

Frequently Asked Questions

2021 Neighbourhood Renewal Project

1. Why weren't the design options presented to landowners before the design was finalized?

When the Neighbourhood Renewal Program was launched in 2015 it was a new concept for the Town. Each year we have worked to improve our consultation and communication processes. That being said, we have strived to improve the program year over year based in large part from feedback we've received. Thank you for your comments, this will help us as we work to improve this our processes.

Generally, the design of the Renewal Project is governed by our current municipal standards. Where sidewalks and trees are concerned, the design is determined based on what is feasible from a financial or construction perspective, and then brought to residents during our open houses where some adjustments can be made to the design before construction starts. We generally also hold open houses throughout the year where these plans are discussed but with COVID-19 some of these opportunities have not been available, such as the annual trade show.

2. What is the cost breakdown for the Neighbourhood Renewal Projects on 94th and 95th Avenues?

The estimated cost of the overall Project (i.e. including the work outside the local improvement areas) is as per the below breakdown and has yet to be finalized based on the final design and approved budget presented to Council.

Item No.	Work Description	Estimated Cost
1	Water System Work	\$ 608,000
2	Sanitary Sewer System Work	\$ 415,000
3	Water & Sewer Services	\$ 475,000
4	Storm Water System Work	\$ 476,000
5	Concrete & Road Work	\$ 1,135,000
6	Street Lighting	\$ 150,000
7	Investigative Work & Town Costs	\$ 100,000
	Total Estimated Cost	\$ 3,359,000

The above estimate includes a value for materials testing, contingency allowance and engineering but excludes GST and any private servicing costs.

3. If the local improvement proceeds, can I opt into having a tree planted on my property, even if one is not being removed from my property, as part of the project?

Yes, if you want to opt into one tree as part of the Neighbourhood Infrastructure Renewal, even if you did not have one removed, that is possible. The tree will have to be placed between the sidewalk and the front property line of your property. I.e. not within the actual property, and be one of the approved species for that area and be of semi-mature in height (7-10 ft).

4. How will the sewer hookups to each individual residence will be done? What might the homeowner be required to do to ensure proper flow in the system and a guarantee that once done that sewer blockages will not be an issue in the future.

The sewer connections to each residence are investigated using a CCTV camera to establish the condition of the existing pipe, and will be provided to the Owner so that the Owner can decide as to whether they wish to replace the sewer line on private property. The sewer service line from the main to the property line will be installed and then the final connection completed to minimize outage time for the resident. All new infrastructure is checked for grade before backfilling.

5. Does the Town/Consultant have the as-builts of the invert elevations of where the water and sewer lines end at the property lines when these lines were originally put in.

The existing as-build or record drawings do not have invert information. We only have limited invert information for sanitary sewer manhole entries as well as bottom of chamber and top of rim.

6. Can you provide a cross-section of the project?

Two cross sections are attached to this document.

Proposed Local Improvement Bylaw

1. What is the local improvement paying for?

The local improvement tax would pay for the upgrade to asphalt pavement, and concrete curb and gutter.

The upgrade to the underground infrastructure and repair of the sidewalk will proceed either way and is paid for by the Neighbourhood Renewal Program, which is funded by the Town as a whole.

2. Why are we being required to pay a local improvement tax?

The Neighbourhood Renewal Program is intended to replace infrastructure to the existing standard of the street, and to the current standard of installation. **I.E. REPLACE LIKE FOR LIKE.**

The proposed 2021 project includes an upgrade to the road surface, curb and gutter that is beyond the current infrastructure standard of the neighbourhood. **I.E. REPLACE LIKE FOR LIKE + UPGRADE.**

3. Recent Neighbourhood Renewal Projects in the south end have included an asphalt road. Why aren't we also getting one as part of the Neighbourhood Renewal Program?

In those cases, the road that was replaced was asphalt with concrete curb and gutter before the project began. The Local Improvement Bylaw will allow the Town to bring the infrastructure of 94th and 95th Avenues to this same standard.

4. When is the last time a local improvement bylaw was adopted?

Bylaw Nos. 1920 and 1922 were adopted in 2013 and adjusted the cost of the local improvement to reflect the actual project costs. These bylaws established a local improvement tax to fund water and road improvements on 99th Street. These bylaws amended previously adopted Bylaw Nos. 1905 and 1902.

Infrastructure Development History

1. Residents remember water and sewer infrastructure being installed within 94th and 95th Avenue in 1955 or 1956. Why weren't the streets paved at the same time?

In 1953, Bylaw No. 395 (Sewer) and Bylaw No. 396 (Water) were adopted to provide the funding for the project through assessment to the benefiting parcels for the extension of water and sewer services to a number of streets, including 94th and 95th Avenues (which were previously known as Seventh Street North and Sixth Street North). In other words, the landowners of 94th Avenue and 95th Avenue previously specifically paid for the installation of water and sewer only.

There was no similar bylaw funding the paving of neighbourhood.

2. Why haven't 94th and 95th Avenues been upgraded to asphalt already?

Historically, the road network has been upgraded to an asphalt standard through one of two ways. Either:

1. The land is developed at the outset with an asphalt standard, by the developer, after which the Town takes it over. In this case the cost of that infrastructure standard is built into the cost of the property; or
2. A local improvement/debenture bylaw funds the improvement to the standard by charging back the amount over a defined number of year (typically 10 to 20 years). In this case the cost of that



infrastructure standard is paid for by the property owners after they have purchased the property.

A quick review of the first **1000** bylaws adopted by the Town of Peace River, identified at least 6 local improvement/debenture bylaws that specifically funded road improvements (including road base and “spraying of asphaltic binder”) and asphalt pavement in the Downtown area. These Bylaws are: Bylaw No. 422 and 432 (1955); Bylaw No. 532 (1961); Bylaw No. 551 (1961), Bylaw 717 (1966) and Bylaw 848 (1971).

These bylaws did not fund road improvements on the portion of 94th and 95th Avenues that are now proposed to be improved through a local improvement bylaw.

Financial Questions

1. Do the property owners of 94th & 95th Avenues pay a higher tax, compared to other residential areas?

All residential property taxes rates within the Town of Peace River are subject to the same residential mill rate (the mill rate in 2020 is 12.5131). Property taxes are generated when the tax rate is applied to the assessed value of a property via the equation below:

$$(\text{ASSESSMENT} / 1000) \times \text{THE MILL RATE} = \text{PROPERTY TAX}$$

$$\text{E.G. } (292,341.48/1000)12.5131 = \$3,658.10$$

Properties that are assessed at a higher value receive a higher property tax bill.

The assessed value of a property is an estimate of the market value of the land and buildings in relation to similar properties. It is based on market conditions as of July 1st of the previous year and on the property’s physical condition and characteristics as of December 31st of the previous year. The purpose of property assessment is to distribute the property tax fairly among property owners within the municipality.

For more information about property taxes and assessment please go here: peacriver.ca/taxes

Assessment values within the local improvement areas as compared to the town in general and the Saddleback neighbourhood more generally are as follows:

	Average Assessment Value*	High Assessment	Low Assessment
94th Avenue	\$ 209,564.10	\$ 304,300.00	\$ 65,500.00
95th Avenue	\$ 203,663.68	\$ 300,100.00	\$ 88,900.00
All single family residential in the Town	\$ 292,341.48	\$1,227,400.00	\$ 40,600.00
Saddleback only	\$ 365,742.99	\$667,000.00	\$ 185,700.00

Frequently Asked Questions

2021 Neighbourhood Renewal Program and Local Improvement Bylaw
September 2020

**Average assessment value is reported for properties with an improvement on them (i.e. a structure or building, most often a house), that are classed under the Single Family Residential code for property assessment. See the figures below for which properties are included in the calculations.*

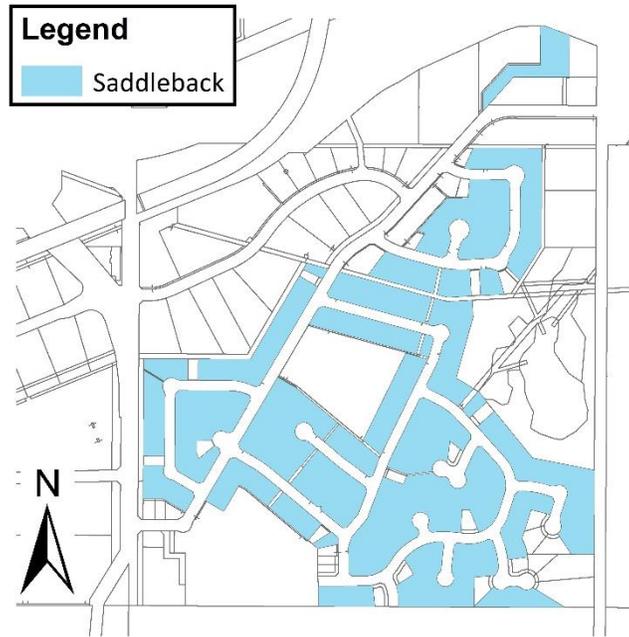


Figure 1 Properties in Saddleback used to determine average assessment value of single detached dwellings

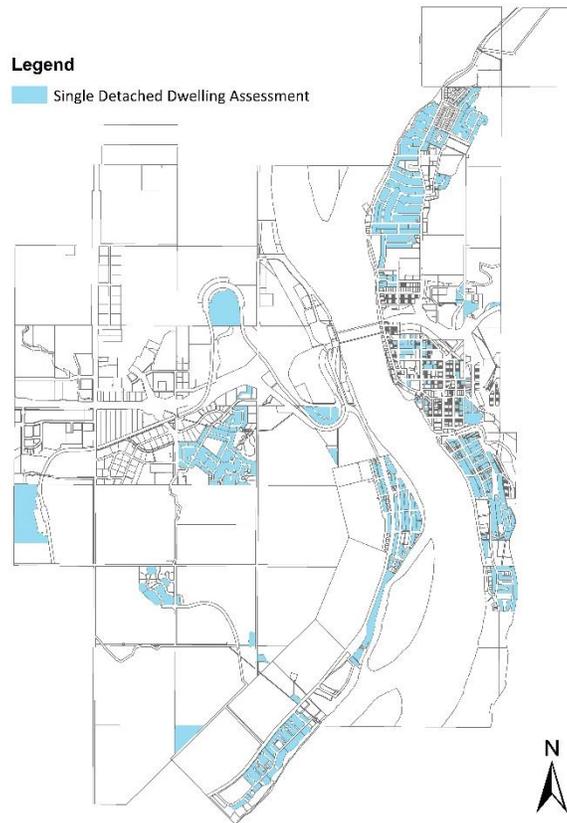


Figure 2 Properties used to determine average assessment value of single detached dwellings

2. What is meant by the “rate of interest is currently estimated at 2.45% and the interest rate is fixed from time to time by the Town of Peace River”.

Also see Question 3 for more info (below).

We are saying “currently” estimated and “fixed from time to time by the Town of Peace River” to let property owners know that the rate may change. If the Bank of Canada rate changes between now and the Local Improvement Charge Bylaw approval date, then the interest rate we will charge residents will also change.

3. Why is the interest rate tied to the Bank of Canada Rate?

We have used the Bank of Canada Rate as a proxy for an easily understood and identifiable interest rate, and changes to this rate affect borrowing rates for everyone – individuals, businesses and municipalities.

For information, the current rate of 2.45% is lower than the interest rate amount of 2.89% on the 20 year multiplex debenture done in 2018 (our most recent debenture.) By offering this rate and not

debtenting the local improvement charge, residents will be saving around ½ of a percent in interest rates and their corresponding charges.

4. Please confirm:

- Does the Town have a Bank approved loan of \$34,000,000?
- What is the rate of interest and type of loan?
- How much has been borrowed to date?

Per our most recent financial statements (December 31, 2018, located here: <https://peaceriver.ca/wp-content/uploads/2019/05/2018-12-31-Audited-Financial-Statement.pdf>), our debt limit is \$37.6 million and our current debt amount is \$21.6 million.

Most of this is through 5 to 20 year debentures, which bears interest rates ranging from 1.724% to 9.75%. Our most recent debenture in 2018 bears interest of 2.89%.

Relating to Previous Neighbourhood Renewals

1. What are the original scopes/estimated costs of work for the recent past projects of 105th, 106th, 107th, 108th Avenues? And, what scope changes were incurred during construction and their final costs for any one or all of these projects?

Information about Town budgets 2017 and onwards can be found on the Town of Peace River webpage: peaceriver.ca/2020-operating-capital-budget-approved. Information about past projects can be found in the presentations to Council. <https://peaceriver.civicweb.net/filepro/documents>.

Providing additional information about past projects will require significant staff time. Further research into these projects may be completed at a cost of \$35/hour + GST, pursuant to the Town's Fees and Charges Bylaw.

2. What was the original scope/estimated costs of work for the past projects of 86th Ave and 97th Street. And what was actually done and the final cost for this project.

Information about Town budgets 2017 and onwards can be found on the Town of Peace River webpage: peaceriver.ca/2020-operating-capital-budget-approved. Information about past projects can be found in the presentations to Council. <https://peaceriver.civicweb.net/filepro/documents>.

Providing additional information about past projects will require significant staff time. Further research into these projects may be completed at a cost of \$35/hour + GST, pursuant to the Town's Fees and Charges Bylaw.

Frequently Asked Questions

2021 Neighbourhood Renewal Program and Local Improvement Bylaw
September 2020

3. What local improvement bylaws were previously proposed for 105A prior to that street being done through the Neighbourhood Renewal Program.

Pursuant to standard records keeping practices, the Town does not retain records for local improvement initiatives that do not proceed to bylaw for more than 7 years. No local improvement bylaws have been proposed since the Neighbourhood Renewal Policy was approved in 2014, and as such the Town does not have records of Local Improvement initiatives that did not proceed.

Based on the memory of long-term staff persons, a local improvement was considered at least twice before the Neighbourhood Renewal Policy was approved in 2014. The following was provided to Council by staff in 2015 to Council in regards to the 2015 Neighbourhood Renewal:

<https://peacriver.civicweb.net/document/23385/Neighborhood%20Renewal%20Project.pdf?handle=F65FB7685CDF44EFBA415D1359D20CD1>

4. What were the contents of the Engineering report that established Neighbourhood Renewal Priorities?

The report is not readily available. Below are links to two items on Council agendas from 2015 which refer to the report.

1. <https://peacriver.civicweb.net/document/16722/2015%20Street%20Rehabilitation.pdf?handle=FC5FF6AD48B9441698C3199E051158DA>
2. <https://peacriver.civicweb.net/document/26840/RFDon%20Neighbourhood%20Renewal%20016.pdf?handle=C4A7A5497CDB41979642293BFAD4862D>

All Council agenda packages from mid 2014 to current are available here:

<https://peacriver.civicweb.net/filepro/documents>

Providing additional information about this report will require significant staff time. Further research into these projects may be completed at a cost of \$35/hour + GST, pursuant to the Town's Fees and Charges Bylaw.

However, based on a conversation with the project consultant, that report prioritized the condition of the asphalt, as the driver for project priorities. Since the report was drafted, priorities have shifted based on a changed focus to replacing the underground infrastructure that is most in need, as well as funding levels and evolving information about infrastructure conditions. Staff continues to evaluate and re-evaluate priorities as new information is available that informs our understanding of status of the Town's infrastructure systems.

5. Could you provide a list of any special assessments and Local Improvement Taxes that were levied to adjacent property owners and commercial properties in the last 10 years? Particularly, a list of all areas that had infrastructure done under this program since 2015 and note the ones that have/are now paying a special assessment and/or Local Improvement Tax levied to these property accounts.

There have been no local improvement taxes since the first Neighbourhood Infrastructure Renewal project was completed in Saddleback (2015). There have been charges that have been borne by the resident to improve or replace infrastructure on private property on each of the subsequent projects.

Local Improvement Bylaws 2010 to 2015

Bylaw No.	Content	Adopted
1922	Bylaw to Amend Bylaw No. 1905, the 99th Street Water Distribution Infrastructure Replacement Project Local Improvement Bylaw	2013
1920	Bylaw to Amend Bylaw No. 1902, the 99th Street Road Base and Pavement Replacement Project Local Improvement Bylaw	2013
1905	99th Street Water Distribution Infrastructure Replacement Project Local Improvement Bylaw	2012
1902	99th Street Road Base and Pavement Replacement Project Local Improvement Bylaw	2012
1899	Authorize municipality to impose a local improvement tax against lands that benefit from the 96th Avenue Sanitary Sewer Main Replacement Project.	2012
1897	Authorize municipality to impose a local improvement tax against lands that benefit from the 96th Avenue Sanitary Sewer Main Replacement Project.	2012
1865	100 Avenue Water Distribution Main Replacement Project	2010
1863	100 Avenue Water Distribution Main Replacement Project	2010
1861	100 Avenue Concrete Curb & Gutter, Sidewalk, Road Base and Pavement Replacement Project	2010
1859	96 Avenue Water Distribution Main Replacement Project	2010
1857	96 Avenue Sanitary Sewer Main Replacement Project	2010
1855	96 Avenue Concrete Curb & Gutter, Sidewalk, Road Base and Pavement Replacement Project	2010

Frequently Asked Questions

2021 Neighbourhood Renewal Program and Local Improvement Bylaw
September 2020



1853	84 Avenue Sanitary Sewer Main Replacement Project	2010
1845	Intersection Upgrade to Highway 743 (Weberville Road) and 89 Avenue	2010

Providing additional information about past projects will require significant staff time. Further research into these projects may be completed at a cost of \$35/hour + GST, pursuant to the Town's Fees and Charges Bylaw.

