



# Off-site Levy Bylaw Review

## Transportation Off-site Levy Working Group

September 26, 2023



# Today's Agenda

1. Welcome & Agenda Overview
2. Supporting documents
3. Draft levy rates
4. BILD Questions
5. Summary of Feedback
6. Alignment to Principle: Competitive
7. Schedule and Next Steps



# Meeting Norms

- **Presentations:** Hold questions until the end.
- **Tone:** Keep a positive tone. Discuss ideas on addressing issues.
- **Listen & Respect:** Every voice is an important voice. Everyone participants, no one dominates
- **Sounds:** Mute your mic when you are not talking (online). Speak-up so that those online can hear (in-person).
- **Sights:** You are encouraged to turn on your camera if you are online.
- **Discussion:** If you would like to comment or have a question, please raise your hand (in-person/online). We will get to you in order as best as we can.



# Supporting Documents

Available online at [engage.calgary.ca/OffsiteLevies](https://engage.calgary.ca/OffsiteLevies):

- **Levy Rate Models:** provides calculation
- **White Papers:** description of methodology
- **Project Summaries:** project descriptions and rationales



# Draft Levy Rates

	2023 Posted Rates (\$/ha)	January 2024 Inflationary Adjustment (\$/ha)*	TBD 2024 (new bylaw) (\$/ha)**
	Current Bylaw		New Bylaw
Transit Buses	4,585	4,898	18,595
Transportation	156,694	167,396	156,386
<b>Total</b>	<b>161,279</b>	<b>170,956</b>	<b>174,981</b>

\*Assuming **6.83%** for 2023 non-residential building construction price index. To be updated as new info becomes available.

\*\*Pending Council approval



# BILD Questions

8. The impact on levy rates of any future transportation budget additions, most particularly the next two years.

<p>Hypothetical Scenario</p>	<ul style="list-style-type: none"> <li>• Assume there is a desire to prioritize Macleod Trail / 194 Avenue interchange</li> <li>• Prioritization is confirmed through capital prioritization</li> <li>• The project is approved by Council at mid-cycle adjustments to be built in 2025</li> </ul>
<p>Change to levy rate model</p>	<ul style="list-style-type: none"> <li>• Move this project from 2028 to 2025</li> <li>• No additional changes</li> </ul>
<p>Details</p>	<ul style="list-style-type: none"> <li>• Project cost: \$120 million, developer share 50.9%</li> <li>• Future value of developer share changes from \$72.8 million in 2028 to \$65.5 million in 2025</li> <li>• No revenue collected on the 2024 bylaw yet → covered with debt</li> <li>• Debt paid back in 2028</li> <li>• Interest \$7.5 million replaces \$1.4 million investment income</li> </ul>
<p>Impact on levy rate</p>	<ul style="list-style-type: none"> <li>• <b>Change from \$156,386 to \$156,489 (+\$103)</b></li> </ul>



# BILD Questions

9a. A rationale that the cost and grant allocation is fair and reasonable to new home buyers and renters who also pay federal taxes.

9b. An appropriate prorating of the fully granted electric buses into the levy calculations so as not to unduly disadvantage purchasers of new homes in new communities. Please refer to grants in item 1 above.

- The federal grant for electric buses fully supports the lifecycle of existing diesel buses.
- Lifecycle costs and grants are not included in off-site levy rate calculations.



# BILD Questions

10a. A revised levy calculation using service levels appropriate for new communities given the current levels of transit ridership.

- Ridership is more of an outcome of service.
- Pre-pandemic ridership levels are expected to return this year.
- There is no Council direction to reduce levels of service.
- The methodology used to calculate the transit bus levy rate is a network-wide measure that is consistent with the methodology used in the 2016 bylaw.
- It is a simple, repeatable methodology that ensures that the provision of transit service to new communities will not have a detrimental impact on service to existing communities.





# Summary of Feedback Incorporated

Topic	Actions
Benefit	<ul style="list-style-type: none"><li>Expanded benefiting area to full city boundary</li><li>Extended horizon from 30-year to 60-year forecast</li></ul>
Infrastructure	<ul style="list-style-type: none"><li>Different infrastructure included as a result of changes to benefit</li><li>Adjusted methodology for estimating the number of greenfield traffic signals needed</li></ul>
Benefit calculation	<ul style="list-style-type: none"><li>Adjusted as other feedback was incorporated</li></ul>
Levy rate calculation	<ul style="list-style-type: none"><li>Incorporates investment income</li></ul>
Levy rate model	<ul style="list-style-type: none"><li>Added the <i>Bylaw Continuity</i> tab</li></ul>



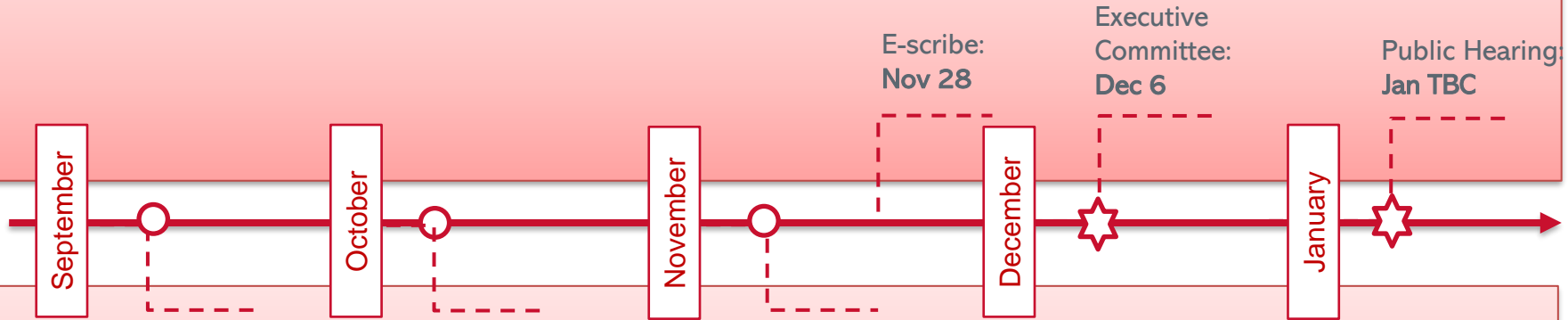
# Acknowledgement of Feedback Not Incorporated

Topic	Result
Grants	<ul style="list-style-type: none"> <li>No new assumptions embedded in the levy rate calculation</li> <li>Grants from the Federal or Provincial Governments are considered City of Calgary funding</li> <li>Exceptions considered on a case-by-case basis</li> </ul>
Transit bus grant	<ul style="list-style-type: none"> <li>Lifecycle grant not considered in methodology</li> </ul>
Benefit methodology - TR	<ul style="list-style-type: none"> <li>Transportation modeling discontinued</li> </ul>
Benefit methodology - Buses	<ul style="list-style-type: none"> <li>Same as current bylaw</li> </ul>
Benefit application	<ul style="list-style-type: none"> <li>Benefit not calculated project-by-project</li> </ul>
Payment schedule	<ul style="list-style-type: none"> <li>Longer payment schedule for industrial, or building type</li> </ul>



# Schedule

## Council report



## External and Engagement



# Next Steps

Other engagement opportunities:

- Survey: [engage.calgary.ca/OffsiteLevies](https://engage.calgary.ca/OffsiteLevies)
- Virtual workshop
  - WHEN: September 27 and 28, 11:30 – 1:00 p.m.
  - WHERE: Microsoft Teams
  - September 27: <https://oslworkshop1.eventbrite.ca>
  - September 28: <https://oslworkshop2.eventbrite.ca>
- Final Session – All Working Groups Oct 5
- Public disclosure until January Council Public Hearing



**Thank you!**