



ROCKY VIEW COUNTY

Soft Services Levy Bylaw Development Summary Report



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1.0 Document Purpose and Introduction

This summary report contains a high-level description of the methods and analysis completed in the development of draft off-site levies for Rocky View County's (herein "the County"). It is intended to support the County's external consultation efforts by enabling review by external stakeholders of the approaches used, basis for the analysis, and calculations performed for the draft off-site levy rates.

This document provides an overview regarding:

- Soft Services Levy Bylaw Development;
- The proposed Fire and Recreation facilities which constitute the soft services levies, including costing estimates; and
- A description of how the draft levy rates have been calculated, including basis for projections and alternative levy frameworks considered.

2.0 Project Overview

During project chartering, an overarching project goal was established to:

"Develop a framework and formula to assess and calculate soft levy that is well defined, practical, aligned with the MGA provisions and vetted through the development community".

To achieve this goal, a phased project approach and work plan was developed and approved by the County's Project Sponsor and internal working team. The first phase commenced in August 2022 and was focused on researching comparable soft services levies in Alberta and Western Canada and a review of proposed new infrastructure stemming from the County's 20-Year Master Plans for Fire Services¹ and Recreation and Parks². The second phase focused on developing costing estimates for these facilities and evaluation of alternative levy frameworks. The project's third phase will be focused on external consultation and the development of a draft soft service levy bylaw for Council review by the fourth quarter of 2023.

Project Overview

Project Objective:

Develop a framework and formula to assess and calculate soft levy that is well defined, practical, aligned with the MGA provisions and vetted through the development community



¹ Behr Integrated Solutions Inc., Presented to Rocky View County, "Rocky View County 2022 Fire Services Master Plan", January 2022

² HarGroup Management Consultants, K. Knights & Associates Ltd., Planvision Consulting International, Costplan, & Binnie, "Rocky View County Recreation and Parks Master Plan", 2021

It is noted that the project is also guided by the current legislation stipulated within the Alberta Municipal Government Act (MGA)³. Section 648(2.1) updates to this legislation enables municipalities to set levies to fund either new or expanded infrastructure for community recreation facilities, fire halls, police stations, and public libraries (i.e., “soft services”).

Per the MGA, soft services off-site levies allow a municipality to recover capital costs for these types of infrastructure based on the degree of benefit the development will receive from these facilities. It is a charge imposed by a municipality through authorization by the Municipality’s Council by adoption of a bylaw. The charge can be collected from a developer as a condition of development or subdivision. The funds submitted to the municipality from the developer must be separately managed and used only for the scope of infrastructure per the stipulations within the bylaw.

3.0 Planned Soft Services Infrastructure

This section discusses the planned Fire and Recreation facilities as identified by the County’s Master Planning documents.

3.1 New Fire Hall Facilities

From review of the master plan and discussions with representatives from the County’s Fire Services Department, the following locations were identified as requiring new Fire Hall facilities within the next 20 years:

- i. Madden
- ii. Bragg Creek
- iii. Conrich
- iv. Harmony
- v. Cochrane Lakes

A map of the County illustrating each location is provided in Figure 2. From the master planning document, the construction of these new facilities will complement current fire station facilities and better position the County to achieve a targeted emergency response time of 10 minutes for urban properties and 18 minutes for rural properties.

³ Province of Alberta, “Municipal Government Act, Revised Statutes of Alberta 2000, Chapter M-26”, April 2023

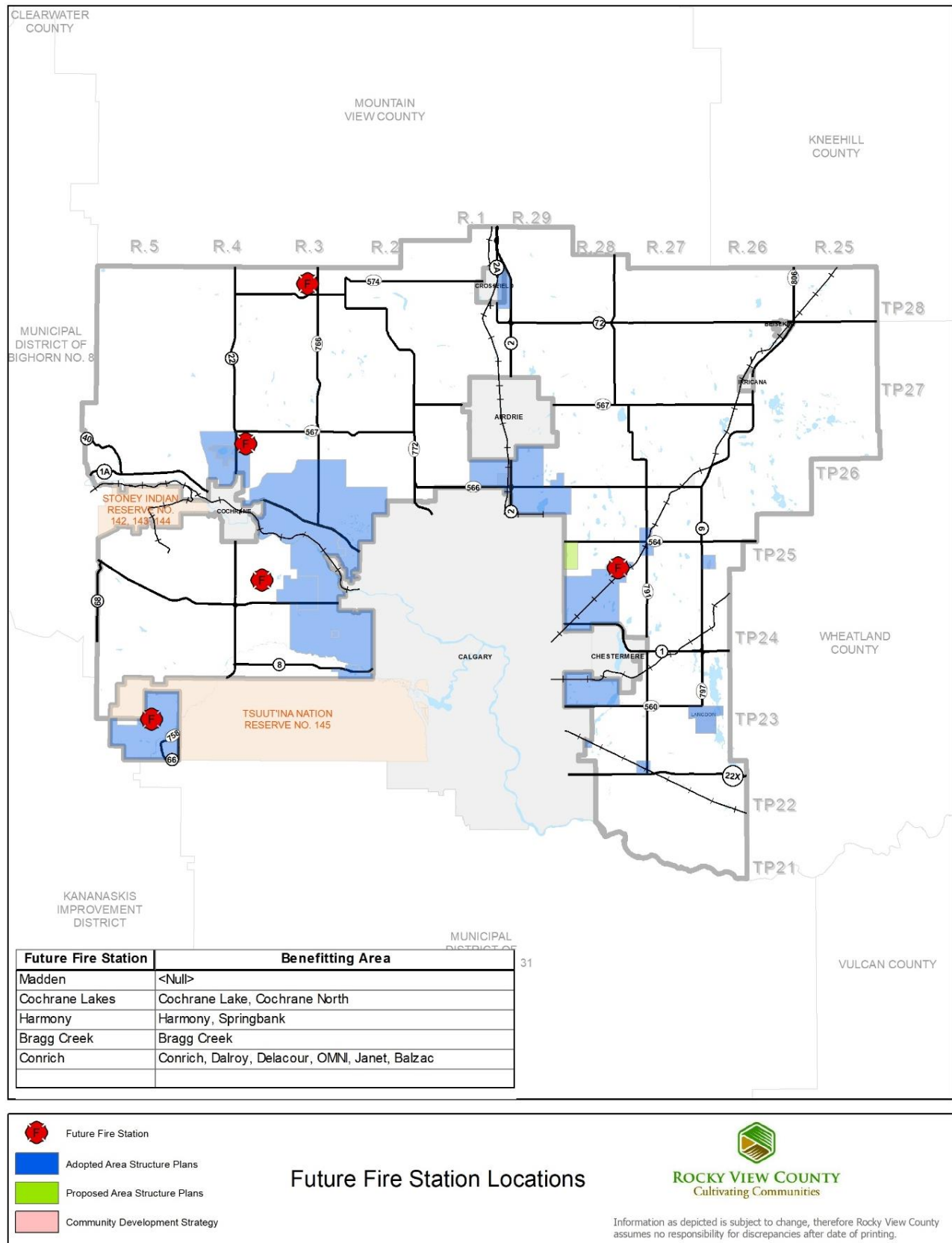


Figure 1: Map of Future Fire Hall Facilities per 20-Year Master Plan

For each location, specifications were developed and confirmed regarding the requirements for the envisioned fire stations at each location. This addressed requirements for the apparatus bay, apparatus (fire trucks), workshop, dorm, training room, kitchen and day room, office space, restrooms, personal protection equipment, and other considerations. In addition, the approximate future years for construction for these facilities was identified. From this, a third-party consultant was engaged to lead the development of costing estimates for each facility (future dollar values pending the planned year of construction and projected inflation rates⁴). Table 1 details the anticipated year of construction and costing estimates per facility:

Fire Stations	Target Service Areas	Est. Year	Cost Estimate \$000's (future value)
Madden	County NW Corner (Madden, Bottrel, etc.)	2025	\$6,435
Bragg Creek	Bragg Creek	2025	\$7,737
Conrich	Conrich, Dalroy, Delacour, OMNI, Balzac	2027	\$7,896
Harmony	Harmony, North Springbank	2030	\$7,212
Cochrane Lakes	Cochrane Lake, Cochrane North	2030	\$9,571
Total Estimated Future Value Capital Costs:			\$38,851

Table 1: Projected Costing and Construction Years for New Fire Stations

3.2 New Recreation Facilities

From review of the master plan and discussions with representatives from the County's Recreation, Parks, and Community Support Department, the following locations were identified as requiring new Recreation facilities within the next 20 years:

- i. Indus (ice rink)
- ii. South Springbank (community centre, indoor field, and connecting outdoor park and amenities)
- iii. Langdon (recreation centre and field house)
- iv. Harmony (community centre)
- v. Conrich (community centre)

A map of the County illustrating each location is provided in Figure 3. In addition, primary catchment areas have been identified based on an assumption of a "20 minute drive" distance from each facility.

⁴ Future inflation rates assumed at 5% for 2023 and 3% each year thereafter

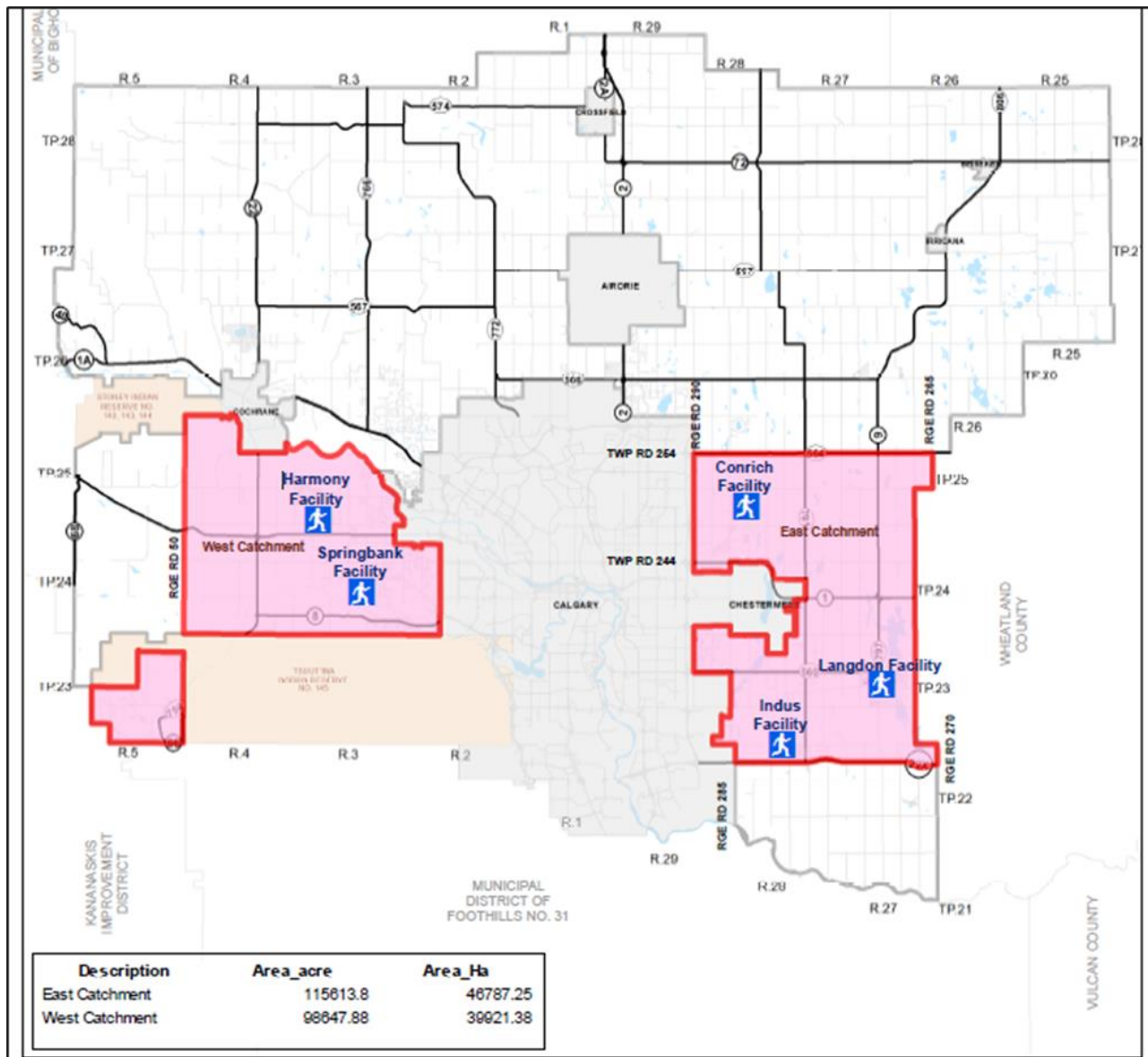


Figure 2: Map of Future Recreation Facilities per 20-Year Master Plan

For the Indus, South Springbank, and Langdon locations, detailed requirements were leveraged from previous planning efforts. These include current ice expansion plans for Indus (in conjunction with the Bow Valley Agriculture Society) and detailed business cases for the South Springbank and Langdon facilities. General concepts were assumed for both the Conrich and Harmony facilities (each assumed to be a community event centre with multi-purpose rooms and a studio). From these, the third-party consultant developed costing estimates for each facility (future dollar values pending the planned year of construction and projected inflation rates). Table 2 details the anticipated year of construction and costing estimates per facility:



Facility	Description	Target Service Areas	Est. Year	Cost Estimate \$000's (future value)
Indus	Ice Rink	Southeast Catchment	2025	\$11,933
South Springbank	1. Community Centre 2. Indoor Field 3. Outdoor Park & Amenities	Western Catchment	Phase 1 – 2027 Phase 2 – 2031 Phase 3 – 2035	\$15,676 \$21,675 \$23,496 \$60,857
Langdon	Recreation Centre & Fieldhouse	Southeast Catchment	2027	\$37,606
Harmony	Community Centre	Western Catchment	2034	\$17,635
Conrich	Community Centre	Southeast Catchment	2034	\$16,118
Total Estimated Future Value Capital Costs:				\$144,149

Table 2: Projected Costing and Construction Years for New Recreation Facilities

4.0 Levy Development Approach and Alternatives

This section discusses the approach taken to project future development, allocate benefits to existing versus future development, and calculate draft levy rates for select levy framework alternatives.

4.1 Development Projections

Land development projections were developed over a 20-year horizon to match the planning timelines of the Fire Services and Recreation and Parks master plans. To develop these growth projections, distinct methods were used for residential and non-residential development.

To guide residential land development projections, the population growth projections from the Calgary Metropolitan Region Board (CMRB) Growth Plan⁵ were leveraged. This projected the County's population to grow at an average annual rate of approximately 1.56% over the next 20 years to reach a population of 61,629 by 2043. From this, the total number of growth residential dwellings was calculated by using an average of 2.7 people per household. This equates to a cumulative growth total of 6,063 new households across a 20-year horizon (2024-2043). From this, guidance from the County's Growth Plan⁶, land inventory, and draft municipal development plan was leveraged to estimate which communities within the County will receive this growth. From these estimates and assumptions, projected 20-year residential land development within each community and across the

Res Land Development Forecasts Acres by Area	% by Area	2024-2043
1. Hamlet Growth Areas Development Forecast:		
Bragg Creek	10%	60.6
Harmony	60%	363.8
Langdon	30%	181.9
	100%	606.3
2. JPA Growth Areas Development Forecast:		
East and West Balzac	20%	16.7
Conrich	75%	62.7
Janet	0%	0.0
OMNI	5%	4.1
	100%	83.6
3. Policy Areas Development Forecast:		
Bearspaw	50.0%	3,637.8
Cochrane Lake	17.5%	79.6
Cochrane North	5.0%	181.9
Elbow Valley	5.0%	30.3
Springbank Central	20.0%	727.6
Springbank North	2.5%	129.9
	100%	4,787.1
4. Non-Policy Development Forecast		
East Catchment	50%	1,212.6
West Catchment	50%	1,212.6
	100%	2,425.2
Projected Residential Land Development (Acre)		7,902.1

Table 3: Residential Land Development Projections (acres)

⁵ CMRB, "Growth Plan", 2022

⁶ Rocky View County, "County Plan, BYLAW C-7280-2013" Amended June 23, 2022

County was calculated using average land densities. This is summarized in Table 3:

The projections for future non-residential land development are based primarily on understanding the recent rate of development across different areas within the County and their respective development capacity. To do this, the project leveraged two reports detailing the inventory of non-residential development in 2018⁷ and again in 2023⁸. These indicated the most current rate of development per community. In addition, observations were made about the potential for future non-residential growth possibilities in these areas. Based on future growth rate assumptions per area, the following 20-year non-residential land development totals were calculated (per Table 4):

Land Development Forecasts by Area		2024-2043
Eastern Catchment		
	Balzac East	2,320.0
	Conrich	640.5
	Fulton	0.0
	Janet	335.0
	Langdon	18.0
	Omni	235.0
	North Central Industrial Area	46.0
	Shepard	0.0
	Total Eastern Catchments	3,594.5
Western Catchment		
	Cochrane Lake	7.9
	Springbank North	1,185.0
	Total Western Catchments	1,192.9
Projected Non-Residential Land Development (Acres)		4,787.3

Table 4: Non-Residential Land Development Projections (acres)

4.2 Levy Framework Development Approaches

Alternative levy frameworks have been identified, calculated, and provided a preliminary assessment to support this project. This analysis has projected the levy rates, forecasted levy funding across the 20-year horizon, and extent of funding requirements which the County would need to bear given fair allocations of benefits and capital costs across existing versus future development. A final preference or decision from the County has not been provided, as it seeks input and comments from external stakeholders to assist in this evaluation.

All alternatives considered in this document are based on the following:

- A 20-year revolving timeframe basis was used to match the 20-year master planning documents established by the County⁹;
- Benefits and capital costs were allocated equally between existing versus future, cumulative 20-year growth based on the degree of existing versus future land development per targeted community / benefiting area. It is anticipated that both existing and future landowners (both residential and non-residential) will equally benefit from these future facilities; and
- Allocations of capital costs and benefits to future development past the 20-year projection horizon were calculated in proportion to the projected year of construction within this

⁷ Rocky View County, "Commercial and Industrial Land Study", June 2018

⁸ Rocky View County, "Land Use Inventory & Growth Trends Report, Working Draft", 2023

⁹ **Note:** a full capacity build-out option was developed but dismissed given that full build-out per community ASP is not likely to occur within the 20-year timeframes. Given the nature of the growth Fire and Recreation infrastructure, this did not prove to be a pragmatic alternative.

timeframe. It is expected that these additional costs allocated to development will be included in future levy rate calculations as the County moves forward over the years¹⁰.

Alternatives each for Fire and Recreation ranged across the following continuum in the determination of the benefiting areas:

- i. Allocating benefits and costs for individual facilities to their specific, local communities;
- ii. Sub-grouping facilities into broader catchments and allocating their combined costs across the communities within these catchments;
- iii. Grouping all facilities and allocating their combined costs across the entire County; and
- iv. Developing a hybrid approach wherein both a “base” levy charge applies regardless of development location and an “area-specific” charge applies based on the specific catchment.

Both the Fire and Recreation facility levies were calculated based on the four alternative frameworks described above. From these calculations, the allocation of capital costs per facility across existing versus development, forecasted levy rates, and projected levy funding across the next 20 years was calculated. These were specifically detailed in Sections 4.3 and 4.4 of the Technical Memorandum¹¹ established to support this work.

A summary of this analysis for the identified future Fire Hall facilities is provided in Tables 5 below:

Alternative	Alternative Concept Description	Levy Rates per Acre	Projected 20-Year Levy Funding
1	Individual Facility Levy Rates per Location	Madden: N/A Bragg Creek: \$2,812.02 Conrich: \$799.97 Harmony: \$2,059.52 Cochrane Lakes: \$2,552.43	\$7,238,472
2	Grouping Facilities By Their Collective Locations	\$1,605.66	\$9,091,468
3	Common County-Wide Levy Rates	\$697.08	\$8,875,981
4	County-Wide Base Charge and Area-Specific Charge	Base: \$248.96 Area-Specific: \$1,032.21	\$9,014,508

Table 5: Summary of Fire Soft Services Levy Alternatives

¹⁰ For example, a project expected for construction in Year 10 of the 20-year horizon would result in 50% of its capital costs allocated to development beyond the 20-year period. As such, immediate levy rates would not include these allocated capital costs. As development and construction of the soft services infrastructure proceeds, the County is expected to update levy rates accordingly.

¹¹ Mooreview Management Consulting Inc., “Fire and Recreation Facility Soft Services Levy Development”, September 21, 2023

The different Recreation soft services levy alternatives are summarized below in Table 6:

Alternative	Alternative Concept Description	Levy Rates per Acre	Projected 20-Year Levy Funding
1	Individual Facility Levy Rates per Location	Indus: N/A South Springbank: <ul style="list-style-type: none"> Phase 1: \$2,149.25 Phase 2: \$2,272.40 Phase 3: \$1,705.44 Langdon: \$19,389.41 Harmony: \$7,870.16 Conrich: \$4,854.51	\$14,658,895
2	Grouping Facilities By Eastern vs. Western Catchments	Eastern Catchment: \$5,806.56 Western Catchment: \$2,759.25	\$26,084,255
3	Common County-Wide Levy Rates	\$2,023.43	\$25,764,478
4	County-Wide Base Charge and Area-Specific Charge	Base: \$800.00 Eastern Catchment: \$3,510.83 Western Catchment: \$1,668.33	\$25,957,825

Table 6: Summary of Recreation Soft Services Levy Alternatives

5.0 Discussion on Summary Level Projections

From Tables 5 and 6 in the previous section, the following summary observations are made across the four options identified:

- Option 1:** In option 1 each for Fire and Recreation, there are individual levy rates per facility which would be charge based on each facility's local catchment. There is a range of rates per facility based on each location's allocation of costs to existing versus future development and type of facility envisioned within each community. Neither Madden nor Indus facilities would have levy rates since there are no current growth projections for these communities. In addition, this option results on the lowest level of projected levy funding across the next 20 years for the County (which places more emphasis on funding for these facilities on existing development);
- Option 2:** Option 2 each for Fire and Recreation results in a common levy rate by catchment location. For Fire, these rates would be effective based on the combined locations for each future Fire facility (except Maddens since there are no current growth projections for this community). For Recreation, these result in a common rate for development within the Eastern versus Western catchment (per Figure 4). In both cases, this alternative results in the highest level of projected levy funding across the next 20 years;



- **Option 3:** Option 3 each for Fire and Recreation results in the lowest levy rate, but it would be enacted regardless of development location across the County. It also provides a slightly lower level of projected levy funding over the next 20 years relative to Options 2 and 4;
- **Option 4:** Option 4 provides a lower common base levy rate across the County relative to Option 3. Combined with the Area-Specific rates, the effective levy rates per target growth catchment would be slightly less than Option 2. Total projected levy funding over the next 20 years would be slightly less than Option 2 (but slightly more than Option 3).