

94th and 95th Avenue Local Improvement Information

In conjunction with the 2021 Neighbourhood Renewal Project, which will occur here:

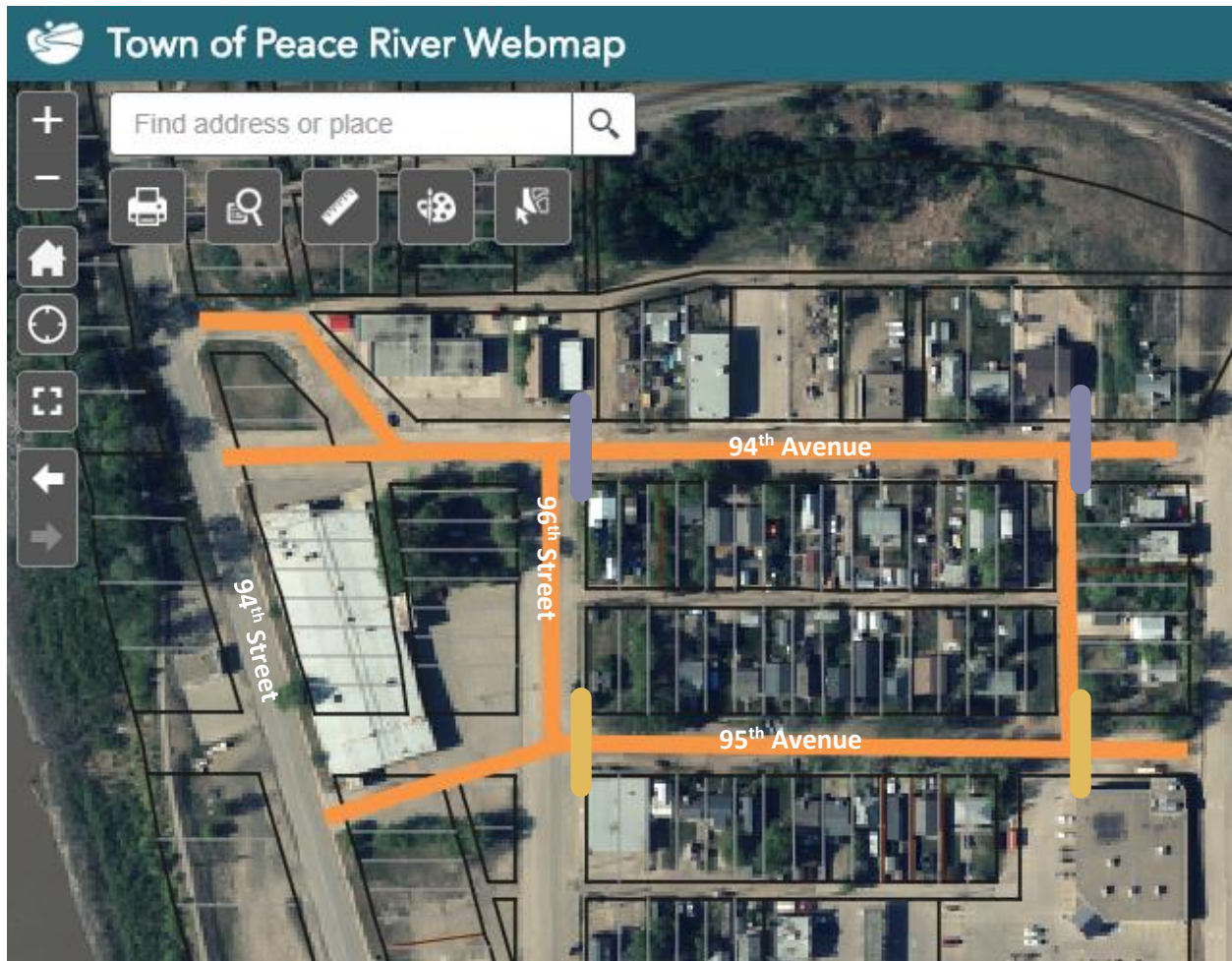


FIGURE 1 2021 NEIGHBOURHOOD RENEWAL PROGRAM PROJECT AREA. PROJECT AREA SHOWN IN ORANGE. APPROXIMATE EXTENT OF LOCAL IMPROVEMENT SHOW IN PURPLE (94TH AVENUE) AND YELLOW (95TH AVENUE).

There are two local improvements being brought forward by the Town:

1. 94th Avenue Local Improvement
2. 95th Avenue Local Improvement

The local improvements will improve infrastructure level of service of those roads from gravel to asphalt with curb and gutter. The local improvements will be paid for by a local improvement tax. The tax will be applied to each property for 20 years.



94th Avenue Local Improvement Tax

The annual unit rate per front meter payable for a period of Twenty (20) years at 2.45% is \$42.66. i.e. a 10.058 meter wide parcel will have an annual tax levy of \$429.07.

CALCULATION: ANNUAL UNIT RATE * FRONT METER = ANNUAL TAX LEVY*

EXAMPLE: \$42.66 * 10.058m = \$429.07

**rates are subject to changes based on the final project cost.*

95th Avenue Local Improvement

The annual unit rate per front meter payable for a period of Twenty (20) years at 2.45% is \$48.93. i.e. a 10.058 meter wide parcel will have an annual tax levy of \$492.16.

CALCULATION: ANNUAL UNIT RATE * FRONT METER = ANNUAL TAX LEVY*

EXAMPLE: \$48.93 * 10.058m = \$492.16

**rates are subject to changes based on the final project cost.*

Bylaw Process

The local improvement tax is established by a bylaw. A formal notice of the proposed local improvement tax bylaw will be sent to you after the August 26, 2020 Open House. (This information package is not the formal notice).

If you object to the local improvement, you may petition against the bylaw. A petition objecting to the local improvement may be filed by affected landowners within 30 days from the formal notice of the local improvement being sent. Information about how to petition can be found on the Government of Alberta website: <https://www.alberta.ca/petition-information-for-electors.aspx>

The local improvement bylaw is proposed to go to Council for adoption on October 13, 2020.

The local improvement tax would come into effect for the 2021 tax year.

For more information or to ask a question please contact:

Alisha Mody, Manager of Planning and Development at 780-624-2574 or amody@peacriver.ca.



Local Improvement FAQ's

What is a local improvement?

Local improvements are new or replacement construction projects intended to upgrade or improve certain conditions within residential, commercial and industrial areas of the municipality. A local improvement is a project that is of a greater benefit to a specific area of a municipality rather than the whole of the municipality and is a project that is paid for, at least in part, by a local improvement tax. Some examples are: street paving, driveway crossings, sidewalk replacement, lane paving, curb and gutter replacement, boulevards and street lighting, and extending sanitary, storm or water systems.

How is a local improvement initiated?

1. Property Owners, or
2. The Town of Peace River.

In either case, the Town will send a notice to each affected property owner.

What is a local improvement tax?

A local improvement tax is a tax that is levied on properties within a specific area to fund an improvement that is applicable to that area only. Local improvement taxes are applied to the property owners within the defined area and are charged annually over a set number of years. This tax model offers flexibility to levy a tax on a specific area of properties and/or tax property owners based on factors other than property value.

How much will a local improvement in my area cost me?

Properties benefitting from a local improvement are “assessed” in a fair and equitable manner, according to provisions in the *Municipal Government Act*.

Local improvement tax will be calculated based on the unit of frontage of each parcel affected by the local improvement.

Do I have to pay if I don't support the local improvement project?

Yes, the local improvement tax applies to all affected properties.

If a property owner does not support a local improvement project, they may petition to stop it.

Information about how to petition can be found on the Government of Alberta website:

<https://www.alberta.ca/petition-information-for-electors.aspx>

If you wish to petition against a local improvement plan, it must have support from 2/3 of the property owners liable to pay the local improvement tax and must represent fifty (50%) percent of the total assessed value for the plan area. If a group of property owners successfully defeat a proposed local improvement bylaw, the proposed improvement to the infrastructure will not proceed. Infrastructure will remain at the existing level of service.

What are my options for paying the local improvement levy?

Each property owner will have the following options for payment once construction is complete:

- Payment of the full amount (no interest is included) upfront.
- Annual payments that are included in the property tax bill for the term of the bylaw (typically a term of 10, 15, or 20 years). Interest is included and is fixed for the term of the bylaw.
- Partial or entire payments can be applied to the account at any time. If you do not specify which payment option you would prefer after receiving your local improvement assessment notice, please note that the charges will automatically be applied to your annual property tax bill.

What if I cannot afford to pay for the local improvement levy?

Senior citizens who are local homeowners can apply to the government for tax relief as long as they have a minimum of 25% equity in their home (visit www.seniors-housing.alberta.ca for more information).

For the rest of us, it will ultimately mean additional budgeting. Homeownership is usually accompanied by unexpected costs, no matter how much we try to anticipate them. The Government of Canada [has an informative web page](#)¹ about maintaining a home and ongoing homeownership costs that you might find helpful.

Will the completed work affect my future property assessments?

The assessed value of your property will not increase as a result of the local improvement.

What am I paying for with the Local Improvement Tax?

Property owners are being asked to pay for the cost of increasing the standard of the roadway in your area only. The Town of Peace River will cover the costs of renewing the existing infrastructure.

Do all Town residents have to pay for the local improvements?

The local improvement charge is charged to properties that are deemed to benefit from the proposed increased infrastructure standard. Notices will be sent out to residents when a local improvement is being considered. There is a very specific order of events dictated by the *Municipal Government Act* when either the Town or Residents initiates a local improvement process.

Why is this not covered by the Neighbourhood Renewal Program tax?

The purpose of the Neighbourhood Renewal Program is to maintain the level of service provided by municipal infrastructure in the Town's residential neighbourhoods by rebuilding and renewing roads, water and sewer lines, sidewalks, and streetlights. This does not include increasing the level of service within a neighbourhood.

¹ <https://www.canada.ca/en/financial-consumer-agency/services/maintaining-home.html>



Do I still have to pay the local improvement tax if I move?

No. The local improvement tax stays with the property and the remaining payments become the responsibility of the new owner.

Do other communities have local improvement taxes?

Yes, communities such as Edson, Grand Prairie, Valleyview, Beaverlodge, Ponoka, Medicine Hat, Edmonton, Calgary, Red Deer and Camrose, to name a few, use local improvement taxes.

If I petition, how do I know the names of property owners?

The names of property owners cannot be provided for privacy reasons. As you are circulating the petition, you need to ensure that the person signing is the registered property owner.

If the local improvement is not successful, how long will it be before this project is reconsidered?

When a local improvement is defeated by way of a formal petition, the local improvement will not proceed. The Neighbourhood Renewal project will renew the existing infrastructure back to its current level of service (i.e. gravel roads).

Is there a cost to petition the project?

No, there is no cost to petition the project.

How does this plan affect corner lots?

Corner lots are currently treated no differently from internal lots.