August 28, 2026

James Cameron
Town of Okotoks
5 Elizabeth Street
Okotoks, AB T1S 1K1

RE: Proposed 2026 Off-Site Levy Bylaw Update

Dear James,

On behalf of BILD Calgary Region and the members of the Okotoks Development Committee, thank you for the Town's continued engagement throughout the development of the proposed Off-Site Levy Bylaw update. We appreciate the Town's August 13, 2026 response letter and the considerable effort undertaken by Administration and its consultants to review industry feedback and refine the proposed framework.

The consultation process has resulted in several meaningful improvements, including the adjustment of the sanitary oversizing threshold from 375 mm to 300 mm, the removal of contingency allowances for developer-delivered oversizing projects, revisions to the levy payment schedule, and commitments to ongoing collaboration regarding oversizing implementation and infrastructure staging. These changes demonstrate the value of constructive engagement and have improved the proposed bylaw.

While industry supports the Town's objective of establishing a transparent and sustainable framework for funding growth-related infrastructure, several important concerns remain. Collectively, these issues influence levy rates, development viability, investment certainty, and ultimately the affordability of housing in Okotoks.

1. Growth Should Only Pay for Growth

The most significant remaining concern relates to ensuring that future growth is charged only for infrastructure costs directly attributable to future growth.

Industry appreciates the additional information provided by the Town regarding the Regional Water Project, the South Reservoir and Pump Station projects, and transportation infrastructure benefit allocation. However, questions remain regarding the extent to which growth is being allocated costs associated with regional capacity, system resiliency, redundancy, existing residents, or broader community objectives. The Town has confirmed that no changes are proposed to the benefit allocation methodologies. While industry recognizes the Town's rationale and appreciates the transparency provided throughout the review process, we believe continued examination of these allocations is warranted as further planning, design, and technical information becomes available.

Given the scale of these projects and their contribution to overall levy rates, even modest refinements to project scope, staging assumptions, or benefit allocation methodologies can have a meaningful impact on housing affordability and development competitiveness. It is Industry's understanding that the OSL Bylaw will be reviewed periodically going forward to ensure any updates in this regard can be included in a timely manner.

2. Developers Need Greater Certainty When Front-Ending Infrastructure

Industry continues to support the principle of infrastructure oversizing where it enables efficient and coordinated growth. However, developers who are required to finance oversized infrastructure on behalf of future growth require sufficient certainty that costs will be recovered fairly and within a reasonable timeframe.

The Town has confirmed that it is not proposing changes to the oversizing reimbursement framework and that reimbursements will continue to occur on a first-come, first-served basis as funds become available. The Town has also confirmed that no interest recovery will be provided on outstanding reimbursement balances. While industry understands the rationale for maintaining the existing framework at this time, concerns remain regarding the level of certainty available to developers who are required to front-end significant infrastructure investments.

While the modelling supplied by the Town provides useful information regarding anticipated fund performance, actual reimbursement timing will depend on future growth rates, development sequencing, levy collections, project timing, and competing reimbursement demands. Industry remains concerned that the financial risks associated with front-ending major infrastructure investments may discourage timely delivery of infrastructure required to support growth.

We therefore strongly support the Town's commitment to work collaboratively with industry on the supplementary oversizing process document and believe this work presents an important opportunity to improve transparency, governance, and predictability within the reimbursement framework. Furthermore, Industry needs to be included in future discussions with the Town regarding sequencing of major infrastructure projects to ensure the most effective benefit and reimbursement scenarios can be achieved.

3. Affordability Requires Ongoing Refinement of Costs and Assumptions

Industry appreciates the Town's efforts to improve cost certainty, including the removal of contingency from developer-delivered oversizing projects and the commitment to continue advancing planning and design work on major infrastructure projects.

At the same time, we believe there is ongoing opportunity to refine project assumptions, contingency allowances, benefit allocations, and implementation strategies as additional technical information becomes available. The Town has indicated that further work will continue on several major infrastructure initiatives, including the South Reservoir, Pump Station, and 338 Avenue corridor. Industry encourages the Town to continue reviewing project costs and contingency assumptions as designs advance and uncertainties are reduced. Every dollar included within the levy framework ultimately affects the affordability of new housing, the viability of development projects, and the pace at which growth can occur. Continued refinement will help ensure levy rates remain as fair, defensible, and affordable as possible while continuing to support the Town's long-term infrastructure objectives.

Closing

Industry is supportive of this Proposed 2026 Off-site Levy Bylaw moving forward to Council for approval and adoption. We are supportive of the Town's commitment to responsible growth and appreciate the collaborative approach that has characterized this review process. We recognize that several important industry recommendations have been incorporated into the proposed bylaw package and thank Administration for its willingness to engage openly and constructively throughout the process.

As Council considers adoption of the proposed bylaw, we respectfully encourage ongoing review of the remaining issues identified above through future bylaw updates, implementation discussions, and continued collaboration between Administration and industry. Specifically, we believe continued attention should be given to ensuring that growth pays only for growth-related benefits, that developers have sufficient certainty when financing infrastructure on behalf of future growth, and that levy rates remain as affordable and predictable as possible.

BILD Calgary Region and the Okotoks Development Committee remain committed to working collaboratively with Administration and Council to achieve these shared objectives.

Thank you for your consideration.

Sincerely,

[redacted]

Kimber Higa, Director, Regional Initiatives & Government Relations
BILD Calgary Region
On behalf of the Okotoks Development Committee

Cc Elaine Vincent, CAO, Town of Okotoks
Jeff Greene, Community Growth and Identity Director, Town of Okotoks
BILD Okotoks Development Committee