarios. Following the Moose Jaw Official Community Plan, a detailed calculation of the required "*off-site*" infrastructure costs to fully develop each sector was calculated and then divided by the gross area to be serviced. Engineering details from the recently completed *Utility Master Plan* (2015) were also utilized in some of the cost calculations.

It is estimated to cost **$227,264,000** over 45 years to provide the required off-site development infrastructure investments for these 2,820 acres at a density of five (5) single-detached dwelling units per acre. The product of this calculation is recommended as an offsite development levy charge of **$80,580 per acre** or about $16,900 per standard residential lot - an increase of about $10,000 per residential lot over the current City of Moose Jaw offsite development levy charge of $32,804 per acre. At present, the City of Moose Jaw is under-charging by approximately $10,000 per residential lot on the true costs of major offsite services.

The proposed new $80,580 per acre offsite development levy charge would remain the lowest among the mid-sized to larger cities in Saskatchewan. Saskatoon and Regina have substantially higher charges, whereas, Estevan and Weyburn have offsite development levy charges similar to Moose Jaw.

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[1] Three technical working papers include (i) an examination of a long-term population growth scenario, (ii) calculation of related land consumption rates to better define the long-term development areas, and then a (iii) detailed sector-by-sector study of the necessary major municipal off-site infrastructure required to support this long-term growth within these long-term development areas.

[2] "*Greenfield*" land is undeveloped land in a city or rural area either used for agriculture, landscape design, or left to evolve naturally. These areas of land are usually agricultural or amenity properties being considered for urban development.

INTRODUCTION

Offsite Development Levies are a standard legislative mechanism by which municipalities calculate the current land development costs outside the regular land servicing agreement costs - they are a standard legislative tool to achieve "*sustainable development*" and to avoid future issues associated with aging and/or over-used municipal infrastructure. They require regular updating to remain current with true development costs within the market place.

Offsite development levies are intended to recover infrastructure development costs outside each new subdivision[3]. The cumulative impact of servicing agreements are captured in the Offsite Development Levy charge. The intention is for new land development to fund itself and not rely on property tax subsidies from the existing residential, commercial and industrial tax base - this follows the "*user-pay*" concept and presents a "*level playing field*" for all land development investors.

This study updates the current and outdated Moose Jaw Offsite Development Levy charge which has been set at $2,820/acre for many years and is now capturing less than 40 percent of the true costs. General ratepayers in existing subdivisions are now covering about 60 percent of these new land development costs.

Under terms of most municipal Servicing Agreements[4], the land developer is required to both meet the development standards of the municipality and also cover the legislated costs within their respective land subdivision developments. This is a normal and accepted practice.

Most larger Saskatchewan municipalities, including Moose Jaw, employ Offsite Development Levy fees to recover essential offsite infrastructure costs. Land developers factor in these costs of servicing into the selling price of their land - it is a standard operating cost in the land development sector and needs to remain current with market conditions.

However, Moose Jaw City Council is not bound to charge the full amount of the approved Offsite Development Levy charge in all cases. Most Councils do implement the levy across the full land development base of their municipality - the exception to this rule generally falls under role of economic development incentives. Some municipalities establish policy to provide a *conditional* reduction in offsite development levy fees in order to promote new industrial development in specific areas within their jurisdiction. This option is available for the City of Moose Jaw.

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[3] For example, increased demands for water treatment and wastewater treatment by the City-wide systems, increased demands for drainage and stormwater management over the City system, increased demands on recreational facilities and increased demands for traffic management improvements are included.

[4] A **servicing agreement** is a legal contract that a municipal council may require with a subdivision applicant under section 172 of *The Planning and Development Act, 2007*. Under it a municipality accepts long-term responsibility for maintaining services in a new subdivision in exchange for the developer installing the services needed within the subdivision. A Servicing Agreement may require the construction of the following on-site services such as area grading and leveling of the land; graveled or paved roads, streets and lanes in or connecting to the area being subdivided, sidewalks, boulevards, curbs, gutters, lighting, storm sewers, sanitary sewers, drains, water mains and laterals, service connections and fire hydrants, street name plates and poles, landscaping of parks and boulevards, public recreation facilities; and/or any other public works that a council may require (*e.g. power, gas, telecommunication lines).*

STATUTORY REQUIREMENTS

The statutory requirements for Development Levies and Servicing Fees in Saskatchewan are set out in *The Planning and Development Act, 2007*. This study considers the implementation of charges under the provision of Levies to provide the City with an ability to fully recover costs from new "*greenfield*" and infill development, as permitted under Saskatchewan statute.

Part VIII of the Act covers "*Development Levies and Servicing Fees*" under sections 168-176. Moreover, "*capital cost*" has the same definition for both development levies and servicing fee, i.e. "*the municipality's estimated 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 pursuant to sections 169 and 172 ...*".

Article 169 is presented in full in Appendix A as it appears in the *Act*. The development levy elements specific in establishing levy portions for the City of Moose Jaw are listed below:

- Water supply, treatment, storage and distribution
- Sanitary Sewer Collection, Treatment and Disposal
- Storm Drainage Collection and Disposal
- Transportation-Arterial/Collector Streets and major intersections
- Parks and Recreation

An examination of the estimated off-site servicing costs are then developed and then summed into a city-wide average charge. The city-wide average charge is generally used in Saskatchewan owing to smaller administrative staffs and the complexities to trying to maintain and administer several separate area charges between different land developers.

An Offsite Development Levy, in order to be both effective and executable within a municipality, should include the following attributes:

- be based on current population and land consumption projections;
- include local off-site development infrastructure development costs;
- be integrated with local municipal planning and engineering plans;
- follow legislative requirements; and
- be *transparent* and *understandable* to both the City and the external land development sector.

Finally, other facilities and infrastructure such as expanded protective services (fire and police), libraries, transit, etc., also generate growth-related requirements, but are not authorized under the Act. Therefore, they are not included in the calculation of the offsite development levy fee. The municipality is required to recover these costs by other means.

METHODOLOGY

The approach to updating the City of Moose Jaw Offsite Development Levy charge included the detailed study of infrastructure development costs in the Moose Jaw region and ongoing consultation with the Moose Jaw Planning Department and the Municipal Engineering Department. The current Official Community Plan was reviewed in detail and land use development patterns were utilized in estimating timing and costs. In addition, a briefing was provided City Council and the Administration in June 2015 regarding preliminary study results. The local Moose Jaw land development sector will be consulted *after* this presentation to Executive Committee and follow any directives from the Executive Committee in this consultation.

A detailed examination of a pragmatic population growth scenario, coupled with expected slightly higher land development densities produced an overall estimated land development area of 2,820 acres by year 2061- some 45 years in the future. [See Appendix B]. The Moose Jaw Official Community Plan and the recent *Utility Master Plan (2015)* were utilized in this detailed examination of land development patterns and associated major infrastructure development requirements.

A detailed study of the planning, engineering and infrastructure costs associated with developing the land within the long-term 2061 land development base was undertaken with several meetings with the Planning and Engineering departments. The intent was to produce a document which integrated document for both the Planning Department and the Engineering Department of the City.

Finally, an estimated $227,264,000 (2016$) was identified over 45 years to provide the required off-site development infrastructure investments for the estimated 2,820 acres. The product of this City-wide calculation is recommended as an offsite development levy charge of **$80,580 per acre** or about $16,900 per standard residential lot - an increase of about $10,000 per residential lot over the current City of Moose Jaw offsite development levy charge of $32,804 per acre. It is recommended these figures be adjusted by the local consumer price index and the overall study be reviewed every five years and/or as a result of major developments affecting the City.

A more detailed breakdown of the elements of the proposed Offsite Development Levy charge is presented in the following section.

RECOMMENDED UPDATED OFFSITE DEVELOPMENT LEVY - CITY OF MOOSE JAW

The proposed 2017 Offsite Development Levy for the City of Moose Jaw has been developed based on the above criteria and should recover both the true costs of development while presenting Moose Jaw as an attractive municipality for new residential, commercial and industrial investment in western Canada. The final recommended Offsite Development Levy for Moose Jaw is quite similar but lower than both the recent Weyburn and Estevan[5] charges.

Following Provincial legislation, the breakdown of the proposed new Offsite Development Levy is presented below.[See Appendix D for additional information] The Moose Jaw model has included several linear park systems which would serve the dual purpose of park space and overland linear stormwater management channels - this was done to save infrastructure funds in new areas with immature natural drainage systems and reduce some offsite development charges.

Based on a projected land consumption area of 2,820 acres over the next 45 years, it is currently estimated in 2016 dollars to cost $227,264,400 to install the necessary major offsite infrastructure to support land development within the City of Moose Jaw. The estimated land area divided by the estimated infrastructure cost is therefore an average of $80,579 per gross acre - rounded to $80,580.

Summary of Moose Jaw Levy Charge Allocations			Charge Per Acre	Acres	
Roads - Roadways, Major Arterial & Major Intersections		$ 68,966,000	$ 24,453	2820.4	30.3%
Water - Main trunks, reservoirs, pump stations		$ 49,524,000	$ 17,559	2820.4	21.8%
Sanitary Sewer - Major trunks, upgrades		$ 30,774,000	$ 10,911	2820.4	13.5%
Storm Sewer & Parks and Recreation		$ 57,340,000	$ 20,330	2820.4	25.2%
Contingenies and 10% Engineering Variance		$ 20,660,400	$ 7,325	2820.4	9.1%
Total Est. Offsite Development Costs		**$ 227,264,400**	**$ 80,579**	2820.4	100.0%

NOTE:

As residential, commercial and industrial development in Moose Jaw is often compared to and competes with Regina - it should be noted the 2017 City of Regina currently charge is between $159,000 and $167,000 per acre with their 2018 Offsite Development Levy rising to over $182,000 per acre. Under the proposed updated Offsite Development Levy, the City of Moose Jaw becomes competitive with respect to new residential, commercial and industrial land development. [See Appendix D for Regina details]

The City of Saskatoon formula is very complicated and a direct land base comparison is difficult, however, it is estimated to be slightly higher than the City of Regina. Even the Saskatoon Homebuilder's Association is not able to provide a direct cost of the City's offsite development levy charge by hectare or acre.

[5] The current Offsite Development Levy for Weyburn and Estevan are $86,000 and $94,002 per acre respectively.

APPENDICES

APPENDIX A

Under Article 169 of *The Planning and Development Act (2007),* the specific statutory requirements for an offsite development levy bylaw are presented in full and as follows:

Development levy bylaw

169*(1) If a council has adopted an official community plan that is not subject to an application for subdivision of land and that authorizes the use of development levies, the council may, by bylaw, establish development levies to recover the capital costs of services and facilities as prescribed in subsections (2) and (3).*

(2) A council may impose development levies for the purpose of recovering all or a 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:

- *(a) sewage, water or drainage works;*
- *(b) roadways and related infrastructure;*
- *(c) parks;*
- *(d) recreational facilities.*

(3) The development levy bylaw shall only permit development levies to be imposed if:

- *(a) the specific proposed development was not previously the subject of a servicing agreement entered into pursuant to section 172; and*
- *(b) in the opinion of the council, the municipality will incur additional capital costs as a result of the proposed development.*

(4) The levies in the development levy bylaw must be based on:

- *(a) a study or studies of the costs of municipal servicing and recreational requirements; and*
- *(b) consideration by council of future land use patterns and development and the phasing of public works.*

(5) The development levy bylaw must specify the levies to be made for services and facilities and may vary those levies having regard to:

- *(a) zoning districts or other defined areas;*
- *(b) land uses;*
- *(c) capital costs as they relate to different classes of development as established in the bylaw; or*
- *(d) the size or number of lots or units in a development.*

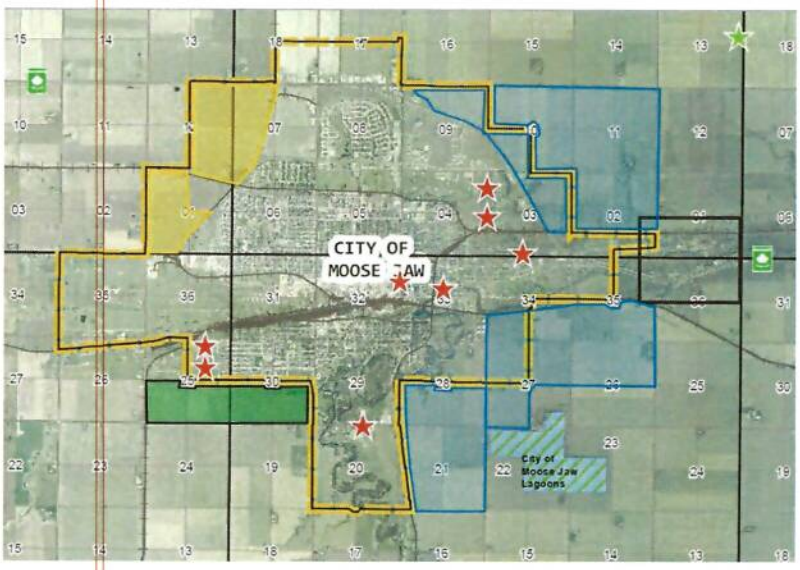
(6) The development levy bylaw must provide that similar levies be imposed for developments that impose similar capital costs to the municipality.

(7) The development levy bylaw may exempt land uses, classes of development, zoning districts or defined areas specified in the bylaw from the levies.

APPENDIX B

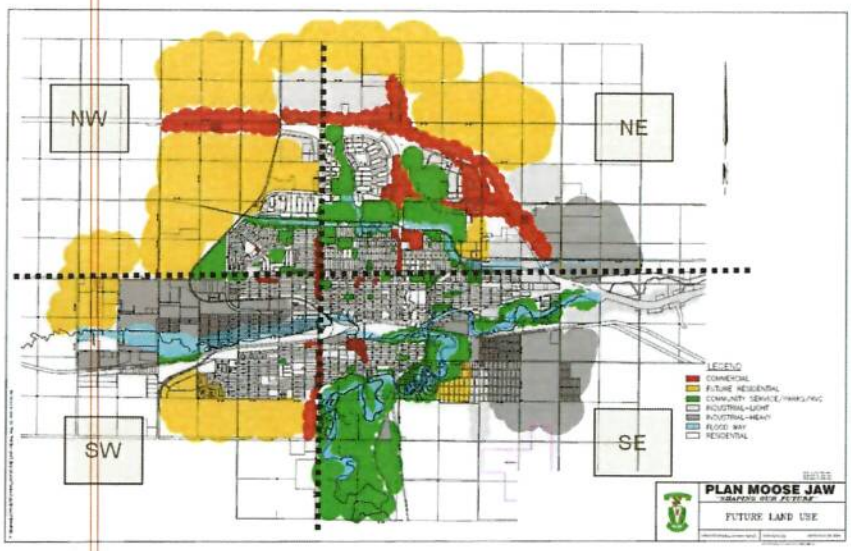
Estimated Long-term Land Consumption Areas for the City of Moose Jaw

The top illustration presents the estimated overall area of approximately 5,600 acres from which 2,840 acres of residential, commercial and industrial land is estimated to be required to accommodate the growth and development of the City of Moose from 2016 until the year 2061. Orange areas represent new "*greenfield*" residential growth from within the City. Green areas represent new "*greenfield*" residential growth from RM of Moose Jaw land abutting the City of Moose Jaw. Red stars represent infill residential development which should be considered in the short-term. Blue areas represent industrial land use areas both within the City of Moose Jaw and the RM of Moose Jaw - overall consumption is a sub-set.



The land consumption estimates are based on a long-term population growth scenario and calculated development densities and household sizes per dwelling unit. *Note - the recent land annexation in the SE quadrant is not included in this illustration.*

The estimated required land mass of 2,820 acres is significantly less than the current *Moose Jaw Official Community Plan, Future Land Use Map* (2008/2011) as illustrated below. The Offsite Development Levy calculates significantly less land consumption than estimated in 2008. A more compact development pattern is possible for the City of Moose Jaw which also reduces the major infrastructure servicing costs - which indirectly reduces land development costs and associated real estate costs.



It is recommended the City of Moose Jaw consider a future amendment to its *Official Community Plan - Future Land Use* map to more accurately reflect the future configuration.

Long-term engineering and planning by the City of Moose Jaw might also be amended to reflect land development patterns suggested by the 2017 Moose Jaw Offsite Development Levy study.

APPENDIX C

DEVELOPMENT LEVY PRINCIPLES

In the preparation of this Study, the following general principles were used to guide and define the review and establishment of a new Offsite Development Levy charge for the City of Moose Jaw:

- The report and recommended offsite development levy charges are based upon Provincial regulation and involved discussion and clarification of interpretation with government officials responsible for the legislation.

- The Offsite Development Levy charge and base calculations are meant to be transparent, logical and clearly derived to provide both the municipality and the Moose Jaw land development sector with a joint working document. The intent is to establish a balance between the *entrepreneurial spirit* of the land development sector while also protecting the long-term public interest outside of any servicing agreement area.

- The estimates of offsite development costs are based on experienced engineering design parameters and current cost estimates and known tender prices. These estimates are also based on both known land use concept plans and/or reasonable and rational general land use planning considerations current in Moose Jaw and Saskatchewan in general. Estimates can be refined over time as new land use concept plans are developed and construction costs change.

- Land development costs clearly associated with a specific subdivision development already under a "*servicing agreement*" are not included in any of the offsite development levy estimates.

- Cost estimates for major projects which are likely to be eligible for senior government financial grants in the future have been discounted by an approximate percentage factor to avoid the local land development sector being double-charged. Actual percentages will be affected by the design of each senior government program. Nevertheless, "*shovel-ready*" projects should be established in order to react quickly to future senior government stimulation programs.

- The Study Area was first restricted to the current city limits of the City of Moose Jaw and the population growth estimates follow both the City of Moose Jaw's "Land Use Planning & Development Background Document (2008)" and ongoing discussions with the City during the course of preparing this document. A select number of sectors within the RM of Moose Jaw were later added to the Study. In general, the overall long-term demand for residential lands within the RM of Moose Jaw have been calculated to be significantly reduced.

- The City of Moose Jaw Official Community Plan, "*Future Land Use Plan*" map was the original framework for the study. From this large scale map, a series of "*Planning Sectors*" was created to establish basic sector engineering servicing requirements associated with both local "*servicing agreement*" levels of service and the offsite demands for larger infrastructure. In addition, reasonably expected land development densities and configurations were estimated to the remaining residential, commercial and industrial lands.

- The approach to the Study closely followed the approved policy contained in the Moose Jaw Official Community Plan and also examined plans from the RM of Moose Jaw.

- The Study is based on an average Offsite Development Levy charge applied to the gross development area. The reasoning is as follows: (i) not all offsite infrastructure improvements can be geographically isolated to specific areas of the city, (ii) not all costs can be calculated in detail, (iii) complications in calculating net development areas, (iv) ease of administration for the small planning and engineering departments at the City of Moose Jaw, and (v) this tends to be the common practise in most Saskatchewan municipalities.

- Infill development sites, not previously covered by an Offsite Development Levy Charge, should require an engineering design prepared and stamped by a professional engineer to confirm designs for water supply, waste water disposal, drainage and stormwater management, and arterial traffic management and control will function properly on the proposed development site, and, can be accommodated by the general surrounding municipal infrastructure. In general, infill development should be subject to the full Offsite Development Levy charge, however, it is recommended the Administration and Council review each proposed infill development on a case-by-case basis and apply a charge which is mutually beneficial.

- Redevelopment of sites, not previously covered by an Offsite Development Levy charge, should require an engineering design prepared and stamped by a professional engineer to confirm designs for water supply, waste water disposal, drainage and stormwater management, and arterial traffic management and control will function properly on the proposed development site, and, can be accommodated by the general surrounding municipal infrastructure. In general, infill development should be subject to the full Offsite Development Levy charge, however, it is recommended the Administration and Council review each proposed development on a case-by-case basis and apply a charge which is mutually beneficial.

- Significant increases in development density of a site, not previously covered by an Offsite Development Levy charge, should require an engineering design prepared and stamped by a professional engineer to confirm designs for water supply, waste water disposal, drainage and stormwater management, and arterial traffic management and control will function properly on the proposed development site, and, can be accommodated by the general surrounding municipal infrastructure. In general, infill development should be subject to the full Offsite Development Levy charge, however, it is recommended the Administration and Council review each proposed development on a case-by-case basis and apply a charge which is mutually beneficial. In general, increased development densities should be encouraged.

- The Offsite Development Levy charge should remain a "*living document*" and be subject to review and adjustment as more current data becomes available and/or if significant changes in local construction costs occur. The objective should always be to provide an equitable, logical, transparent and contemporary assessment of major infrastructure systems in Moose Jaw and to strike a balance between the entrepreneurial spirit of the Moose Jaw land development sector and the public interest of all Moose Jaw ratepayers.

APPENDIX D

Current and Pending Offsite Development Levy Charges - City of Regina

The upper summary table outlines the current City of Regina Offsite Development Levy charges for 2017 and 2018; whereas the second table presents the proposed City of Moose Jaw Offsite Development Levy charges.

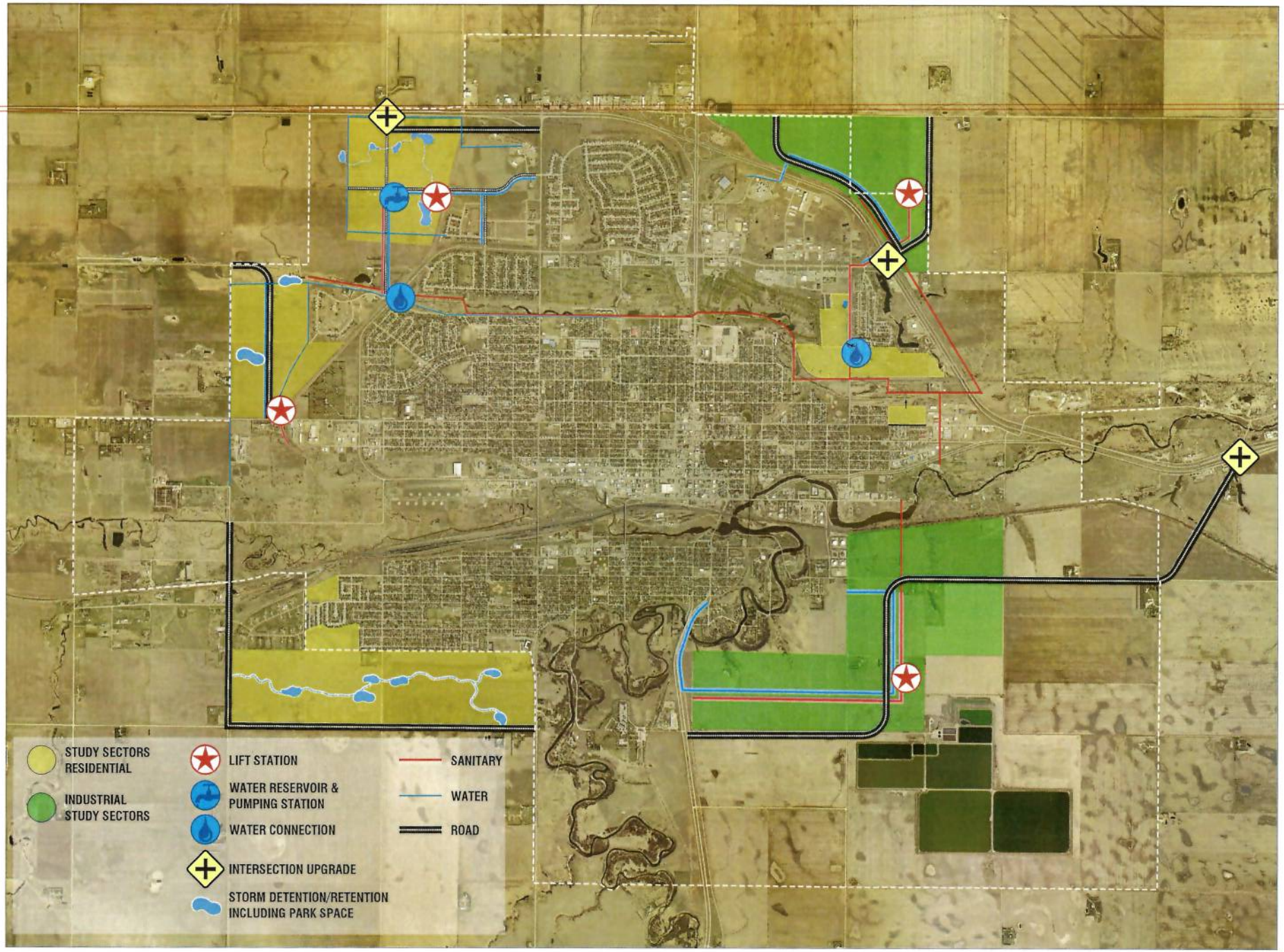
Under the City of Regina Official Community Plan there are currently two (2) development areas; area one includes development in areas which represent the population growth area to 235,000 persons (235k) and the second area represents the area to be accommodated by the 300,000 person (300k) development area. Beginning in 2018, this areal distinction will be extinguished and a common higher offsite development levy will be charged. These existing and pending offsite development levy charges will be among the highest in Saskatchewan.

Regina Offsite Development Fees $/acre			Domestic	Storm	Water	Roadways	Parks	Admin	Total
2017	Jan-Dec	OCP Dev Areas							
		235 K Areas	28,252	1,558	27,863	81,327	7,664	12,786	**159,450**
		300 K Areas	29,797	1,643	29,386	85,774	8,083	12,860	**167,544**
2018	Jan-Dec	Greenfield Areas	32,576	1,796	32,127	93,774	8,837	13,406	**182,517**

The proposed City of Moose Jaw breakdown of the Offsite Development Levy charge is provided below. It should be noted that while each municipality has unique infrastructure scenarios, some general comparisons are possible. Water and sewer charges for both cities is comparable. However, roadway charges for Regina are significantly higher. For Moose Jaw, this report chose to integrate storm sewer and parks into one category as it was deeded appropriate to coordinate park space with linear stormwater drainage systems in the new development areas. Finally, no direct Administration charge has been included in the Moose Jaw levy, whereas the City of Regina is charging over $12,700 per acre and this will rise to $13,400 in 2018.

Summary of Moose Jaw Levy Charge Allocations			Charge Per Acre	Acres	
Roads - Roadways, Major Arterial & Major Intersections		$ 68,966,000	$ 24,453	2820.4	30.3%
Water - Main trunks, reservoirs, pump stations		$ 49,524,000	$ 17,559	2820.4	21.8%
Sanitary Sewer - Major trunks, upgrades		$ 30,774,000	$ 10,911	2820.4	13.5%
Storm Sewer & Parks and Recreation		$ 57,340,000	$ 20,330	2820.4	25.2%
Contingenies and 10% Engineering Variance		$ 20,660,400	$ 7,325	2820.4	9.1%
Total Est. Offsite Development Costs		**$ 227,264,400**	**$ 80,579**	2820.4	100.0%

In conclusion, the proposed 2017 Moose Jaw Offsite Development Levy update provides a calculated, transparent infrastructure charge which both protects existing property owners from additional charges while providing the new land development sector with a competitive advantage over many other cities including Regina.


STUDY SECTORS RESIDENTIAL
INDUSTRIAL STUDY SECTORS
LIFT STATION
WATER RESERVOIR & PUMPING STATION
WATER CONNECTION
INTERSECTION UPGRADE
STORM DETENTION/RETENTION INCLUDING PARK SPACE
SANITARY
WATER
ROAD