

# Administration and Calculation of Servicing Agreement Fees and Development Levies Policy

<b>Policy Title:</b> Administration and Calculation of Servicing Agreement Fees and Development Levies	<b>Applies to:</b> City of Regina City Planning and Development		
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<b>Authority:</b> Council, or Executive Director, City Planning and Development, or designate where noted			

## 1 Purpose

This purpose of this policy is to provide for the administration and calculation of Servicing Agreement Fees and Development Levies in accordance with policy 1.16 of *Design Regina: The Official Community Plan Bylaw 2013-48*:

“1.16 Ensure that growth pays for growth by:

- 1.16.1 Ensuring that Service Agreement Fees Charges are based on full capital cost;
- 1.16.2 Regularly Reviewing the Rate and Rate Structure for Service Agreement Fees;
- 1.16.3 Reviewing the areas to which Servicing Agreement Fees apply, including the possibility of fees varying with location, density, and use as necessary, except where specific and deliberate subsidies are approved to support public benefits;
- 1.16.4 Aligning the City’s development fees, property taxes and other charges with the policies and intent of this Plan (Official Community Plan); and
- 1.16.5 Achieving a balance of employment and residential lands.”

## 2 Scope

This policy provides direction to Administration involved in:

- the procedure for the inclusion of projects in the Servicing Agreement Fee / Development Levy reserve fund;
- calculation of annual Servicing Agreement Fee / Development Levy rates; and
- Administration of Servicing Agreement Fees and Development Levies.

### 3 Definitions and General Interpretation

**Apartment:** Refers to a building containing more than four Dwelling Units.

**Capital Costs:** Means the estimated capital cost, pursuant to section 168 of *The Planning and Development Act, 2007*, of providing construction, planning, engineering and legal services that are directly related to the matters for which servicing agreement fees and development levies are established pursuant to sections 169 and 172 of *The Planning and Development Act, 2007*.

**Capital Projects:** Refers to projects including roadways and related infrastructure, waterworks, sanitary sewer works, drainage works, parks, and recreational facilities, which are constructed, altered or expanded to add capacity to service the growth of the city.

**Capital Project List:** Refers to compiling of proposed Capital Projects, including project name, anticipated timing, current year gross cost, and funding sources.

**City:** Means the City of Regina.

**Commercial Development:** Refers to development or use of land, including any accessory use, that is neither a Residential Development nor Industrial Development.

**Council:** Means the Council of the City, acting for the purposes of *The Planning and Development Act, 2007* as a municipality or an approving authority.

**Developer:** Means an applicant for subdivision approval who is required to enter into a Servicing Agreement pursuant to section 172 of *The Planning and Development Act, 2007*; or an applicant for a development permit or building permit who is required to enter into a Development Levy Agreement pursuant to the City's Development Levy Bylaw, 2011 as may be amended from time to time and section 169 of *The Planning and Development Act, 2007*.

**Development Lands:** Those lands (or any part thereof) within the City where no previous servicing agreement has been entered into for the specific proposed development and the City will incur additional capital costs as a result of the proposed development.

**Development Levy:** Refers to fees adopted by the Council pursuant to section 169 of *The Planning and Development Act, 2007*.

**Development Levy Agreement:** Refers to the form of Development Levy Agreement, including Standard Conditions for Development Levy Agreements, adopted by the Council from time to time, and referred to in Administrative Reports respecting applications as the City's "Standard Development Levy Agreement"; all subject to such changes as circumstances of development applications require and as may be approved or directed by Council.

**Development Levy Bylaw:** Refers to the Council approved bylaw (#2011-16) describing when and how Development Levies are imposed.

**Duplex:** Refers to a building divided horizontally into two Dwelling Units.

**Dwelling Unit:** Refers to one or more rooms that may be used as a residence, each unit having sleeping, cooking and toilet facilities.

**Environmental Reserve:** Refers to a parcel of land dedicated pursuant to section 185 of *The Planning and Development Act, 2007*.

**Established Area:** Refers to the area identified as the Established Area on the map in Appendix C to indicate where the Intensification Levy and associated policy is to be applied.

**Executive Director:** Means the Executive Director of City Planning and Development or his/her delegate or successor in title.

**Funding Splits:** Refers to the apportioning of costs between a Developer, the City, and the Servicing Agreement Fee Reserve Fund (as defined below).

**Garden Suite:** Refers to a subordinate, self-contained dwelling unit in a detached building accessed from an adjacent public street at the frontage of the property.

**Greenfield Area:** Refers to the area identified as 'Greenfield Area' on the map in Appendix C to indicate where greenfield rates and policy apply.

**Greenfield Development:** Refers to construction outside the Intensification Levy Boundary as is identified on the map in Appendix C as the 'Greenfield Area'.

**Gross Floor Area (GFA):** - the total floor area in a building or structure measured between the exterior faces of the exterior walls of the building or structure at the level of each storey: (a) at and above grade, in the case of dwellings in residential zones; and (b) below, at and above grade, in the case of all other uses; excluding the area used for off-street unloading, parking, mechanical equipment, stairways or shafts.

**Indexing:** Refers to the cost inflation adjustment as calculated specific to Regina by an independent source to be used in the Servicing Agreement Fee Model calculations.

**Industrial Development:** Refers to development of land or use of land that has an Industrial Zoning designation of IA, IA1, IB, IB1, IC, IC1, IP or LP.

**Intensification:** Refers to the construction of new buildings or alterations to existing buildings within the Established Area that results in a higher intensity of use (e.g. developing a vacant site, increasing the number of legal residential Dwelling Units, increasing the Gross Floor Area of a commercial or industrial building).

**Intensification Levy:** Refers to the Servicing Agreement Fee or Development Levy charged for development resulting in Intensification within the Established Area.

**Laneway Suite:** Refers to a subordinate, self-contained dwelling unit in a detached building accessed from an adjacent lane at the rear of a property.

**Mixed-use Development:** Refers to a mix of uses for the purposes of calculating a rate for the Intensification Levy.

**More Than 2 Dwelling Units:** Refers to development of three or four Dwelling Units, regardless of form (e.g. Townhouse, Triplex, etc.)

**Nursing Home (Special Care Home):** For the purposes of this policy and determination of an Intensification Levy rate, this use is considered to be Institutional.

**Official Community Plan or OCP, or Design Regina:** Refers to *Design Regina, Official Community Plan, Bylaw No. 2013-48*.

**Parking Structure:** Means an attached or detached building or structure or part thereof, (a) that is used principally for the purpose, whether or not for profit, of providing parking space to the general public for a fee; or (b) that provides parking space in connection with the use for residential, commercial, industrial or institutional purposes or any combination thereof of any attached or detached building or structure or part thereof.

**Residential Development:** Refers to development or use of land, including any accessory use that serves as a Dwelling Unit(s).

**Residential Unit Type:** Refers to the types of Dwelling Units into which the Intensification Levy rates are divided.

**Secondary Suite:** Refers to a subordinate, self-contained Dwelling Unit within a Single-Detached Dwelling or as a Laneway Suite or Garden Suite.

**Servicing Agreement:** Refers to the form of Servicing Agreement, including Standard Conditions for Servicing Agreements, adopted by the Council from time to time, and referred to in Administrative Reports respecting subdivision or development applications as the City's "Standard Servicing Agreement"; all subject to such changes as circumstances of subdivision or development applications require and as may be approved or directed by Council.

**Servicing Agreement Fee, Servicing Fee or SAF:** Refers to fees adopted by the Council pursuant to section 172(3)(b) of *The Planning and Development Act, 2007*.

**Servicing Agreement Fee Model or SAF Model:** Refers to the cash flow calculations performed over a 25-year time horizon from information including the Growth-Related Capital Project List, indexing and Servicing Agreement Fee reserve fund balances to calculate an annual Servicing Agreement Fee rate, Development Levy rate, and Intensification Levy rates.

**Servicing Agreement Fee Rate, Development Levy Rate:** Refers to the fees adopted by Council pursuant to section 169 and 172(3)(b) of *The Planning and Development Act, 2007* per hectare of a new development. A Servicing Agreement Fee paid by developers is calculated by multiplying the Servicing Agreement Fee rate by the total area of new development. A Development Levy paid by developers is calculated by multiplying the Development Levy rate by the total area of new development or the number of development units as the case may be.

**Servicing Agreement Fee Reserve Fund or SAF Reserve Fund:** Refers to an account or accounts established by the City for the deposit of Servicing Agreement Fees / Development Levies, as required pursuant to section 174 of *The Planning and Development Act, 2007*.

**Single-Detached:** Refers to a building which contains only one Dwelling Unit. Where a Secondary Suite is a Permitted Use in a zone, a detached Dwelling Unit in that zone may also contain a Secondary Suite which, for the purposes of this policy, is considered a second Dwelling Unit.

**Semi-Detached:** Refers to a building divided vertically into two Dwelling Units by a common wall extending from the base of the foundation to the roof line. The configuration of the building can either be side to side units or front to back units.

**Special Care Home:** Refer to Nursing Home

**Study or Studies:** Refers to the studies undertaken by the City on a citywide or area basis for the purpose of determining long range infrastructure required as a result of growth, including transportation studies, wastewater studies, water studies, drainage studies, parks and recreation studies, and serviceability studies.

**Subdivision:** An area of land encompassed by the outside boundary of a plan of survey.

**Townhouse:** Refers to a Dwelling Unit in a building divided vertically by a common wall extending from the foundation to the roof into three or more attached Dwelling Units, each having a separate entrance at grade.

**Triplex:** Refers to a building containing three Dwelling Units.

## 4 Policy

### 4.1 Application of Servicing Agreement Fees and Development Levies

Servicing Agreement Fees are collected where a development involves the subdivision of land in accordance with Section 172 of *The Planning and Development Act, 2007*:

*“172(1) If there is a proposed subdivision of land, the municipality in which the subdivision is located may require a subdivision applicant to enter into a servicing agreement to provide services and facilities that directly or indirectly serve the subdivision.”*

*“172(3)(b) Servicing agreements may provide for: the payment by the applicant of fees that the 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, and that directly or indirectly serve the proposed subdivision;”*

Applicants for subdivision shall pay the Servicing Agreement Fees established by Council from time to time.

Development Levies are collected where a development does not involve the subdivision of land, in accordance with Section 169(1) of *The Planning and Development Act, 2007*:

*“If council has adopted an official community plan that is not subject to an application for subdivision of land and that authorize 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).”*

Applicants shall pay a Development Levy established by Council from time to time for:

- a development permit for a proposed development located within the development lands; or
- a building permit for a proposed development in the case where no development permit is required.

#### **4.2 Transition to Charging for Development within Established Areas (i.e. Intensification)**

This policy applies to all subdivision or development permit applications made on or after October 1, 2019 within Established Areas.

#### **4.3 Capital Projects Recoverable through Servicing Agreement Fees and Development Levies**

Servicing Agreement Fees / Development Levies paid by developers are established as payment in part or in whole for the capital costs associated with providing, altering, expanding or upgrading services that directly or indirectly serve the proposed subdivision / development, as provided in section 172(3)(b) and 169(2) of *The Planning and Development Act, 2007*.

The detailed list of projects included for recovery is developed by City Administration based on technical studies and infrastructure master plans and reviewed in consultation with development industry members.

The City will consider additional projects proposed by individual developers subject to review and consideration against criteria established to administer this policy.

Appendix B outlines projects that are eligible for payment via Servicing Agreement Fees and Development levies.

#### **4.4 Capital Projects required through Service Agreements and Development Levy Agreements**

A number of services are excluded from Servicing Agreement Fees and Development Levies. These include services that developers are required to install or construct under a Servicing Agreement as provided in section 172 (3) (a) of *The Planning and Development Act, 2007*.

Appendix B outlines projects that are eligible for payment via Servicing Agreements and Development Levy Agreements.

#### **4.5 Administration Fees for Service Agreements and Development Levy Agreements**

In addition to the calculated rates based on capital projects, administration costs are calculated on Servicing Agreements and Development Levy Agreements to offset the City's costs for "planning, engineering and legal services" in accordance with Section 168, 169 and 172 of *The Planning and Development Act, 2007*. These administration costs are recorded as annual revenues in the year the administration costs are received.

Applicants for subdivision shall pay the Servicing Agreement Administration Fees established by Council from time to time. Applicants required to pay a Development Levy shall pay the Development Levy Administration Fees established by Council from time to time.

The methodology for calculating these administration fees is provided in Appendix A.

#### **4.6 Fund Management**

Servicing Agreement Fees are collected through Servicing Agreements, and Development Levies are collected through Development Levy Agreements in accordance with the City's Policy on Administration of Servicing Agreements and Development Levy Agreements.

In accordance with *The Planning and Development Act, 2007*, the City maintains two Servicing Agreement Fee / Development Levy deferred revenue accounts – one for Utility-related fees (i.e. water, wastewater and drainage), the other for General related fees (i.e. for transportation, parks and recreation projects). These two accounts are separate and apart from other funds.

Interest is calculated annually on the combined balance of the Servicing Agreement Fee / Development Levy deferred revenue accounts in accordance with principles as provided in Appendix A.

The repayment plus interest terms of external borrowing shall be included in the calculation of the rate.

While it may not be possible to always maintain these deferred revenue balances in a positive position, the City should make best efforts to achieve this.

#### **4.7 Calculation of Servicing Agreement Fee and Development Levy Rates**

Annual Servicing Agreement Fee / Development Levy rates are calculated in accordance with Appendix A.

#### **4.8 Application of Servicing Agreement Fees and Development Levy Rates**

Servicing Agreements Fees and Development Levies are applicable to all areas of the City except:

- internal environmental reserves;
- freeways;
- expressways;
- interchange lands;
- major utility corridors (electrical transmission corridors and pipeline corridors unfeasible for development as a result of safety and/or environmental regulations);

- lakes; and
- lands used to accommodate permanent City-owned pump stations or lift stations.

Where the City permits development of land that is not required to connect to the City's water service at the time of initial development, the land will be exempt from paying the water portion of the Servicing Agreement Fees or Development Levies.

Where the City permits development of land that is not required to connect to the City's wastewater service at the time of initial development, the land will be exempt from paying the wastewater portion of the Servicing Agreement Fees or Development Levies.

In the event that the City permits development without initial connection to the water or wastewater systems, at such time as the development does connect to the City water or wastewater services, the land owner shall pay a Fee/Levy equal to the water or wastewater portion of the Servicing Agreement Fees or Development Levies that are in effect at that time, not the rates that were in effect at the time of subdivision or initial development. The City shall register an interest against title(s) of the impacted property in the ISC Land Registry at the time of subdivision for any property that does not obtain full services at the time of initial development identifying the outstanding payment owing to the City and the obligation of the landowner to make payment to City prior to obtaining connection to city water or wastewater services.

In no case will development be exempt from paying the transportation portion, the parks/recreation portion or the Administration portion of the Servicing Agreement Fees or Development Levies, except in relation to lands that were previously exempt from paying fees and which will only be subject to the Administration portion of the Servicing Agreement Fees or Development Levies until such time as an amendment to this policy is made respecting Intensification.

#### **4.9 Greenfield Industrial Development Rate**

Industrial Development of greenfield land will be eligible for a 2/3 reduction of any applicable Servicing Agreement Fees or Development Levies.

If any parcel of greenfield land is eligible for a reduced Servicing Agreement Fee or Development Levy pursuant to this section at the time of development and the land is subsequently rezoned to a zone ineligible for the Industrial Development Rate, the development site will be subject to an additional fee/levy equal to 2/3 of the greenfield Servicing Agreement Fees/Development Levies that are in effect at the time of the site development.

The City shall register an interest against title(s) of the impacted property in the ISC Land Registry at the time of subdivision or development permit for any property that does not pay full Servicing Agreement Fees at the time of initial development identifying the outstanding payment owing to the City and the obligation of the landowner to make payment to City prior to obtaining zoning amendment approval.



#### **4.10 Intensification Levy Rate**

For development within the Established Area, Servicing Agreement Fees and Development Levies shall be imposed as an Intensification Levy. The amount of the Intensification Levy to be imposed shall be determined based on the rates and applicable calculations outlined in Appendix A.

Notwithstanding the above, the following designated categories of use are exempt from being charged the Intensification Levy:

##### Residential Development

- a) All development permits not resulting in the creation of an additional Dwelling Unit; and
- b) Where the only effect of the development permit is to allow an alteration or addition to an existing Dwelling Unit, without increasing the number of Dwelling Units.

##### For Commercial and Industrial Development

- a) Where the only effect of the development permit is to modify the space within the structure's existing Gross Floor Area (e.g. tenant fit ups or change of use within the category of Land Use Types defined within this Policy, such as converting a building from a Commercial use to an Institutional, Office, or another Commercial use);
- b) Where the only effect of the development permit is to allow for an addition or alteration to an existing structure of less than 14 square metres;
- c) The exemption in b) only applies to the first instance of Intensification;
- d) All development permits for parking structures; and
- e) All temporary development permits for structures without municipally-provided water and/or wastewater facilities.

#### **4.11 Credits for Existing Development within Established Areas**

If a development involves the demolition of and replacement of a building or structure, or the conversion from one principal use to another, the developer shall be allowed a credit equivalent to:

- a) For residential development: The number of legally-existing Dwelling Units occupied within the preceding 10 years demolished or converted multiplied by the applicable residential Intensification Rate (as per the City-Council approved 'Intensification Levy Rate by Land Use Type Chart') in place at the time the fee is payable, and/or
- b) For non-residential development: The Gross Floor Area of the building structure occupied within the previous 10 years demolished or converted multiplied by the current Intensification Rate (as per the City Council-approved 'Intensification Levy Rate by Land Use Type Chart') for that non-residential use in place at the time the fee is payable.

When determining the credit, the most recent use will be used unless the developer proves that a more intense use resided on the site within 10 years of the development permit application.

If the credit for the pre-existing development exceeds the new development application, a surplus credit will be provided for the parcel of land that the development occurred. The credit will remain valid for a period of 10 years from the development application date that generated the credit. The remaining credit value can be utilized in further development that requires the application of this policy. This may be repeated until the entire value of the surplus credit has been expended or within 10 years from the original development application date.

If the parcels of an existing development are subdivided the credit will be divided equally on all parcels. on a proportional basis at the time of the subdivision and cannot be transferred to other sites.

#### **4.12 Delegated Authority**

Council has delegated authority to the Executive Director of City Planning and Development to determine which Capital Projects are included in the Servicing Agreement Fee / Development Levy rate.

#### **4.13 Servicing Agreement Fee Rate and Development Levy Review**

Proposed Servicing Agreement Fee and Development Levy rates are presented from time to time to Council for approval.

The Servicing Agreement Fee and Development Levy Rate Review will include:

- Consultation with development industry members;
- Review of the current Servicing Agreement Fee balance and interest due;
- Determination of pace of development for the purpose of establishing the Capital Projects list and developable area;
- Current population, and population projections for the purpose of calculating appropriate funding splits for new projects added to the list;
- Review of intensification development Capital Projects for the purpose of calculating the Intensification Levy rate;
- Review of greenfield development Capital Projects for the purpose of calculating the greenfield rate;
- Review of city-wide development Capital Projects for the purpose of calculating both the greenfield and intensification levy rates;
- Adjustment, addition, and removal of Capital Projects projected over the 25-year time horizon; and
- Indexing for inflation.

#### **4.14 Annual Reporting**

Administration shall annually prepare a Servicing Agreement Fee, Development Levy report that shows reconciliation of completed projects. This report shall be shared publicly and made available to developers.

#### **4.15 Policy Review**

This Policy is to be reviewed once every five years. It may also be reviewed upon request by council or as related policies are updated.

#### **Appendix A**

Servicing Agreement Fee and Development Levy Calculation Methodology

#### **Appendix B**

Servicing Agreement Fee and Development Levy Funding Criteria and Summary Chart

#### **Appendix C**

Servicing Agreement Fee and Development Levy Boundaries

# Appendix A

## Servicing Agreement Fee and Development Levy Calculation Methodology

### 1 Purpose

This appendix contains supplementary detailed information in support of the Administration and Calculation of Servicing Agreement Fees and Development Levies Policy (Policy #: 2017-2-CPD).

### 2 Scope

This appendix provides a detailed summary of the calculation methodology used to determine the Servicing Agreement Fee rates and Development Levy rates for development within the Greenfield Area and development within the Established Area that results in Intensification.

### 3 Additional Definitions

None associated with this appendix.

### 4 Methodology

To account for the time value of money and the impacts of interest on reserves, a cash-flow model is required to calculate the Servicing Agreement Fee and Development Levy rates.

The following steps are required to determine the Servicing Agreement Fee and Development Levy rates.

#### 4.1 Establish Inflation Rate and Interest Rates

**Inflation:** The City will commission a report once every two years estimating the inflationary rate to be used.

This inflation rate will be used to inflate project costs over time, and to inflate Servicing Agreement Fee rates over time in calculating current Servicing Agreement Fee rates. This rate will also be used to index Servicing Agreement Fee rates and Development Levy rates in years between re-calculations.

**Interest rate generated on positive balance:** The City will determine the assumed interest rate generated by positive funds in Servicing Agreement Fee Reserve Funds based on consultation with the Finance Department.

**Interest rate paid for internal transfers:** The City will determine the assumed interest rate paid by the Servicing Agreement Fee Reserve Fund for moneys in the fund under a deficit position, where the deficit

is funded through internal transfers within the City (as opposed to going outside the City for long term debentures), based on consultation with the Finance Department.

**Interest rate paid for External Borrowing:** The fund will accurately reflect the repayment plus interest terms of any external borrowing for capital projects and will be included in the calculation of the rate.

#### **4.2 Set the Opening Servicing Agreement Fee / Development Levy Reserve Cash Balance**

Reference the Servicing Agreement Fee Reserve year-end cash balance (which becomes this year's opening balance). Use this value as the 'Opening Balance' for the Servicing Agreement Fee / Development Levy rate calculation.

#### **4.3 Calculate Outstanding Servicing Agreement Fees and Development Levies to be Collected**

The value of outstanding Servicing Agreement Fees and Development Levies to be collected is established through a review of executed Servicing Agreement and Development Levy Agreements. Determine the value of outstanding Servicing Agreement Fees and Development Levies and which year payments are to occur in. Update the model accordingly with the calculated Annual Payments Due.

#### **4.4 Establish Development Projections for Intensification & Greenfield**

The City shall establish 25-year projections for the pace of Intensification of the Established Area and development of the Greenfield Area. These trends should be based on recent growth estimates and detailed growth studies, as well as growth policy (e.g. the City's intensification target).

For the purpose of estimating the revenue from Industrial Development, the calculation model will use the projected Industrial growth divided by three (3) to reflect the reduction in fees for Industrial Development.

#### **4.5 Establish Payment Schedule for Servicing Agreement Fees / Development Levies**

Establish the payment schedule for Servicing Agreement Fees and Development Levies. This payment schedule should be based on payment timing established via the *Administration of Servicing Agreements and Development Levy Agreements* policy.

#### **4.6 Update Capital Project List**

The existing Capital Project List for each infrastructure type (transportation, water, wastewater, drainage, parks and recreation) should be reviewed and adjusted, based on updated studies, master plans, updated current year cost estimates, the timing required for allocation of capital project funding as influenced by the pace of growth, and other factors. Cost allocations for any projects added are to conform to the criteria detailed in Appendix B.

#### 4.7 Establish the Share of Costs Attributed to Greenfield Growth and the Share of Costs Attributed to Intensification for Each Capital Project

For each Capital Project the share of Servicing Agreement Fee / Development Levy eligible costs must be allocated between development of the Greenfield Area and development within the Established Area that results in Intensification. Capital Projects can be allocated based on (1) the expected share of development in the Greenfield Area and to Intensification within the Established Area, (2) attributed 100% to development of the Greenfield Area, or (3) attributed 100% to Intensification of the Established Area. Capital Projects are allocated per the direction of the Executive Director, in accordance with the following criteria:

Projects that primarily facilitate development of the Greenfield Area should be allocated 100% to greenfield development (e.g. transportation upgrades to serve new greenfield neighbourhoods, trunk lines to serve greenfield neighbourhoods, new zone level parks in greenfield areas).

Projects that primarily facilitate Intensification within the Established Area should be allocated 100% to intensification (e.g. upgrades to the water and wastewater network in downtown Regina).

Projects that are required to facilitate growth in general and provide a city-wide benefit should be allocated to both development of the Greenfield Area and Intensification within the Established Area based on their share of growth (e.g. upgrades to water supply capacity or wastewater capacity).

Projects are considered to provide a city-wide benefit if they meet any of the following criteria:

- Infrastructure projects that serve the broad city population, such as a water treatment plant or wastewater treatment plant;
- Studies or plans that consider the city as a whole versus being confined to a single area, such as a neighbourhood;
- Transportation projects that add capacity and are within the area bound by the expressway portions of Lewvan / Pasqua and the Ring Road / 9th Avenue North or as determined by the Executive Director but not including projects 'on' the expressway portions of Ring Road or Lewvan Drive/Pasqua Street (as shown in Appendix C); or
- Parks and recreation projects that provide new municipal level services, serving most areas of the city, including Greenfield Areas and Established Areas.

For projects that are allocated based on the share of development the formula for calculating greenfield and intensification shares are:

$$\text{Intensification Share} = \frac{\text{Assumed Intensification Hectares}}{\text{Greenfield Hectares} + \text{Assumed Intensification Hectares}}$$

$$\begin{aligned} & \text{Assumed Intensification Hectares} \\ &= \text{Greenfield Residential Hectares} * \frac{\text{Intensification Population Share}}{\text{Greenfield Population Share}} \end{aligned}$$

$$\text{Greenfield Share} = 100\% - \text{Intensification Share}$$

#### **4.8 Calculate the Share of Total Capital Costs Allocated to Intensification and to Greenfield Development**

Sum the costs allocated to greenfield, and sum the costs allocated to intensification to determine the total costs allocated to each development area.

#### **4.9 Calculate Estimated Servicing Agreement Fee / Development Levy Rates for Intensification & Greenfield Based on the Cash-Flow Model**

Calculate an estimated per hectare Servicing Agreement Fee / Development Levy rate for the greenfield areas:

$$\text{Greenfield Estimated Rate} = \frac{\text{Total Greenfield Costs}}{\text{Total Greenfield Hectares}}$$

Calculate an estimate per person equivalent Servicing Agreement Fee / Development Levy rate for the Intensification within Established Areas:

$$\text{Intensification Estimated Rate} = \frac{\text{Total Intensification Costs}}{\text{Total Intensification Equivalent Population Growth}}$$

#### **4.10 Calculate the Servicing Agreement Fee and Development Levy Rates for Intensification & Greenfield Based on the Cash-Flow Model**

Adjust the estimated intensification and greenfield rates using a common factor to balance the Servicing Agreement Fee and Development Levy reserves cash-flow at \$0 in the final year of the cash-flow model (i.e. increase or decrease both rates by the same percentage factor in order to zero the balances). This adjustment is necessary to account for the time-value of money and any delays to Servicing Agreement Fee and Development Levy payments, as well as the current state of Servicing Agreement Fee reserves and payments due.

The Intensification rate is based on a per person equivalent (determined as described in Section 4.9). The following describes how the rate is determined for different types of development within the Established Area (i.e. intensification) and is used in developing the 'Intensification Levy Rate by Land Use Type Chart' that is to be approved annually by City Council:

a) The Residential Intensification Rate is based on Dwelling Unit type:

- Secondary Suite
- Single-Detached
- Semi-Detached or Duplex
- More than 2 Dwelling Units (e.g. Townhouse, Triplex, etc.)
- Apartment, Less than 2 Bedrooms

- Apartment, 2 or More Bedrooms

The rate is determined by using the average number of people residing in the dwelling type from the Census for the Regina CMA multiplied by the per person equivalent. In the case of secondary suites, which are not reported through census, the ratio will be based on the same ratio as Apartment, Less than 2 Bedrooms. The ratios for the average number of people per unit are updated as information becomes available and approved at the time of rate-setting by City Council;

- The Commercial Intensification Rate is determined by an employment ratio that assumes the equivalent servicing impact of one person is equivalent to 36m<sup>2</sup> of floor space (i.e. 1 person/36m<sup>2</sup> = 0.02778). This ratio is multiplied by the per person equivalent to determine the intensification rate for commercial development; and
- The Industrial Intensification Rate is determined by an employment ratio that assumes the equivalent servicing impact of one person is equivalent to 75m<sup>2</sup> of floor space (i.e. 1/75m<sup>2</sup> = 0.01333). This ratio is multiplied by the per person equivalent to determine the intensification rate for industrial development.

#### 4.11 Calculate the Fee to be Charged for Intensification Development

This section describes the calculation of the Intensification Levy to charge for different types of development: residential, commercial and industrial.

- For Residential Development, the Servicing Agreement Fee or Development Levy within the Established Area (i.e. the Intensification Levy) is calculated as the total number of units approved in the development permit, multiplied by the rate for the type of residential development approved by City Council in the 'Intensification Levy Rate by Land Use Type Chart'.

*Residential Intensification Levy:      # units x Rate for Residential Unit Type*

- For Commercial Development, the Servicing Agreement Fee or Development Levy within the Established Area (i.e. the Intensification Levy) is calculated as the total gross floor area of the Commercial Development approved in the development permit multiplied by the Commercial Development rate approved by City Council in the 'Intensification Levy Rate by Land Use Type Chart'

*Commercial Intensification Levy:      Area (m<sup>2</sup>) x Commercial Rate*

- For Industrial Development, the Servicing Agreement Fee or Development Levy within the Established Area (i.e. the Intensification Levy) is calculated as the total gross floor area of the Industrial Development approved in the development permit multiplied by the Industrial Development rate approved by City Council in the 'Intensification Levy Rate by the Land Use Type Chart'

*Industrial Intensification Levy:      Area (m<sup>2</sup>) x Industrial Rate*



- d) For Mixed-Use Development, the Servicing Agreement Fee or Development Levy within the Established Area (i.e. the Intensification Levy) is calculated by conducting the calculation for each land use type as described in a), b) and c) and then adding them together.

For Mixed-Use Residential-Commercial Development:

$$\text{Mixed-use Intensification Levy: } (\# \text{ units} \times \text{Rate for Unit Type}) + (\text{Area (m}^2\text{)} \times \text{Commercial Rate})$$

For Mixed-Use Residential-Industrial Development:

$$\text{Mixed-Use Intensification Levy: } (\# \text{ of units} \times \text{Rate for Unit Type}) + (\text{Area (m}^2\text{)} \times \text{Industrial Rate})$$

#### **4.12 Calculate the Credit for Existing Development**

A credit is calculated on the existing building on the site, or a building that existed on the site within the previous ten (10) years as described in section 4.11 on the Main Policy. To be provide with a credit, the building would need to have been connected to the municipal water and/or wastewater systems. The credit is calculated to account for fees that had been paid in the past to cover impacts of that existing development on the City's major infrastructure systems.

The credit amount for the existing development is based on the same procedure described in 4.11 for determining the Intensification Levy using the 'Intensification Levy Rate by Land Use Type Chart' to determine the rate to use for different development types. The calculations are outlined as follows:

- *Credit for Existing Residential Development:*       $\# \text{ units} \times \text{Rate for that Residential Unit Type}$
- *Credit for Existing Commercial Development:*       $\text{Area (m}^2\text{)} \times \text{Commercial Rate}$
- *Credit for Existing Industrial Development:*       $\text{Area (m}^2\text{)} \times \text{Industrial Rate}$
- *Credit for Mixed-Use Residential-Commercial Development:*  
 $(\# \text{ units} \times \text{Rate for Unit Type}) + (\text{Area (m}^2\text{)} \times \text{Commercial Rate})$
- *Credit for Mixed-Use Residential-Industrial Development:*  
 $(\# \text{ units} \times \text{Rate for Unit Type}) + (\text{Area (m}^2\text{)} \times \text{Industrial Rate})$

#### **4.13 Calculate the Total Amount Owing for Development within Established Area**

To determine the amount owing for Intensification Development, Credit (calculated as per 4.12) is subtracted from the Intensification Levy (calculated as per 4.11).

$$\text{Intensification Levy Owing: } \quad \text{Intensification Levy} - \text{Credit for Existing Development}$$

If the amount owed is calculated to be less than the credit (i.e. a negative amount), no Levy would be owed or provided to the applicant of the development (see Policy 4.11).

#### **4.14 Calculate the Administration Servicing Agreement Fee / Development Levy**

Estimate the annual administration costs associated with addressing subdivision and development based on staffing resources required. Divide the total amount of administration costs per year by the estimated amount of development per year. These administration costs are recorded as annual revenues in the year the administration costs are received, so interest costs are not considered in calculating Administration Servicing Agreement Fees and Development Levies.

The final greenfield rate shall be rounded to the nearest one thousand dollars (\$1,000); if the calculation results in the hundreds value of less than \$500, the rate shall be rounded down and if it is higher the rate shall be rounded up.

The final Intensification Rates for Residential Unit Types shall be rounded to the nearest one hundred dollars (\$100); if the calculation results in the tens value of less than \$50, the rate shall be rounded down and if it is higher the rate shall be rounded up.

The final Intensification Levy for Commercial and Industrial Development shall be rounded to the nearest ten dollars (\$10); if the calculation results in the ones value of less than \$5, the rate shall be rounded down and if it is higher the rate shall be rounded up.

#### **4.15 Charge Servicing Agreement Fees / Development Levy**

The amounts of the Servicing Agreement Fees and Development Levies are determined as follows:

- For Development Levy: the date of the application of the development permit; and
- For Servicing Agreements: the date that the City confirms the subdivision application.

If the development permit or Servicing Agreement expires, and the development is not complete, new fees will be assessed based on the re-set date.

## Appendix B

### Servicing Agreement Fee and Development Levy Funding Criteria and Summary Chart

#### 1 Purpose

This appendix is supplementary detailed information in support of the Administration and Calculation of Servicing Agreement Fees and Development Levies Policy (Policy #: 2017-2-CPD).

#### 2 Scope

This appendix provides a detailed summary of the funding split for project inputs utilized in the calculation of Servicing Agreement Fee and Development Levy rates.

#### 3 Additional Definitions

For the purposes of providing context to some of the terms utilized in this appendix, the following definitions are included to provide clarity. The definitions are in addition to definitions provided within the Administration and Calculation of Servicing Agreement Fees and Development Levies policy:

**Arterial (Roads):** is per the definition within the City of Regina Transportation Master Plan and includes all constructed components as required by the City of Regina Development Standards Manual, Construction Specifications or as directed by the Executive Director of City Planning and Development or delegate.

**Capacity:** refers to a limit, defined by the service or infrastructure, of a number of people, vehicles or flow that can pass through or be utilized by the infrastructure over a set period of time. Capacity may include a level of service that provides additional margin prior to a physical limit being exceeded.

**Collector (Roads):** is per the definition within the City of Regina Transportation Master Plan and includes all constructed components as required by the City of Regina Development Standards Manual, Construction Specifications or as directed by the Executive Director of City Planning and Development or delegate.

**Community Contributions:** means contributions made towards capital projects where the sources of funding are the residents of Regina, businesses, or community organizations who have made contributions towards a capital project either through a community organization or directly to the City of Regina.

**Contiguous new development(s):** refers to a subdivision or development that is either adjacent to an existing development or a subdivision or development adjacent to another subdivision or development under design or construction.

**Development** – within the context of this policy, development only refers to an area that Servicing Agreement Fees and/or Development Levies shall be applied to through the execution of a Servicing Agreement prior to the approval of subdivision or Development Levy Agreement prior to the issuance of a Building Permit by the City.

**Development application** refers to either an application by a development proponent to the City for review and approval of a Neighbourhood Plan, Secondary Plan, Concept Plan, Subdivision, Servicing Agreement, Development Levy Agreement, Discretionary Use or Building Permit or other that requires the City approval or permit prior to construction as required by municipal bylaw or provincial regulation.

**Development boundaries:** refers to either;

- (1) the outside boundaries or limits of a plan of subdivision and as identified within a Servicing Agreement; or
- (2) the outside boundaries of a parcel of land and as identified within a Development Levy Agreement.

**Grade Separations:** refers to any classification of road which is required to either be constructed over or under an obstacle including but not limited to another road, railway, pipeline or building.

**Grants:** means funding received from sources outside of the City of Regina and its taxpayers, such as the Provincial or Federal Government, for capital projects.

**Interchanges:** refers to a junction of two or more traffic flows by a system of separate levels that permit traffic to pass from one to another without the crossing of traffic streams.

**Intersections:** any ground level intersection of two or more roads regardless of road classification (i.e. local, collector, arterial, expressway). An intersection does not include an interchange.

**Level of Service:** refers to the targeted design capacity of a component of infrastructure including a margin of additional capacity versus the total physical capacity of the infrastructure. Level of service may be expressed with different reference points and metrics for water, wastewater, storm water, transportation and parks and recreational facilities.

**Lift Station:** means a mechanical/hydraulic devices that are used to solve flow problems that cannot be solved by standard gravity methods. Lift stations lift fluids to a gravity model.

**Local (Roads):** is per the definition within the City of Regina Transportation Master Plan and includes all constructed components as required by the City of Regina's Development Standards Manual, Construction Specifications or as directed by the Executive Director of City Planning and Development or delegate.

**Major Sanitary Storage, Conveyance or Treatment Facilities:** refers to the components of the City's existing sanitary collection and treatment system that service multiple existing and future new developments external to the boundaries of a new subdivision or development. The primary facilities

include the City Wastewater Treatment Plant, Sanitary Trunk Mains, McCarthy Boulevard Pump Station and Force mains and existing sanitary pump stations with or without offline storage.

**Major Water Storage, Conveyance or Treatment Facilities:** refers to the components of the City's existing water treatment and distribution system that service multiple existing and future new developments external to the boundaries of a new subdivision or development. The primary facilities include the Buffalo Pound Water Treatment Plant, Buffalo Pound Water Supply Lines, New or Existing Water Reservoirs, Re-pressurization Pump Stations, pressure zone isolation components and Water Trunk Mains including but not limited to the City loop.

**Models:** refers to electronic, computer aided simulations utilized by the City for the purposes of planning for growth and review of development applications for transportation, water, wastewater, storm water, parks and recreational facilities.

**Multi-Use Pathways:** means the identified pathways within the City Open Space Regina Management Strategy and the new pathways identified within the Transportation Master Plan. Multi-use pathways generally refers to an asphalt pathway surface within a landscaped area and provides a protected route for walking or cycling.

**Municipal Level Parks and Facilities:** as fully defined within the City Open Space Regina Management Strategy. A municipal park or facility is intended to meet the recreation needs of large sections of the population. They allow for group activities and recreation opportunities not feasible at the neighbourhood level.

**Neighbourhood Level Parks and Facilities:** as fully defined within the City Open Space Regina Management Strategy. Neighbourhood level parks and facilities are oriented toward children and youth and may include active and passive recreation facilities.

**On-Street Bikeways:** refers to a lane within a road right-of-way specifically intended for the movement of bicycle traffic that are either separated from vehicular traffic with a separate painted lane or a protected lane separated by a curb, barrier or raised from general vehicular traffic.

**Overall Growth:** in the context of the statement "required to accommodate overall growth" means growth that occurs in multiple existing and future neighbourhoods.

**Oversizing:** means to design and construct an infrastructure facility to a greater capacity than servicing of a new subdivision or development requires unto itself to meet City development standards. The amount of oversizing is based upon design assumptions for servicing of a land area greater than the extents of the subdivision or development itself.

**Pump Station:** means a mechanical/hydraulic devices that are used to solve flow problems that cannot be solved by standard gravity methods. Pump stations lift fluids to a forcemain.

**Regional Service:** means a service provided by the City of Regina to a municipality, first nation, or other entity located outside of the boundary of the City.

**Regional Service Partner:** means a participant in a Regional Service through an agreement with the City of Regina.

**Sanitary Main:** is per the definition within the City of Regina Development Standards Manual and includes all requirements and components as required by the Development Standards Manual, Construction Specifications or as directed by the Executive Director of City Planning and Development or delegate.

**Sanitary Trunk Main:** is per the definition within the City of Regina Development Standards Manual and includes all requirements and components as required by the Development Standards Manual, Construction Specifications or as directed by the Executive Director of City Planning and Development or delegate.

**Service Connection:** is per the definition within the City of Regina Development Standards Manual and includes all requirements and components as required by the Development Standards Manual, Construction Specifications or as directed by the Executive Director of City Planning and Development or delegate.

**Site Detention:** refers to the City of Regina requirements for individual developments to detain a portion of the rainfall within the property lines of the development site and release the water at a controlled rate into the storm water collection system.

**Site Access Driveways and Crossings:** is per the definition within the City of Regina Development Standards Manual and includes all requirements and components as required by the Development Standards Manual, Construction Specifications or as directed by the Executive Director of City Planning and Development or delegate.

**Storm Main:** is part of the storm water minor system and per the definition within the City of Regina Development Standards Manual and includes all requirements and components as required by the Development Standards Manual, Construction Specifications or as directed by the Executive Director of City Planning and Development or delegate.

**Storm Trunk Main:** is part of the storm water major system and per the definition within the City of Regina Development Standards Manual and includes all requirements and components as required by the Development Standards Manual, Construction Specifications or as directed by the Executive Director of City Planning and Development or delegate.

**Storm Channel:** refers to natural or manmade water courses reserved primarily for the purpose of collecting and carrying runoff waters and designed as per the City's Development Standards Manual.

**Storm Sewer Detention Pond and Outlet:** refers to a storm water system facility which returns to dry conditions once all of the excess rainfall has discharged from the facility. The pond is designed to manage the flows of a rainfall event as per the City's Development Standards Manual including an outlet at a controlled flow rate back into the storm water collection system or a receiving body.

**Storm Sewer Non-Point Water Quality Control Infrastructure:** refers to either permanent or temporary devices or infrastructure utilized to capture sediments or other non-desirable contaminants prior to outflow into a natural or engineered conveyance channel, creek, river, tributary or lake. Such infrastructure may be incorporated into storm water major system elements such as detention or retention ponds or may be separated from other components of the overall system.

**Storm Sewer Retention Pond and Outlet:** refers to a storm water system facility which retains a portion of the storm water runoff permanently in the facility. The pond is designed to manage the flows of a rainfall event as per the City's Development Standards Manual including an outlet at a controlled flow rate back into the storm water collection system or a receiving body.

**Streetscaping:** refers to landscaped visual elements of a street including street furniture, trees and boulevard treatments.

**Study or Studies:** Refers to the studies undertaken by the City on a citywide or area basis for the purpose of determining long range infrastructure required as a result of growth, including transportation, water, sanitary sewer, storm sewer, parks and recreational facilities.

**Traffic Signals:** refers to any type of electrically powered signalization devices used to direct or control the flow of vehicular, cycle or pedestrian traffic and includes, but is not limited to poles, signal heads, lamps, controllers, electrical conduits, wiring and pedestal bases.

**Upgrades:** means upgrades required to provide additional capacity to a service to accommodate the additional demands placed on the infrastructure as a result of growth. Upgrades in the context of this policy do not include projects which are a result of a regulatory change or level or service improvement not previously identified within the calculation of previous Servicing Agreement Fees or Development Levy.

**Water Main:** is per the definition for either a Feeder or Distribution Watermain within the City of Regina Development Standards Manual and includes all requirements and components as required by the Development Standards Manual, Construction Specifications or as directed by the Executive Director of City Planning and Development or delegate.

**Water Pump Station & Reservoir:** refers to infrastructure where the water supply is delivered to and held within a reservoir and re-pressurized through one or more hydraulic pumps to the distribution network.

**Water Quality Source Control Measures:** refers to either permanent or temporary devices or infrastructure utilized to capturing sediments or other non-desirable contaminants prior to runoff and discharge into the City storm sewer collection system.

**Water Trunk Main:** is per the definition within the City of Regina Development Standards Manual and includes all requirements and components as required by the Development Standards Manual, Construction Specifications or as directed by the Executive Director of City Planning and Development or delegate.

**Zone Level Parks and Facilities:** as fully defined within the City Open Space Regina Management Strategy. Zone parks and facilities serve a broader purpose than neighbourhood parks and provide higher quality athletic facilities.

## **4 General Principles**

Servicing Agreement Fees / Development Levies paid by Developers are established as payment in whole or part for the Capital Costs for providing, altering, expanding or upgrading: sanitary sewer, water, storm sewer and other utility services, transportation facilities, or park and recreational facilities that directly or indirectly serve the proposed subdivision or development, as provided in section 169 and 172(3)(b) of *The Planning and Development Act, 2007*.

The projection period for identifying capital costs for payment by Servicing Agreement Fees / Development Levies is 25 years.

The Funding Criteria and Summary Charts within this Appendix are intended to cover the majority of typical wastewater, water, drainage and other utility services, roads and other related infrastructure, or park and recreational facilities that may be encountered which are either not funded or funded in whole or in part by Servicing Agreement Fees / Development Levies.

Infrastructure projects, studies, designs and models not outlined in the tables below shall be assumed to not be funded by Servicing Agreement Fees / Development Levies unless determined to be funded in whole or in part by the Executive Director of City Planning and Development or delegate and is in alignment with section 169 and 172(3)(b) of *The Planning and Development Act, 2007*.

Infrastructure projects, studies, designs and models not outlined in the tables below that are required for subdivision and development as determined by the Executive Director of City Planning and Development or delegate, for, within, adjacent to or extending to the subdivision or development boundaries shall be assumed to be funded 100% by the developer.

Infrastructure projects, studies, designs and models not outlined in the tables below that are not required for one or more specific development or overall growth of the City shall be assumed be funded 100% by the City.

Upgrades outside the context of this policy may be funded 100% by the developer if required to be constructed within, adjacent to or extending to the development boundaries to provide service.

## **5 Interim Services**

Services required for subdivision and development but are deemed as interim services until a permanent solution is constructed and in operation shall be funded 100% by the developer including the ongoing operational and maintenance costs of the interim services, unless determined otherwise by the Executive Director of City Planning and Development or delegate. Construction of interim services does not preclude the developer from having to also make financial contribution to a permanent servicing solution.



## **6 Lands**

All lands required for services that developers are required to construct within, adjacent to, or extending to the development boundaries, whether through acquisition, dedication, easement or other legal mechanisms shall be 100% Developer-funded.

All lands required for services that the City is required to construct projects that are indirectly required to support growth of the City shall be 100% funded by Servicing Agreement Fees / Development Levies.

Any conflict between the two previous statements shall be resolved by the Executive Director of City Planning and Development or delegate.

## **7 Timing**

Should Servicing Agreement Fee or Development Levy funded infrastructure project be required by an individual development in advance of the project being triggered or planned for by the City to accommodate overall growth, funding of the project either in whole in or in part, including land acquisition, shall become 100% Developer-funded.

## **8 Grants and Community Contributions**

In determining capital costs, grants for capital projects shall be addressed as follows:

- Confirmed grant amounts are subtracted from the total project cost to determine the net project cost. The cost allocation policies are applied to the net amount remaining after subtracting the grant amount.
- If the grant amount is unknown, or not confirmed, no grant amounts are subtracted from the project cost. The total project cost is used in determining Servicing Agreement Fees or Development Levies.
- If the project is dependent on receiving a grant, and will not proceed without the grant amounts, the required grant amounts are subtracted from the total project cost to determine the net project cost. The cost allocation policies are applied to the net amount remaining after subtracting the grant amount.

In determining capital costs, community contributions are considered as a City contribution, similar to general fund or utility fund sources. The cost allocation policies are applied to the total capital cost, without subtracting the community contribution.

## 9 Regional Service Contributions

Where a regional service partner has agreed to pay for part of the capital costs of a project in the project list, the amount provided by the regional service partner is subtracted from the total project cost to determine the net project cost. The cost allocation policies are applied to the net cost remaining after subtracting the amount provided by the regional service partner. Where a regional partner has agreed generally to pay Servicing Agreement Fees, in whole or in part, the revenue from the regional partner will be reflected in the opening balance for future rate calculations.

## 10 Funding Criteria and Summary Charts

The Funding Criteria and Summary Charts include numbered references which are outlined below.

- (1) The funding criteria specified in this table does not supersede any previous funding arrangements for projects entered into a Servicing Agreement between the Developer and the City prior to the effective implementation date of the Administration and Calculation of Servicing Agreement Fees and Development Levies policy.
- (2) **SAF / DL** refers to Servicing Agreement Fee / Development Levy funding percentage share of funding infrastructure works.
- (3) **Dev.** refers to Developer / Proponent funding percentage share of funding infrastructure works.
- (4) **City** refers to funding percentage share of funding infrastructure works through General or Utility Capital allocations through the budget process. This does not refer to funding percentage share by the City where the City is acting as a developer.
- (5) Applicability of % share determined will apply to engineering design, construction and commissioning. Construction may include but is not limited to temporary and permanent materials and excavations. Level of Service improvements for existing development is not intended to be provided for by Servicing Agreement Fee / Development Levy Funding unless it is clearly demonstrated a project has been deferred and subsequently growth has deteriorated the existing population level of service.
  - a. New Pop. = New Population Growth intended to be serviced by project
  - b. Ext. Pop. = Existing Population intended to be serviced by project that may directly or indirectly benefit from new or improvements to existing infrastructure.
  - c. Total Pop. = New Population + Existing Population
  - d. Should a project only be intended to service a New Population, then Servicing Agreement Fee / Development Levy Funding = 100%.
  - e. In the absence of any substantiated population actuals or estimates, a default placeholder funding split share of 30% SAF/DL Funding, 70% City Funding may be utilized in the interim for the purposes of calculating an SAF/DL Rate.

- (6) Upgrades to existing Arterial Roads, Intersections and Signals shall deduct the estimated rehabilitation cost from the gross cost required to increase the capacity of the Transportation Infrastructure if and only if rehabilitation is warranted within three (3) years from the time the capacity increases are triggered to maintain a targeted level of service.

## 1 Funding Criteria and Summary Charts

Sanitary Sewer Infrastructure Projects <sup>(1)</sup>					
Description	Location	Funding Split (%)			Comments
		SAF / DL <sup>(2)</sup>	Dev. <sup>(3)</sup>	City <sup>(4)</sup>	
Sanitary Service Connection	Internal / External to development boundaries	0%	100%	0%	
New Sanitary Main	Internal / External to development boundaries. External is where an extension is required to service one or more contiguous new development(s).	0%	100%	0%	
New Sanitary Trunk Main	Internal/External to development boundaries, and intended to service one or more contiguous specific new developments. May provide service level improvement for existing residents.	0%	A <sup>(5)</sup>	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
New Sanitary Trunk Main	Internal/External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth. May provide service level improvement for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
Existing Sanitary Trunk Main Upgrades	Internal/External to development boundaries, and intended to service one new developments. May provide service level improvement for existing residents.	0%	A <sup>(5)</sup>	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
Existing Sanitary Trunk Main Upgrades	Internal/External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%

	May provide service level improvement for existing residents.				
New Sanitary Mains and Trunk Mains Oversizing	Internal / External to development boundaries. Oversizing is required to service one or more contiguous new development(s).	0%	100%	0%	
New Sanitary Pump Stations (with or without storage)	Internal / External to development boundaries where a station required to service one or more contiguous new development(s). May provide service level improvement for existing residents.	0%	A <sup>(5)</sup>	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
New Sanitary Pump Stations (with or without storage)	Internal / External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth. May provide service level improvement for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
Existing Sanitary Pump Station Upgrades (with or without storage)	Internal / External to development boundaries where an existing station required to be upgraded to service one or more contiguous new development(s). May provide service level improvement for existing residents.	0%	A <sup>(5)</sup>	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
Existing Sanitary Pump Station Upgrades (with or without storage)	Internal / External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth. May provide service level improvement for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%

Existing Sanitary Storage, Conveyance or Treatment Facility Upgrades	Internal / External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth. May provide service level improvement for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
New Sanitary Storage, Conveyance or Treatment Facilities	Internal / External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth. May provide service level improvement for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%

<b>Water Infrastructure Projects<sup>(1)</sup></b>					
<b>Description</b>	<b>Location</b>	<b>Funding Split (%)</b>			<b>Comments</b>
		<b>SAF / DL<sup>(2)</sup></b>	<b>Dev.<sup>(3)</sup></b>	<b>City<sup>(4)</sup></b>	
Water Service Connection <sup>(6)</sup>	Internal / External to development boundaries	0%	100%	0%	
New Water Main	Internal / External to development boundaries. External is where an extension is required to service one or more contiguous new development(s).	0%	100%	0%	
New Water Trunk Main	Internal / External to development boundaries, and intended to service one or more contiguous specific new developments. May provide service level improvement for existing residents.	0%	A <sup>(5)</sup>	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
New Water Trunk Main	Internal / External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth. May provide service level improvement for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
Existing Water Trunk Main Upgrades	Internal/External to development boundaries, and intended to service one new developments. May provide service level improvement for existing residents.	0%	A <sup>(5)</sup>	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
Existing Water Trunk Main Upgrades	Internal/External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth. May provide service level improvement for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%

New Water Mains and Trunk Mains Oversizing	Internal / External to development boundaries. Oversizing is required for development of additional new development.	0%	100%	0%	
New Water Pump Stations & Reservoirs	Internal / External to development boundaries where a station required to service one or more contiguous new development(s). May provide service level improvement for existing residents.	0%	A <sup>(5)</sup>	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
New Water Pump Stations & Reservoirs	Internal / External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth. May provide service level improvement for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
Existing Water Pump Station & Reservoirs Upgrades	Internal / External to development boundaries where an existing station required to be upgraded to service one or more contiguous new development(s). May provide service level improvement for existing residents.	0%	A <sup>(5)</sup>	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
Existing Water Pump Station & Reservoir Upgrades	Internal / External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth. May provide service level improvement for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
New or Existing Water Storage, Conveyance or Treatment Facilities	Internal / External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100%



	accommodate overall growth. May provide service level improvement for existing residents.				B = (Ext. Pop. / Total Pop.) * 100%
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<b>Storm Sewer Infrastructure Projects<sup>(1)</sup></b>					
<b>Description</b>	<b>Location</b>	<b>Funding Split (%)</b>			<b>Comments</b>
		<b>SAF / DL<sup>(2)</sup></b>	<b>Dev.<sup>(3)</sup></b>	<b>City<sup>(4)</sup></b>	
Storm Service Connection, Water Quality Source Control Measures and Site Detention	Internal / External to development boundaries	0%	100%	0%	
New Storm Sewer Main	Internal / External to development boundaries. External is where an extension is required to service one or more contiguous new development(s).	0%	100%	0%	
New Storm Sewer Trunk Main, Lift Station, or Channel	Internal / External to development boundaries. External is where an extension is required to service one or more contiguous new development(s).	0%	100%	0%	
New Storm Sewer Trunk Main, Lift Station, or Channel	External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth and to improve service levels for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
Existing Storm Sewer Trunk Main, Lift Station, or Channel Upgrades	External to development boundaries, where an extension required to service one or more contiguous new development(s).	0%	100%	0%	
Existing Storm Sewer Trunk Main, Lift Station, or Channel Upgrades	External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth and to improve service levels for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%

New Storm Sewer Mains, Trunk Mains, Lift Stations or Channel Oversizing	Internal / External to development boundaries. Oversizing is required for development of additional new development.	0%	100%	0%	
New Storm Sewer Detention Ponds and Outlet Infrastructure	Internal / External to development boundaries where a pond and outlet is required to service one or more contiguous new development(s).	0%	100%	0%	
New Storm Sewer Retention Ponds and Outlet Infrastructure	Internal / External to development boundaries where a pond and outlet is required to service one or more contiguous new development(s).	0%	100%	0%	
New Storm Sewer Non-point Water Quality Control Infrastructure	Internal / External to development boundaries where a required to service one or more contiguous new development(s).	0%	100%	0%	
Existing Storm Sewer Non-point Water Quality Control Infrastructure	External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth and to improve service levels for existing residents.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%

<b>Transportation Infrastructure Projects<sup>(1)</sup></b>					
<b>Description</b>	<b>Location</b>	<b>Funding Split (%)</b>			<b>Comments</b>
		<b>SAF / DL<sup>(2)</sup></b>	<b>Dev.<sup>(3)</sup></b>	<b>City<sup>(4)</sup></b>	
New or Upgraded Site Access Driveways and Crossings	Internal or External to development boundaries	0%	100%	0%	
New Local Roads	Internal / External to development boundaries. External is where an extension or upgrade is required to service one or more contiguous new development(s).	0%	100%	0%	
New Collector Roads	Internal / External to development boundaries. External is where an extension or upgrade is required to service one or more contiguous new development(s).	0%	100%	0%	
New Arterial Roads	Internal / External to development boundaries. External is where an extension or upgrade is required to service one or more contiguous new development(s).	0%	100%	0%	
New or Upgrades to Existing Collector or Arterial Roads – as warranted	External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to accommodate overall growth.	100%	0%	0%	<sup>(6)</sup>
Reconstruction of Existing Roads	External to development and cost of City's portion	0%	0%	100%	<sup>(6)</sup>
New or Upgrades to Existing Intersections - Immediate	Internal / External to development boundaries. External is where the intersection provides access into the development boundaries.	0%	100%	0%	<sup>(6)</sup>
New or Upgrades to Existing	External to development boundaries where the intersection does not provide	0%	100%	0%	<sup>(6)</sup>

Intersections - Immediate	direct access into a development boundaries, but is warranted at the time of a development.				
New or Upgrades to Existing Intersections – as warranted	External to development boundaries where the intersection does not provide direct access into a development boundaries, and is not warranted at the time of a development. Project completed as capacity warrants.	100%	0%	0%	(6)
New Traffic Signals - Immediate	Internal / External to development boundaries. External is where the intersection provides access into the development boundaries.	0%	100%	0%	
New Traffic Signals - Immediate	External to development boundaries where the intersection does not provide direct access into a development boundaries, but is warranted at the time of a development.	0%	100%	0%	
New Traffic Signals – as warranted	Internal / External to development boundaries where new signals are not warranted at the time of a development. Project completed as capacity warrants.	100%	0%	0%	
Grade Separations - immediate	Internal / External to development boundaries. External is where the grade separation provides access into the development boundaries and is warranted by City standards.	0%	100%	0%	
Grade Separations – as warranted	Internal / External to development boundaries where a grade separation is not warranted at the time of a	100%	0%	0%	

	development. Project completed as capacity warrants.				
Interchanges – immediate	Internal / External to development boundaries. External is where the interchange provides access into the development boundaries and is warranted by City standards.	0%	100%	0%	
Interchanges – as warranted	Internal / External to development boundaries where an interchange is not warranted at the time of a development. Project completed as capacity warrants.	100%	0%	0%	
Streetscaping - immediate	Internal / External to development boundaries. External is where an extension or upgrade is required to service one or more contiguous new development(s).	0%	100%	0%	
Streetscaping – as warranted	External to development boundaries, and not intended to service any one or more contiguous specific new developments, but required to be consistent with streetscape policy but required to accommodate overall growth.	100%	0%	0%	
On-Street Bikeways and Multi-Use Pathways	Internal to development boundaries.	0%	100%	0%	
On-Street Bikeways and Multi-Use Pathways	External to development boundaries. External is where an extension or upgrade is required to service one new development.	0%	100%	0%	
On-Street Bikeways and Multi-Use Pathways	External to development boundaries. External is where an extension or upgrade is required to service two or more new development(s).	100%	0%	0%	

On-Street Bikeways and Multi-Use Pathways	External to development boundaries, and not intended to exclusively service any new developments, but required to link overall growth and provide an extension of the network to existing neighbourhoods.	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%
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<b>Parks and Recreational Facilities Infrastructure Projects<sup>(1)</sup></b>					
<b>Description</b>	<b>Location</b>	<b>Funding Split (%)</b>			<b>Comments</b>
		<b>SAF / DL<sup>(2)</sup></b>	<b>Dev.<sup>(3)</sup></b>	<b>City<sup>(4)</sup></b>	
Neighbourhood Level Parks and Facilities	Internal to new development boundaries, typically associated with the dedication of Municipal Reserve space.	0%	100%	0%	
Zone Level Parks and Facilities	New zone parks and associated recreation facilities within new development areas or capacity upgrades to existing zone parks needed to provide a similar level of service to the future population of a new development area.	100%	0%	0%	
Municipal Level Parks and Facilities	New or capacity upgrades to existing municipal level parks or recreational facilities (includes off-leash dog parks).	A <sup>(5)</sup>	0%	B <sup>(5)</sup>	A = (New Pop / Total Pop.) * 100% B = (Ext. Pop. / Total Pop.) * 100%



<b>Studies, Development Standards or Policy or Specifications, Design and Infrastructure Engineering Work</b>					
<b>Description</b>	<b>Location</b>	<b>Funding Split (%)</b>			<b>Comments</b>
		<b>SAF / DL<sup>(2)</sup></b>	<b>Dev.<sup>(3)</sup></b>	<b>City<sup>(4)</sup></b>	
Studies, Serviceability, Conceptual, Functional, Pre-Design and Detailed Design	Development proponent required study or design required by the City as part of a development application.	0%	100%	0%	Studies and designs specific to advancing servicing of a new development are funded directly by the developer.
Studies, Serviceability, Conceptual, Functional, Pre-Design and Detailed Design	Internal or External to development boundaries intended to provide City regulatory guidance for water, sanitary, storm, roads, parks or recreational facility infrastructure required for growth.	100%	0%	0%	
Infrastructure Models	Internal or External to development boundaries intended to provide City regulatory guidance for water, sanitary, storm, roads, parks or recreational facility infrastructure required for growth.	100%	0%	0%	
Engineering Specifications, Standards, Policy development or update	Development driven documents which provide guidance to developers and their consultants, either new or updates to existing as the documents pertain to water, sanitary sewer system, storm sewer system or parks and open space or recreational facilities design.	100%	0%	0%	

## Appendix C

### Servicing Agreement Fee and Development Levy Boundaries

The following map illustrates the geographic areas used to determine the rates.

Development applications outside the Intensification Boundary in the Greenfield Area shall be charged the greenfield rate; development applications inside the Intensification Boundary within the Established Area shall be charged the intensification rate.

