



MOUNTAINS OF OPPORTUNITY
CRANBROOK

SHADOW MOUNTAIN

PROPOSED LOCAL AREA SERVICE FOR CONNECTION OF SANITARY SEWER TO THE CITY OF CRANBROOK

March 01, 2022

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WHAT IS A LOCAL AREA SERVICE?

- ▶ **Municipal service designed to benefit a particular area of the City.**
- ▶ **Is paid for by the property owners of area by a local service parcel tax**
- ▶ **The tax must be based on a physical characteristic of the parcel, assessed values or number of parcels.**
- ▶ **Tax can be one time payment or can elect to pay annually over a number of years.**

Proposed Petition Against – Council Initiative

- ▶ **Section 213 of the Community Charter**
- ▶ **People can petition the City NOT to complete the project.**
- ▶ **Petition against to stop project requires more than 50% of parcels and 50% of assessed value to respond to petition to stop the project from moving forward.**



Petition – moving forward

- ▶ **Owners will receive in the mail a detailed petition package with the following information**
 - ▶ Describes the service in general terms
 - ▶ Define the boundaries of the local service area
 - ▶ Provide an estimate of the costs of the service
 - ▶ Indicate the proposed methods of cost recovery for the service
 - ▶ The total amount proposed to be borrowed under the bylaw
 - ▶ The maximum term of the loan
 - ▶ The portion of those costs that are to be recovered by a local service tax.
 - ▶ Indicate what portion of the costs will be recovered by a general municipal property tax, if applicable
 - ▶ Include a statement that the council may proceed with establishing the service unless a petition against the service is presented within 30 days after notice has been given
 - ▶ Include any other information that council requires.
- ▶ **If in support, nothing required**
- ▶ **If against must submit petition**



Petition

- ▶ **Original signed petition must be returned and in the possession of the City's Corporate Officer before the deadline. Not postmarked.**
- ▶ **Follow the instructions on the petition**
- ▶ **More than 50% of the owners of the parcel must sign the petition to be valid.**
- ▶ **Corporations and businesses must be signed by a director and supply a company summary showing signing authority of the director on behalf of the company.**
- ▶ **Persons not eligible to sign must not sign petition i.e. tenants**
- ▶ **Petition must include petitioner's full name, signature, address, and legal address of property in the proposed LAS.**

Current Conditions

- ▶ **Shadow Mountain's wastewater currently piped to two sewage holding tanks in the development.**
- ▶ **Holding tanks pumped regularly and wastewater trucked to the City lagoons**
- ▶ **The original holding tanks designed to become lift stations (pumping stations)**
- ▶ **Infrastructure operated by HOA**



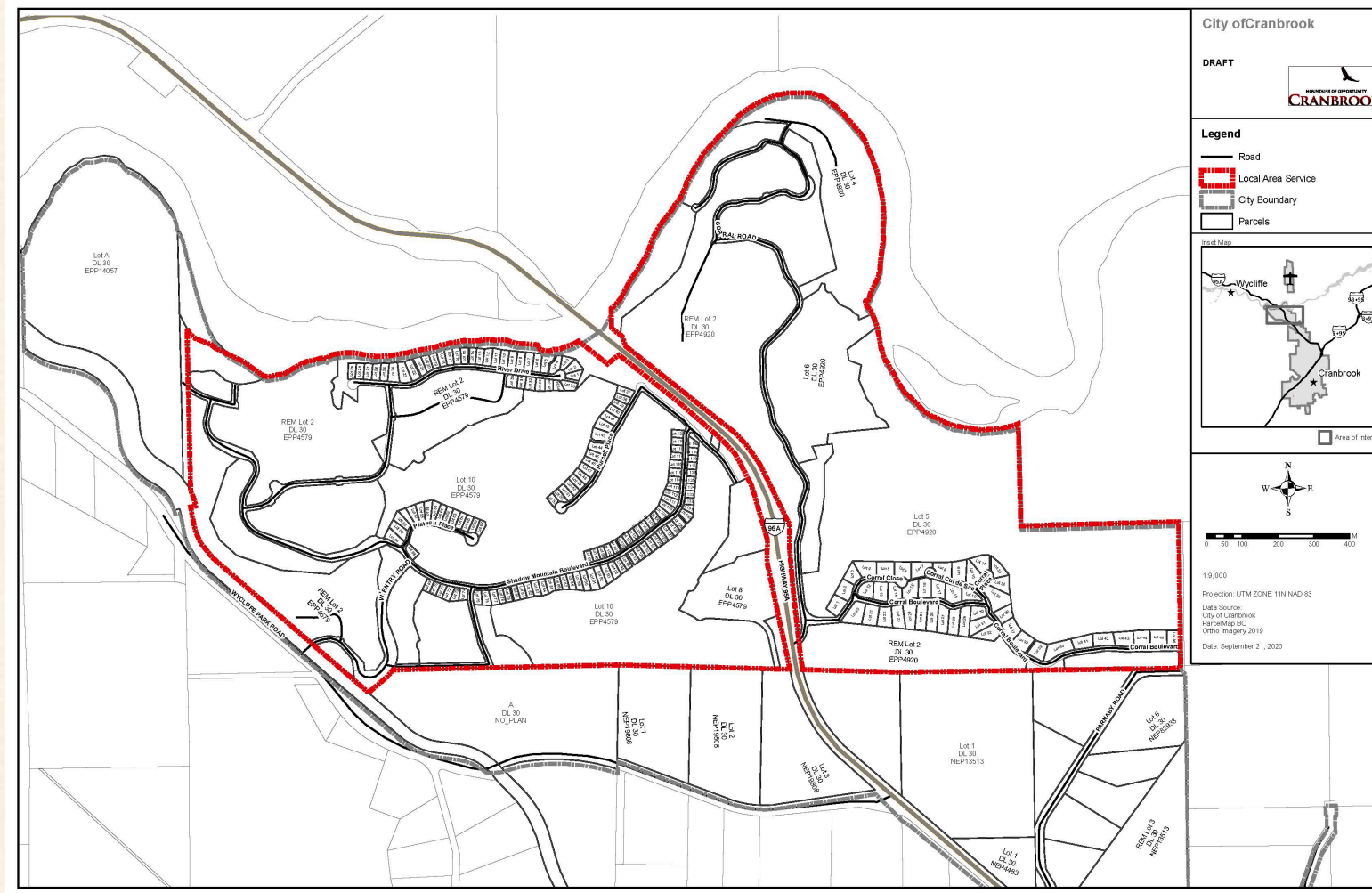
Photo courtesy of Cranbrook Tourism



Shadow Mountain LAS Sewer Project

- ▶ **To construct three lift stations, forcemain, and highway crossings to connect to the City's existing gravity sewer system on Mennie Road.**
- ▶ **The two lift stations (one by the upper McPhee Bridge and other below bridge by river) to be owned, operated and maintained by HOA / Stratas**
- ▶ **City proposing to own lift station by Golf Course Snack Shack and forcemain back to City**
- ▶ **Watermain extended to lift station at Snack Shack**
- ▶ **Oversizing and watermain to accommodate people in between Shadow Mountain and old City boundary proposed to be funded by DCCs**

Shadow Mountain Sewer LAS Boundary



Proposed LAS Boundary

Shadow Mountain Sewer Project Cost Estimate

- ▶ Estimate \$8.7million
 - ▶ \$7.7million LAS
 - ▶ \$1.0million oversizing to be paid by City, proposed to be from DCC reserves



Shadow Mountain Sewer LAS Parcel Tax

- ▶ If the project goes forward each property would be assessed a parcel tax in the Shadow Mountain Area
- ▶ Parcel tax would start year after completion of the works
- ▶ Parcel tax will be based on actual costs and interest rate obtained.
- ▶ The parcel tax could be paid upfront or paid over 30 years (which would include borrowing fees if paid over 30 years)
 - ▶ The borrowing fees used for calculations are 1% Municipal Finance Authority charge and 4.9% interest.
- ▶ Upon development of the lot the remainder payment and borrowing fees would have to be paid prior to approval of subdivision or issuance of Development Permit, DVP, or Building Permit , whichever occurs first. * Would not apply to building permits for single family dwellings.

Shadow Mountain Sewer LAS Parcel Tax



- ▶ **Common Lots and Common Strata Property**
 - ▶ **Local Service tax is planned to be apportioned amongst parcels in the local service area based on the parcel's area and its share of ownership in commons lots and strata common property.**
 - ▶ **Shares of ownership of common lots is a part of the legal title**
 - ▶ **Shares of common strata ownership are shown on Form V.**

Strata Property Act
FORM V
SCHEDULE OF UNIT ENTITLEMENT
(Sections 245(a), 246, 264)

Re: Strata Plan EPS153, being a Strata Plan of Lot 2, Plan EPP4920, and an Undivided 161/247 Share of Lot 1, Plan EPP4920, District Lot 9877, Kootenay District.

Shadow Mountain Disclosure, East
BARE LAND STRATA PLAN

The unit entitlement for each bare land strata lot is one of the following as set out in the following table:

☒ (a) a whole number that is the same for all of the strata lots in the strata plan as set out in section 246(6)(a) of the *Strata Property Act*.

OR

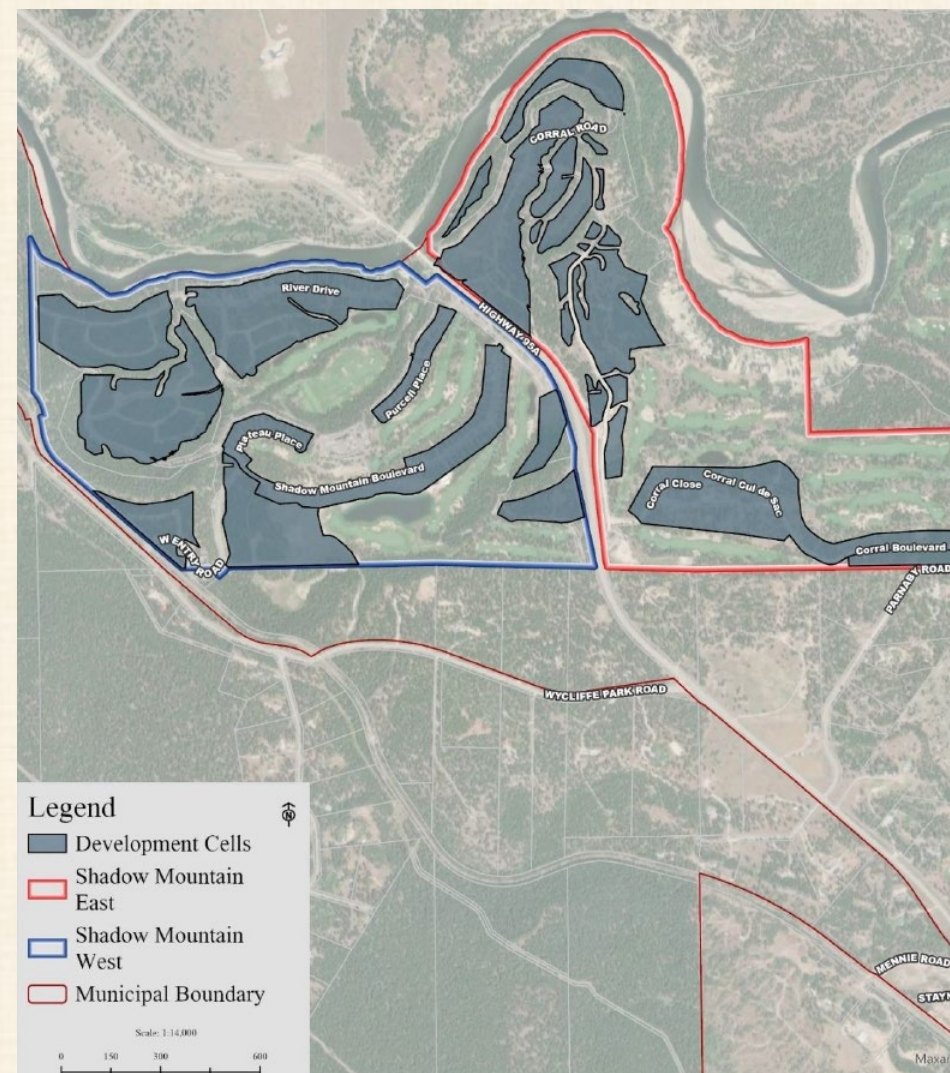
☐ (b) a number that is approved by the Superintendent of Real Estate in accordance with section 246(6)(b) of the *Strata Property Act*.

Signature of Superintendent of Real Estate



Cost Options – Developable Lands vs Non-Developable Lands

- ▶ All land vs. developable land
 - ▶ All lands = all area on legal plan
 - ▶ Developable lands = area minus
 - ▶ Probable floodplains
 - ▶ No development areas/covenants
 - ▶ Slopes greater than 20%
 - ▶ Areas with glaciolacustrine soils identified in original development geotechnical report





Proposed Parcel Tax - Golf Course Parcels

- ▶ **Community Charter Section 200 (3) (b) (ii) allows for different rates of tax to be paid to different ranges of taxable area.**
- ▶ **The golf course has the two largest parcels. With a ratio of sewage flow being used as the ratio for their tax rate, these two largest parcel would be charged a lower dollar value per ha than the smaller residential lands.**



Proposed Parcel Tax Options

- 1. All lands based on area with lower rate per ha for large golf course lands (i.e. lands greater than 45.4 ha)**
- 2. All lands based with a fixed cost per lots, additional rate for lots greater than 0.401 ha and lower rate per ha lands greater than 45.4ha**
- 3. Developable lands based on developable area with lower rate per ha for large golf course lands**
- 4. Developable lands based with a fixed cost per lot, additional rate for lots with developable area greater than 0.357 ha and lower rate per ha lands greater than 36.2ha**



Parcel Tax – Option 1

All lands based on area with lower rate per ha for large golf course lands (i.e. lands greater than 45.4 ha)

Adjusted Parcel Area	Upfront Cost/ha	Per year for 30 years cost / ha
Less than, equal to 45.4ha	\$50,525	\$3,710
Greater than 45.4ha	\$895	\$66

All Lands per ha	All Single Family		West Single Family		East Single Family	
	Upfront Cost	Per year for 30 years	Upfront Cost	Per year for 30	Upfront Cost	Per year for 30
Max	\$20,264.18	\$1,487.98	\$11,528.78	\$846.55	\$20,264.18	\$1,487.98
Min	\$5,743.14	\$421.71	\$5,743.14	\$421.71	\$9,130.23	\$670.42
average	\$9,115.28	\$669.33	\$7,834.92	\$575.31	\$13,012.03	\$955.46

All Lands per ha - Golf Course	Upfront	Per year for 30 years
Lot 5 EPP4920	\$40,836.15	\$3,011.38
Lot 10 EPP4579	\$42,990.17	\$3,170.22
Total	\$83,826.32	\$6,181.61

All Lands per ha - Parent Parcels	Upfront	Per year for 30 years
REM Lot 2 EPP4579	\$2,085,668.09	\$153,148.51
Lot 3 EPP4579	\$73,702.25	\$5,411.88
Lot 4 EPP4579	\$176,985.19	\$12,995.85
Lot 5 EPP4579	\$37,557.76	\$2,757.83
Lot 6 EPP4579	\$138,645.48	\$10,180.60
Lot 7 EPP4579	\$141,672.15	\$10,402.84
Lot 8 EPP4579	\$196,826.26	\$14,452.75
Lot 9 EPP4579	\$76,133.28	\$5,590.39
Lot A EPP109655	\$1,781,331.46	\$130,801.38
Lot 3 EPP4920	\$148,250.02	\$10,885.85
Lot 4 EPP4920	\$576,050.88	\$42,298.84
Lot 6 EPP4920	\$518,536.24	\$38,075.60



Parcel Tax – Option 2

All lands based with a fixed cost per lots, additional rate for lots greater than 0.401 ha and lower rate per ha lands greater than 45.4ha

Adjusted Parcel Area less 0.401ha	Upfront Cost/ha	Per year for 30
Less than, equal to 45.4ha	\$51,535	\$3,784
Greater than 45.4ha	\$913	\$67

All Lands fixed cost plus area	All Single Family	
	Upfront Cost	Per year for 30 years
Total	\$9,115.28	\$669.33

All Lands fixed cost plus area - Golf Course	Upfront	Per year for 30 years
Lot 5 EPP4920	\$50,406.54	\$3,699.46
Lot 10 EPP4579	\$52,603.88	\$3,860.71
Total	\$103,010.42	\$7,560.17

All Lands fixed cost plus area - Parent Parcels	Upfront	Per year for 30 years
REM Lot 2 EPP4579	\$2,115,806.83	\$155,354.90
Lot 3 EPP4579	\$63,621.58	\$4,671.50
Lot 4 EPP4579	\$168,969.16	\$12,406.73
Lot 5 EPP4579	\$26,754.56	\$1,964.50
Lot 6 EPP4579	\$129,863.03	\$9,535.33
Lot 7 EPP4579	\$132,950.20	\$9,762.01
Lot 8 EPP4579	\$189,206.86	\$13,892.70
Lot 9 EPP4579	\$66,101.21	\$4,853.56
Lot A EPP109655	\$1,805,386.48	\$132,562.02
Lot 3 EPP4920	\$139,659.57	\$10,254.65
Lot 4 EPP4920	\$576,012.21	\$42,294.20
Lot 6 EPP4920	\$517,347.85	\$37,986.72



Parcel Tax – Option 3

Developable lands based on developable area with lower rate per ha for large golf course lands

Adjusted Parcel Area - Developable Lands	Upfront Cost/ha	Per year for 30 years cost / ha
Less than, equal to 45.4ha	\$93,110	\$6,838
Greater than 45.4ha	\$1,650	\$121

Developable lands per ha	All Single Family		West Single Family		East Single Family	
	Upfront Cost	Per year for 30 years	Upfront Cost	Per year for 30	Upfront Cost	Per year for 30
Max	\$33,369.93	\$2,450.69	\$13,646.56	\$1,002.20	\$33,369.93	\$2,450.69
Min	\$3,376.23	\$247.95	\$3,376.23	\$247.95	\$12,843.10	\$943.20
average	\$10,778.42	\$791.57	\$7,749.42	\$569.12	\$19,997.10	\$1,468.59

Dev. lands per ha - Golf Course	Upfront	Per year for 30 years
Lot 5 EPP4920	\$60,320.51	\$4,423.50
Lot 10 EPP4579	\$63,532.80	\$4,659.07
Total	\$123,853.31	\$9,082.58

Dev. lands per ha - Parent Parcels	Upfront	Per year for 30 years
REM Lot 2 EPP4579	\$2,561,668.31	\$188,128.96
Lot 3 EPP4579	\$0.00	\$0.00
Lot 4 EPP4579	\$94,373.19	\$6,930.77
Lot 5 EPP4579	\$22,341.33	\$1,640.75
Lot 6 EPP4579	\$168,220.37	\$12,354.11
Lot 7 EPP4579	\$156,476.60	\$11,491.64
Lot 8 EPP4579	\$207,437.28	\$15,234.20
Lot 9 EPP4579	\$9,830.50	\$721.95
Lot A EPP109655	\$1,727,303.82	\$126,853.22
Lot 3 EPP4920	\$59,306.81	\$4,355.49
Lot 4 EPP4920	\$26,482.97	\$1,944.91
Lot 6 EPP4920	\$568,023.95	\$41,715.69



Parcel Tax – Option 4

Developable lands based with a fixed cost per lot, additional rate for lots with developable area greater than 0.357 ha and lower rate per ha lands greater than 36.2ha

Adjusted Parcel Area less 0.357ha	Upfront Cost/ha	Per year for 30
Less than, equal to 45.4ha	\$96,128	\$7,058
Greater than 45.4ha	\$1,703	\$125

Developable ands fixed cost plus common area	All Single Family	
	Upfront Cost	Per year for 30 years
Total	\$10,778.42	\$791.57

Dev. lands fixed cost plus area - Golf Course	Upfront	Per year for 30 years
Lot 5 EPP4920	\$72,428.11	\$5,316.65
Lot 10 EPP4579	\$75,743.57	\$5,560.00
Total	\$148,171.68	\$10,876.65

Dev lands fixed cost plus area - Parent Parcels	Upfront	Per year for 30 years
REM Lot 2 EPP4579	\$2,621,137.56	\$192,451.80
Lot 3 EPP4579	\$10,778.42	\$791.57
Lot 4 EPP4579	\$73,869.33	\$5,423.89
Lot 5 EPP4579	\$10,778.42	\$791.57
Lot 6 EPP4579	\$150,110.14	\$11,021.71
Lot 7 EPP4579	\$137,985.72	\$10,131.50
Lot 8 EPP4579	\$190,598.20	\$13,994.46
Lot 9 EPP4579	\$10,778.42	\$791.57
Lot A EPP109655	\$1,759,728.59	\$129,204.62
Lot 3 EPP4920	\$37,666.34	\$2,765.76
Lot 4 EPP4920	\$10,778.42	\$791.57
Lot 6 EPP4920	\$562,872.66	\$41,327.95

Parcel Tax - Options



► Questions and Comments?

Benefit of LAS

- ▶ **Reliable connection to the City System**
- ▶ **Fixes price of works now and not delay for future increases**
- ▶ **Unknown increases to cost of trucking and disposal**
- ▶ **LAS costs known**
- ▶ **Allow for more development to occur in Shadow Mountain**



What if the LAS does not go forward

- ▶ **Holding tanks will need re-approval from IH / MOE**
- ▶ **Unknown development future**
- ▶ **Unknown building permit issuance continuation**
- ▶ **Location for disposal of sewage will need to be determined as the City lagoon does not have the required receiving station for long term use.**



Next Steps

- ▶ **LAS petition updated after this open house**
- ▶ **Obtain Council approval to initiate petition**
- ▶ **People against submit petition to City Corporate Officer**
- ▶ **If petition against stops project – project doesn't proceed**
- ▶ **If LAS can proceed bylaws adopted, works installed**

Questions and Comments???