

Approved by Council – September 23, 2013

SUSTAINABLE INFRASTRUCTURE POLICY

BACKGROUND

After an extensive review of current infrastructure policy in 2013 the Town of Redcliff Council determined that significant revision to the policy was required to insure the ongoing sustainability of capital infrastructure planning. At the heart of this change was a move away from the philosophy that used local improvement taxes to recover the cost of replacing existing infrastructure from the property owner whom it directly affects. Although local improvement taxes are permitted in the Municipal Government Act (MGA), their use for the rehabilitation or replacement of existing infrastructure presents sustainability issue over the long term.

Going forward the capital philosophy will be that the network of existing infrastructure represents a benefit to the entire community and as such will be maintained by the community at large. Under this philosophy infrastructure that requires rehabilitation or replacement will no longer be funded using local improvement taxes. Local improvement taxes may still be used to fund new infrastructure such as paving unpaved roads, additional linear assets and capacity improvements.

Infrastructure management in the Town of Redcliff will be completed in such a way that ensures the sustainability of the community's infrastructure, and maintaining at all times a long term focus that will benefit the entire community.

POLICY

CAPITAL INFRASTRUCTURE PLAN

Administration will regularly evaluate its infrastructure and maintain a funded ten year multi-year capital infrastructure plan (MYCIP) to plan the construction, rehabilitation and replacement of infrastructure within the limits of our financial resources.

Further, administration will ensure that minor repairs or maintenance will not be scheduled for segments of infrastructure that are planned for rehabilitation or replacement.

FUNDING EXISTING INFRASTRUCTURE REHABILITATION AND REPLACEMENT

Projects for existing infrastructure previously funded using local improvement taxes will be not be adjusted or changed but allowed to run their course. To limit the impact of the move away from local improvement taxes for existing infrastructure, administration will prioritize future rehabilitation and eventual replacement of existing municipal infrastructure for grant funding.

To develop an improved sustainable infrastructure strategy, Council will establish a portion of the Municipal Tax Rate to be set aside for capital infrastructure. This component will be discussed during annual capital budget discussions and be incorporated in the tax rate bylaw.

LOCAL IMPROVEMENT TAXES

Due to the sustainability implications of using local improvement taxes, the Town of Redcliff will only consider the use local improvement taxes to fund capital infrastructure for new infrastructure (paving unpaved roads, additional linear assets, capacity improvements, etc.).

Local improvements taxes are not a funding option for Developers. Developers are expected to prepay any portion of the development project identified as the Developer's in the development agreement.

The Town of Redcliff will re-notify the affected property owners of a local improvement project when tenders received exceed the estimated project costs by 25%. This would apply to local improvement projects that have had plans approved, the affected property owners notified, Bylaw(s) adopted, and the project has not been initiated.

TOWN CONTRIBUTION TO LOCAL IMPROVEMENT PROJECTS

Council accepts that many infrastructure projects have some degree of benefit to the community at large. Within budgetary constraints, the Town will provide funding proportionate to this benefit towards local improvement projects for new infrastructure. This funding may be in the form of municipal labor and equipment, Town at large funding, or by way of grants received from other levels of government.

The appropriate percentage of contribution will be based on the proportionate benefit to the community at large as determined by the Town of Redcliff.

PREPAYMENT OF FRONTAGE FOR TOWN OWNED PROPERTY

At times the Town of Redcliff passes frontage Bylaws in areas of Redcliff and at times there are properties owned by the Town of Redcliff in these areas. It is normally easier for accounting and administrative purposes to have these frontages prepaid by the Town. Due to stop loss penalties imposed by the ACFA (Alberta Capital Finance Authority) it is in the best interest of the community to short borrow all frontage levies attributable to all Town owned properties, including those municipal properties leased by non-profitable organizations unless it is prohibitive to do so.