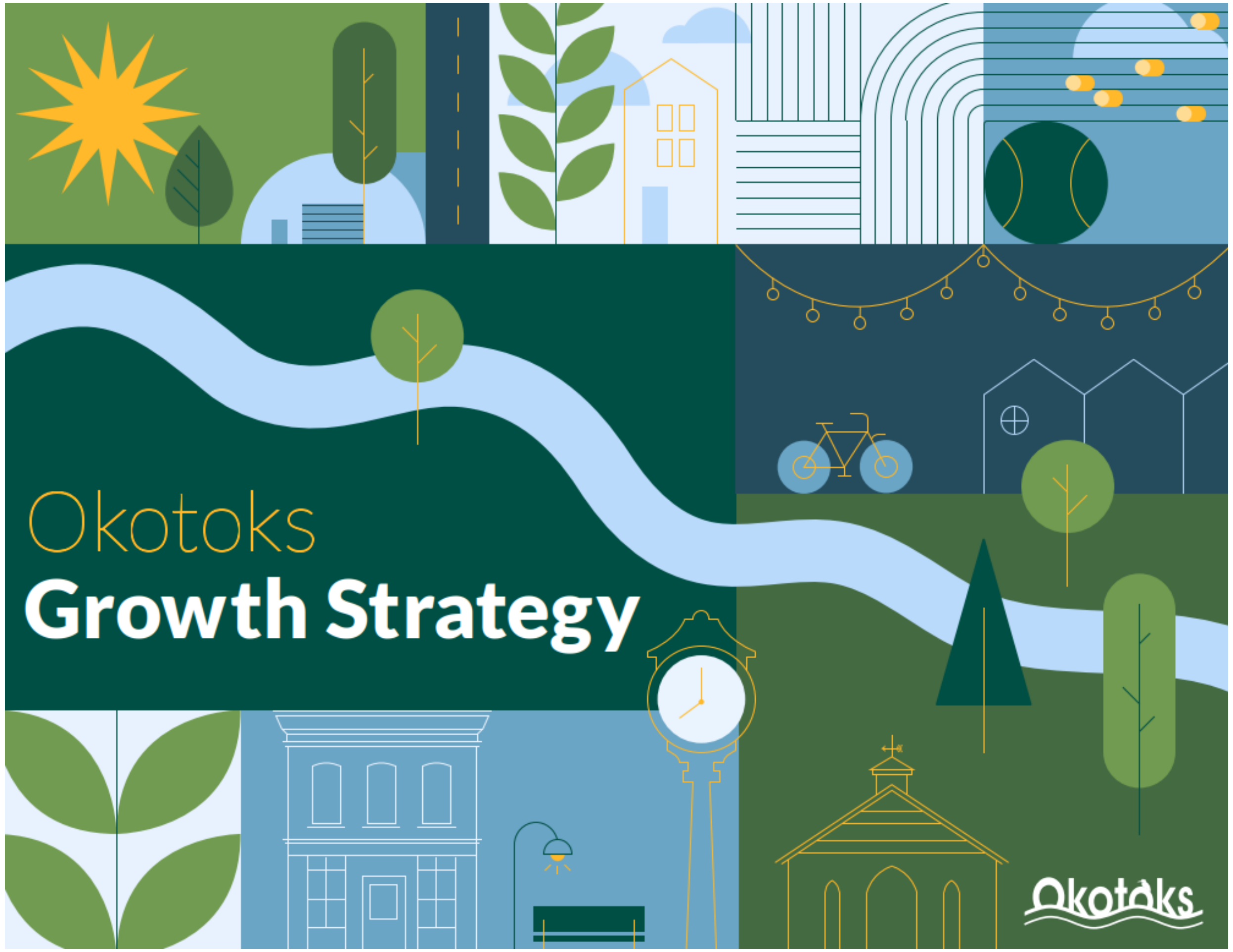
# OSL Update

Developer Engagement Meetings

# Oktoks Growth Strategy



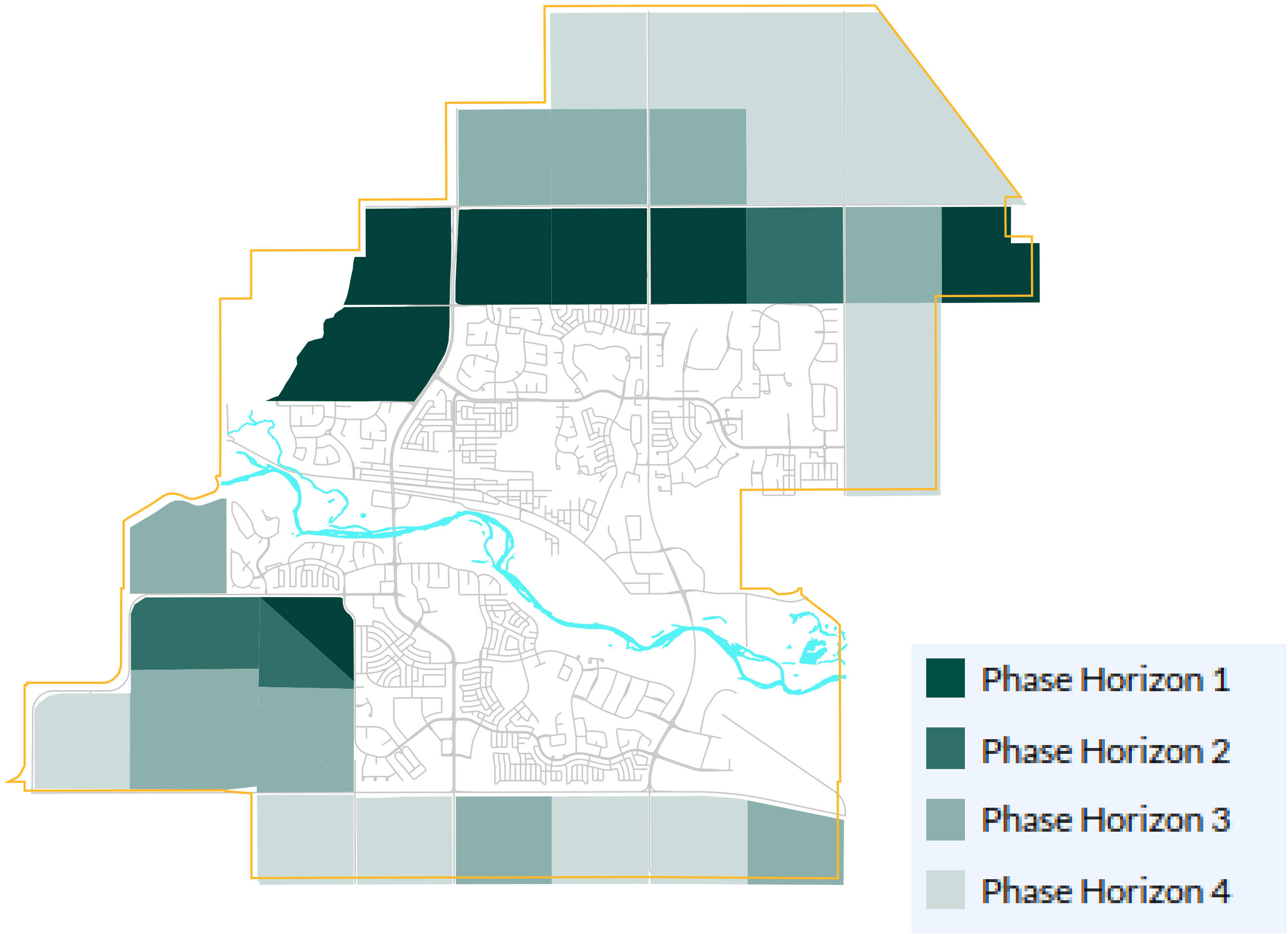

## Growth Strategy

- Unanimously approved by Council on June 9, 2025
  - Focuses on Identity Driven Growth
  - Informed by a variety of considerations, including short- and long-term financial impacts to support community objectives and growth



Okotoks

# Okotoks Growth Strategy




## Growth Strategy

- As new growth areas initiate development the Town needs to be thoughtful about:
  - policy alignment,
  - infrastructure optimization,
  - strategic priorities, and
  - where and where not the Town has the ability/desire to take on financial risk



Okotoks

# Infrastructure Delivery Philosophy

## APPROACH

**Context**

- New off-site infrastructure (e.g., water and wastewater extensions and transportation projects) is being contemplated through the anticipation of new growth areas not considered in the current OSL Bylaw
  - Water and wastewater extensions were not considered in the current Off-Site Levy Bylaw as growth areas did not require
- The Town's financial capacity is limited with other major growth-related infrastructure (water supply and wastewater treatment) underway and other infrastructure needs (recreation, asset renewal, etc.) on the horizon
  - The Town has identified funded and unfunded projects in the Ten-Year Capital Plan due to these financial limitations
- Alternative infrastructure financing and funding approaches are necessary if new growth areas are to advance

# Infrastructure Delivery Philosophy

## APPROACH

**Sharing Risk**

- Financing (front-ending) continues to provide the biggest challenge for the Town
- OSL provides structure around cost recovery for front-enders
- 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

**Alternative Approach – Sharing the Risk -**

- Town Front-End and Recover Through OSL Contributions
  - Sanitary Treatment and Disposal
  - Water Supply and Treatment
  - Community Amenities
  - Linear infrastructure (Sanitary, Water and Transportation) improvements in existing areas
- Developers Front-End and Recover Through OSL Contributions
  - Sanitary Collection (oversize approach)
  - Water Distribution (oversize approach)
  - Transportation – Arterial Roads (oversize approach)
  - Water Storage

# Infrastructure Delivery Philosophy

## APPROACH

**Alternative Approach – Sharing the Risk -**

- What is meant by “oversize”?
    - The difference between required infrastructure (i.e., sanitary collection, water distribution and transportation) to serve a local development and the size of the infrastructure required to meet broader growth needs in the area.
- How would it work (general terms)?
    - Projected future “oversizing” costs would be identified through the OSL update and charged on a per hectare rate to all development as it occurs in Town.
    - Front-ending developer(s) would advance the infrastructure.
    - The cost difference for the “oversized” portion of the infrastructure would be submitted to the Town for reimbursement. If there are enough funds in the “oversize” account, then the front-ending developer would be reimbursement. If not, they would wait until enough funds are recovered as growth occurs in the community.
        - This approach is similar, from a risk perspective, to the Town front-ending development and awaiting recovery as growth occurs.



Okotoks