

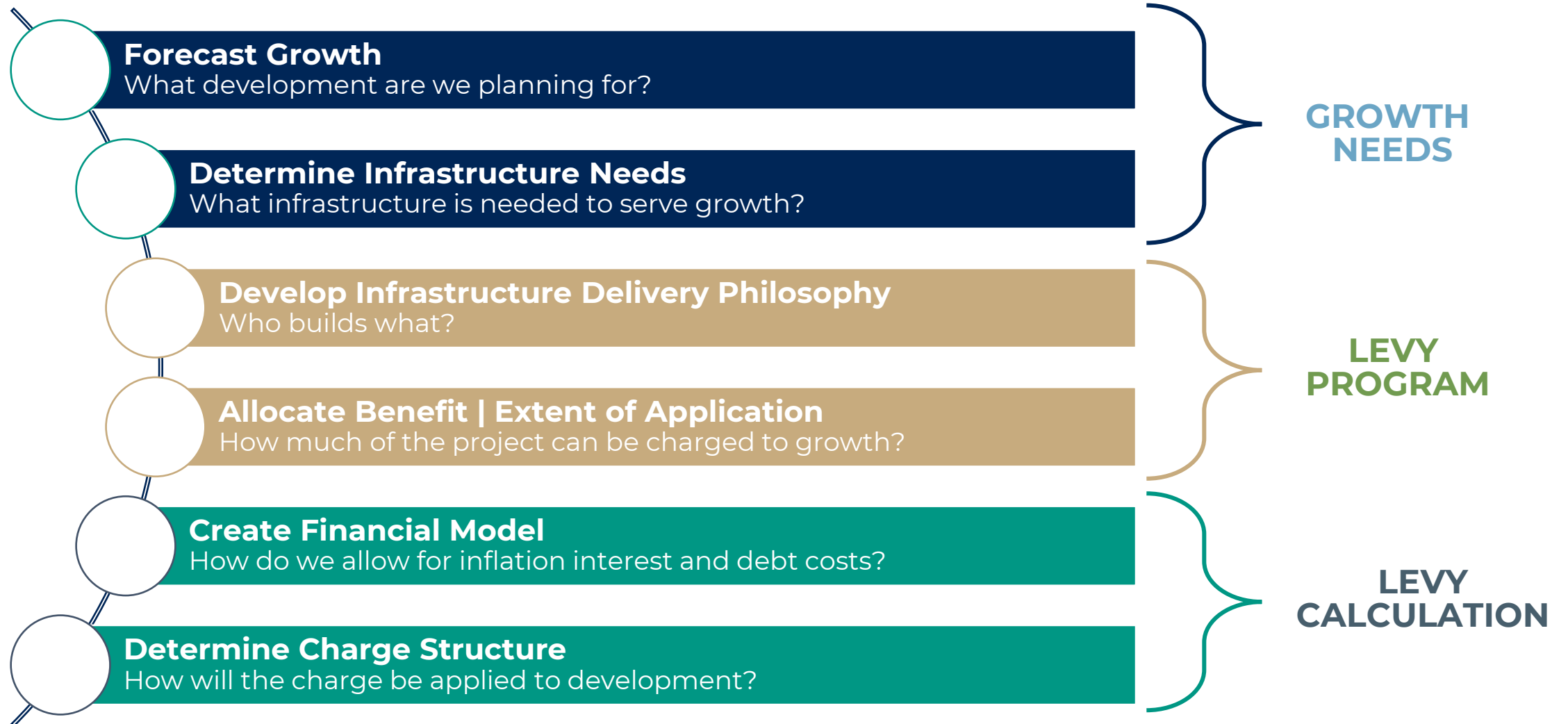


OSL Update

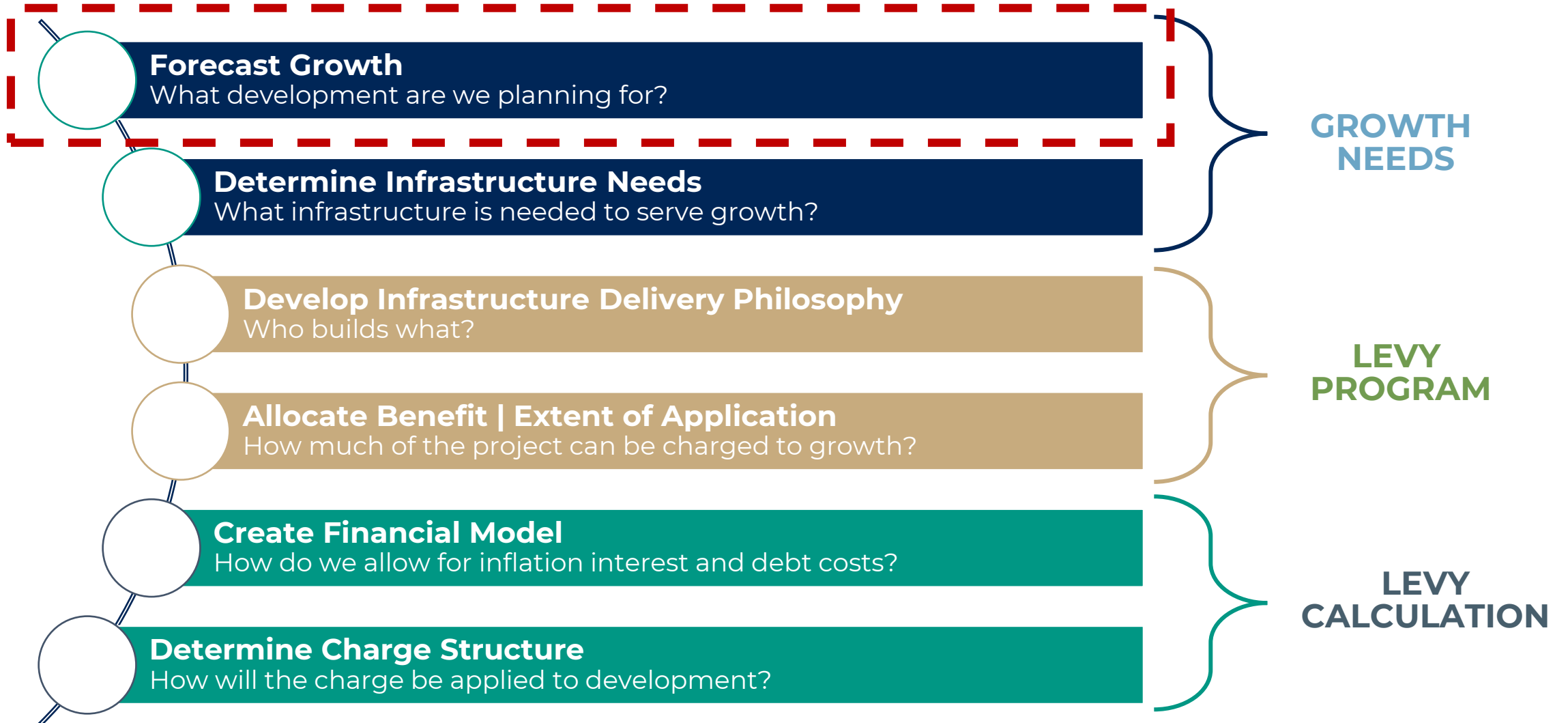
Developer Engagement Meeting

May 15, 2025

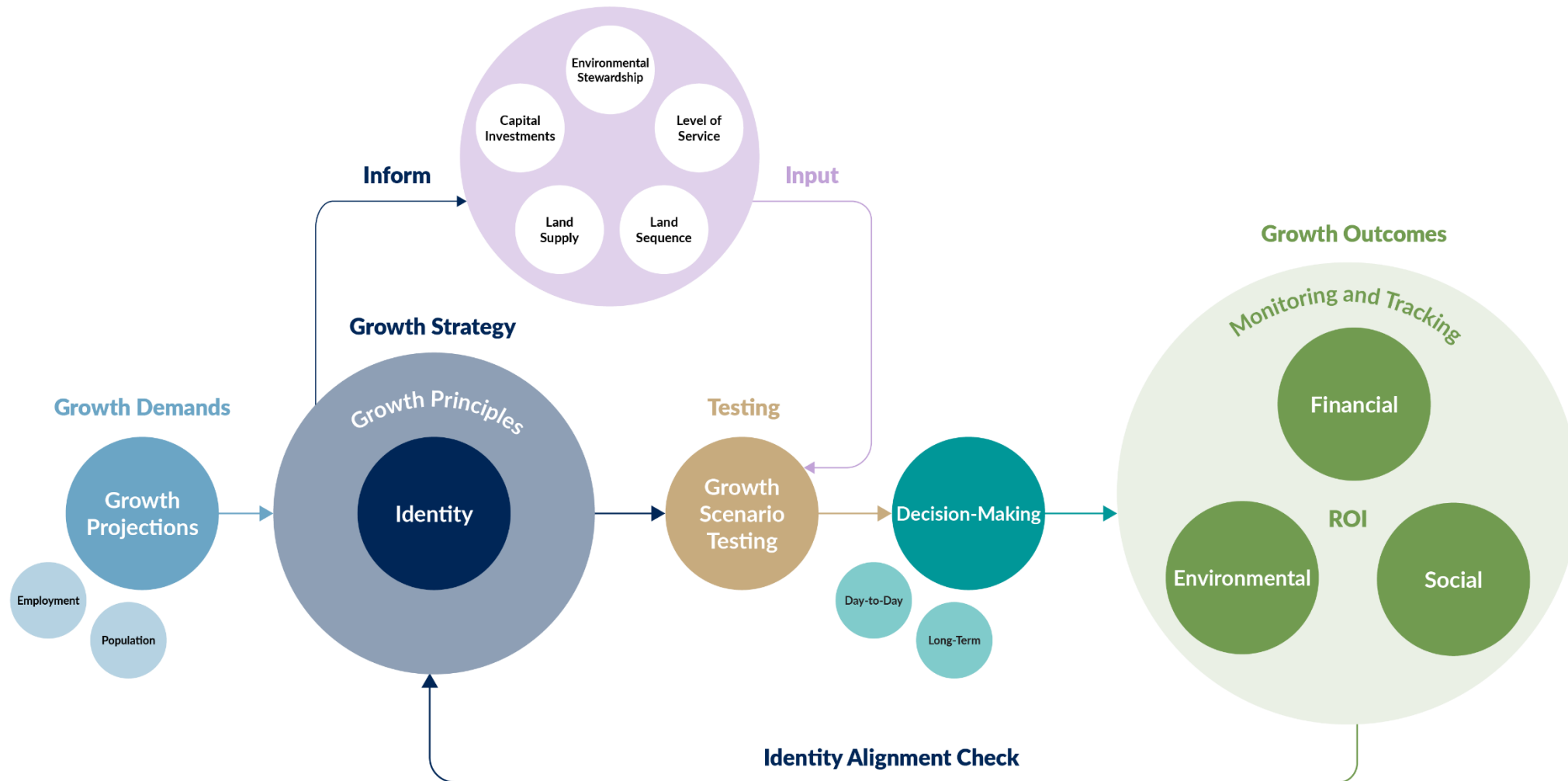
Integration



Integration



Growth Strategy Update



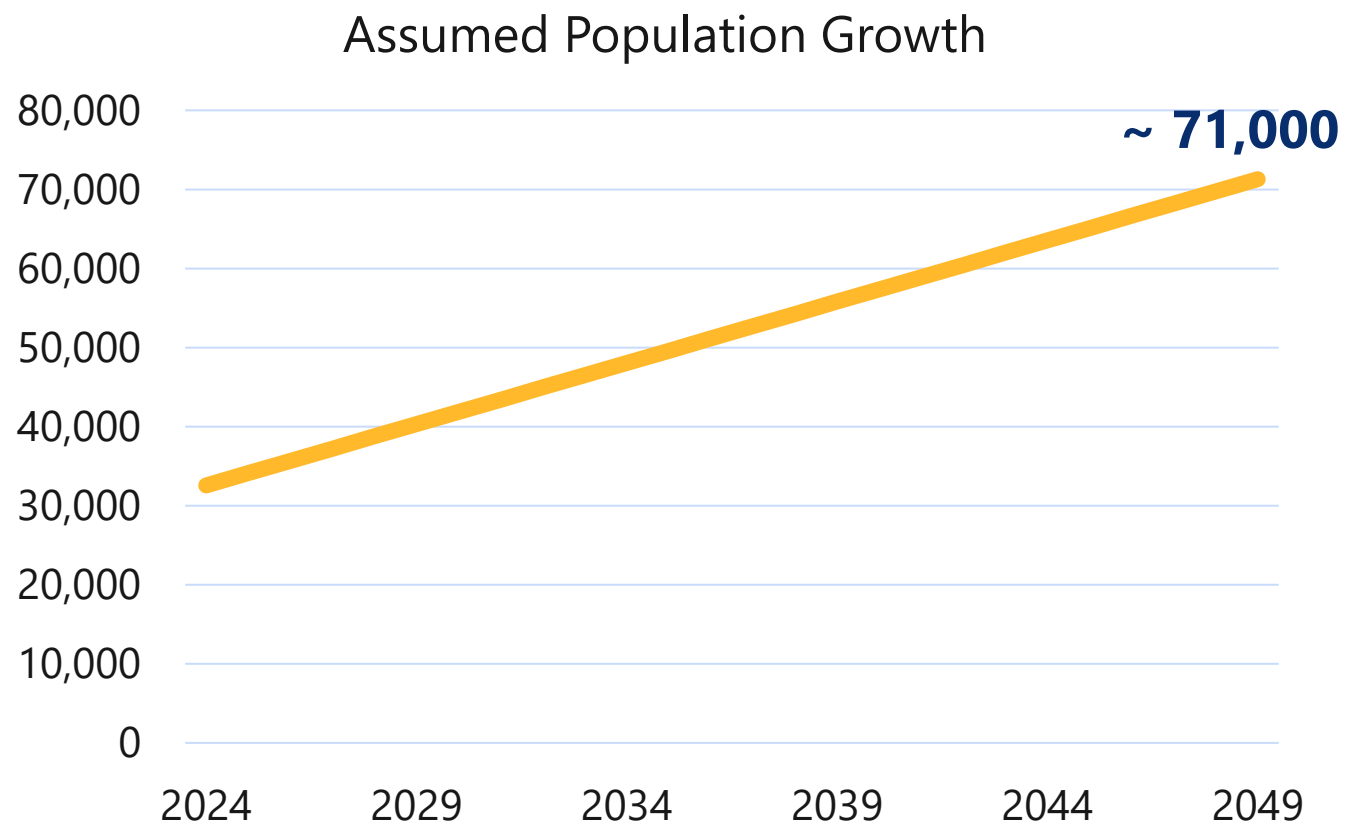
Growth Strategy Update

Year	Population	Annual Change %
2015	29,239	1.8%
2016	29,709	1.6%
2017	29,969	0.9%
2018	30,263	1.0%
2019	30,412	0.5%
2020	30,846	1.4%
2021	31,386	1.8%
2022	31,913	1.7%
2023	32,492	1.8%
2024	33,096	1.9%

2015 – 2024

1.4%

Growth Strategy Update



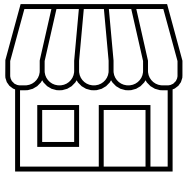
**Assumed
Growth Rate**

3.0%

Growth Strategy Update



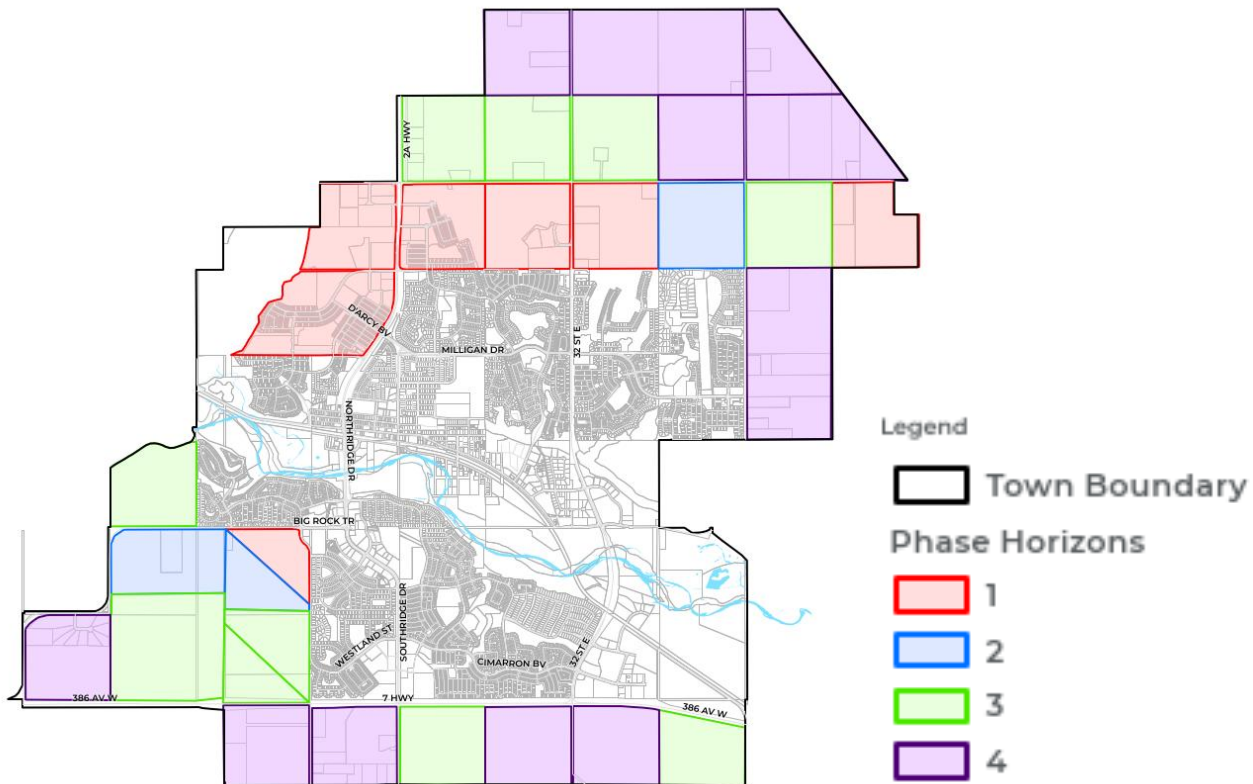
~**19 ha** of Residential
Growth Annually



~ **9 ha** of Non-Residential
Growth Annually

~**28 ha/yr**
(Currently 15ha/yr)

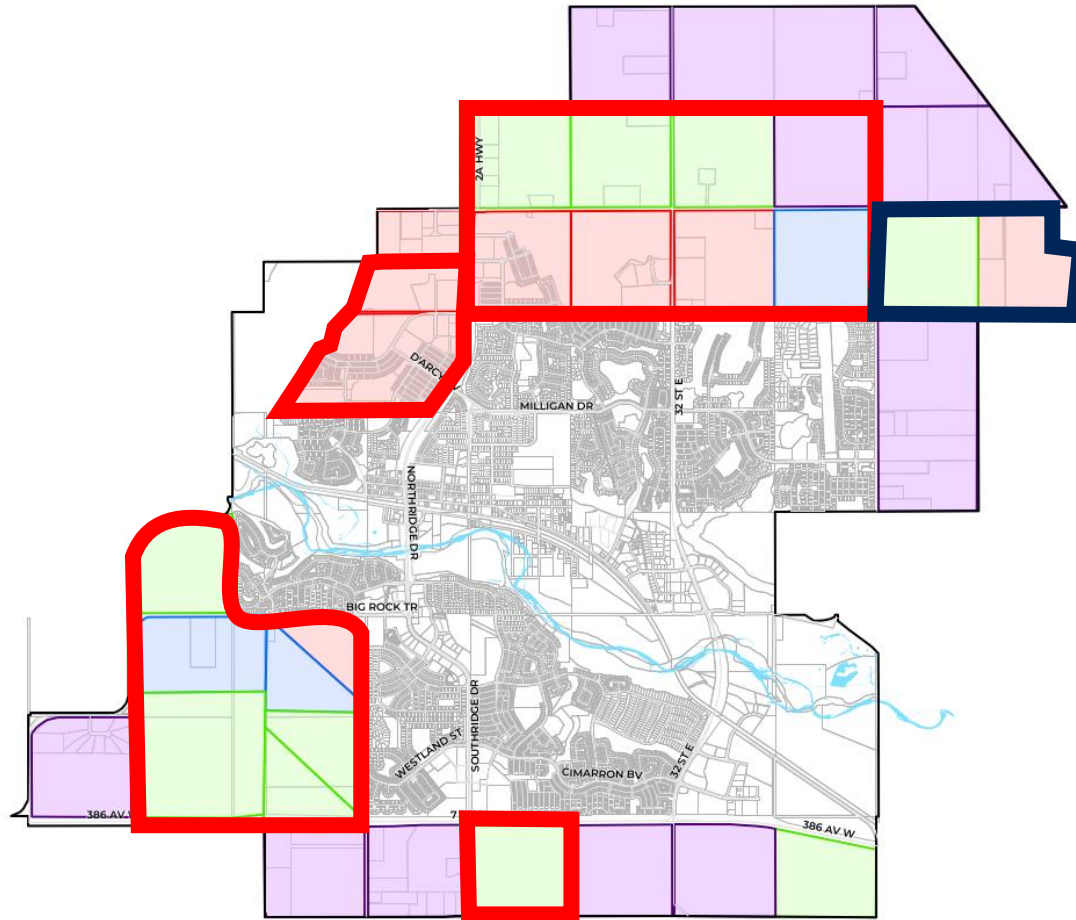
Growth Strategy Update



Approach

- Contiguous Growth
- Infrastructure Optimization
- Policy Alignment
- Strategic Priorities

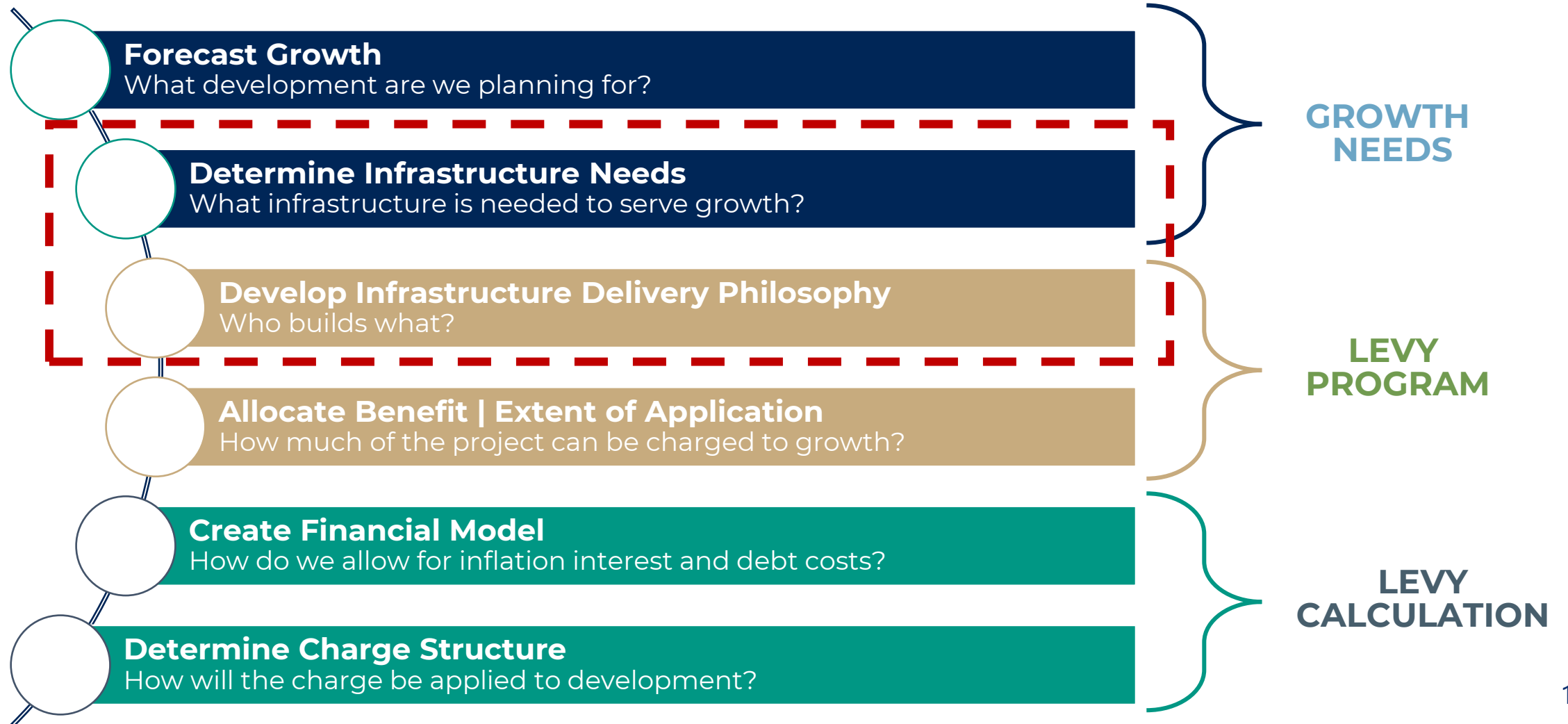
Growth Strategy Update



— Anticipated Growth Area – 25yrs

— Anticipated Growth Area – 25yrs
– Interim Servicing

Integration



Infrastructure Delivery Philosophy

CONSIDERATIONS

Legislation

Is the infrastructure eligible?

Alignment

How does this align with the Town's strategic priorities?

Risks

How much risk should the Town bear in front-ending infrastructure costs?

Financial Capacity

Debt capacity, servicing, opportunity cost, long range outlook?

Who Benefits?

One development or multiple developments? Existing residents?

Approach

Is the Town comfortable expanding their approach to allow developers to front-end?

Trade-offs

What are the trade-offs?

Control

How much control does the Town need over the process, timing, infrastructure being built?

Delivery

What's the development industry's capacity to delivery infrastructure?

Clear connection to new development? Clear trigger?

Approach

What has been done historically?

Infrastructure Delivery Philosophy

APPROACH

Observations

- The Town's financial capacity is limited with major infrastructure (W supply and WW treatment) underway and other infrastructure (recreation, etc.) on the horizon
- There is some new off-site infrastructure being contemplated through new growth areas, which alternative financing and funding approaches will need to be considered
- Extensions, especially sanitary infrastructure, will need to be considered as new growth areas open up
- The delivery of transportation (arterial projects) will need to be considered through the OSL update

Infrastructure Delivery Philosophy

APPROACH

Sharing Risk

- OSL provides structure around cost recovery. Financing (front-ending) continues to provide the biggest challenge for the Town
- Some infrastructure provides a “clearer”, “cleaner” opportunity to share risk (Industry to front-end) relative to other infrastructure
 - Significant infrastructure, that is Town-wide benefit and not easily connected to a single, triggering developer is can be more challenging to transfer risk to Industry
 - Off-Site infrastructure that is easily connected to triggering developer(s), and is a logical, incremental extension of development is more appropriate for Industry to take on increased risk

Infrastructure Delivery Philosophy

APPROACH

Sanitary Treatment and Disposal

Current Approach	Proposed Approach
Infrastructure Included: • All improvements that support growth Financing: • Town front-ends Funding: • Improvements are included in OSL and development contributes as development occurs.	Unchanged.

Infrastructure Delivery Philosophy

APPROACH

Sanitary Collection

Current Approach	Proposed Approach
Infrastructure Included: - Major off-site trunk mains in existing areas, which may include upgrades or twinning Financing: - Town front-ends infrastructure in existing areas Funding: - Improvements are included in OSL, and development contributes as development occurs	Infrastructure Included: - Major off-site trunk mains in existing areas, which may include upgrades or twinning - Inclusion of trunk main extensions greater than 375mm - Lift Stations not to be included Financing: - Town front-ends infrastructure in existing areas - Industry to front-end infrastructure in new growth areas Funding: - Improvements are included in OSL, and Industry contributes as development occurs - Industry recovers on oversized portion (incremental cost above 375mm) as funds are available through OSL contributions - Oversizing portion to be recovered based on City of Calgary Development Agreement Rates

Infrastructure Delivery Philosophy

APPROACH

Water Supply and Treatment

Current Approach	Proposed Approach
Infrastructure Included: - Raw water supply infrastructure and water treatment capacity Financing: - Town front-ends infrastructure Funding: - Improvements are included in OSL and development contributes as development occurs	Unchanged.

Infrastructure Delivery Philosophy

APPROACH

Water Distribution + Storage

Current Approach	Proposed Approach
Infrastructure Included: - Reservoirs, dedicated reservoir supply mains, and major off-site distribution mains with a diameter greater than 300mm Financing: - Not tested Funding: - Improvements are included in OSL, and development contributes as development occurs	Infrastructure Included: - Reservoirs, dedicated reservoir supply mains, and major off-site distribution mains with a diameter greater than 300mm Financing: - Industry to front-end infrastructure Funding: - Improvements are included in OSL, and Industry contributes as development occurs - Industry recovers on oversized portion (incremental cost above 300mm) of distribution mains as funds are available through OSL contributions - Oversizing portion to be recovered based on City of Calgary Development Agreement Rates

Infrastructure Delivery Philosophy

APPROACH

Transportation

Current Approach	Proposed Approach
Infrastructure Included: • Arterials; Arterial to Arterial Intersections; Infrastructure Improvements in Previously Developed Areas Financing: • Varies Funding: • Improvements are included in OSL and development contributes as development occurs	Infrastructure Included: • Arterials, and Arterial to Arterial Intersections • Improvements to primary collector standard are obligation of boundary developer • Upsizing (oversizing) to arterial from primary collector is to be included in OSL • HWY to Local Road Intersections • Town would still like to lead functional design work to ensure corridors reflect Okotoks long-term objectives and to ensure continuity between development areas Financing: • Industry to front-end infrastructure Funding: • Improvements are included in OSL, and Industry contributes as development occurs • Industry recovers on oversized portion (incremental cost above primary collector) as funds are available through OSL contributions • Oversizing portion to be recovered based on City of Calgary Development Agreement Rates

Infrastructure Delivery Philosophy

APPROACH

Community Amenities

Current Approach	Proposed Approach
Infrastructure Included: • Recreation Centre expansion – Leisure water and other; Flatwater expansion Financing: • Town to front-end Funding: • Improvements are included in OSL and development contributes as development occurs	Unchanged.

Key Next Steps

- June 2025 - Growth Strategy to Council
 - May 23, 2025 - Feedback from Industry on Infrastructure Delivery Philosophy (approach)
 - May 23, 2025 – Distribution of Off-Site Infrastructure to Industry
- Draft Rates
 - End of May - Confirmation of approach
 - Mid-June – Draft Rates to Industry
 - Background Report Feedback
 - Mid-June – Draft Background Report to Industry
 - End of June – Feedback from Industry
 - July 21 – 1st Reading
 - August 18 – 2nd and 3rd Reading