



# Sanitary Sewer Connection Area Financing Framework – Stage 2

Presentation to Council

March 21, 2022

# Objectives of the presentation

- ▶ Review of staged approach
- ▶ Sewer Connection Area Prioritization Bylaw No. 12343
- ▶ Set the stage for the future Reports to Council
- ▶ Questions

# SSCA financial framework updates

- ▶ Stage 1: Amend *Sewerage System User Bylaw No. 3480* and establish *Septic Removal Area Specified Reserve Fund*
- ▶ Stage 2: Rescind and replace *Sewer Connection Charge Bylaw No. 11540*
- ▶ Stage 3: Creation, closing, and updates to financial reserves

# Outcomes (slide from Stage 1)

- ▶ We have an improved plan
  - ▶ Improved health and environmental conditions
    - ▶ Ground and surface water quality
  - ▶ Financial
    - ▶ Grant reliant – setup for success
    - ▶ Shovel-ready grant projects
  - ▶ Responsible growth and development
    - ▶ New framework is required to achieve 2040 OCP (especially in Rutland)
    - ▶ Continuing to target highest impact areas

# Guiding principles

- ▶ Guiding Principles for updated financing framework:
  - ▶ *FAIR*
  - ▶ *EFFICIENT*
  - ▶ *FLEXIBLE*
  - ▶ *OPPORTUNISTIC*
  - ▶ *EQUITABLE*

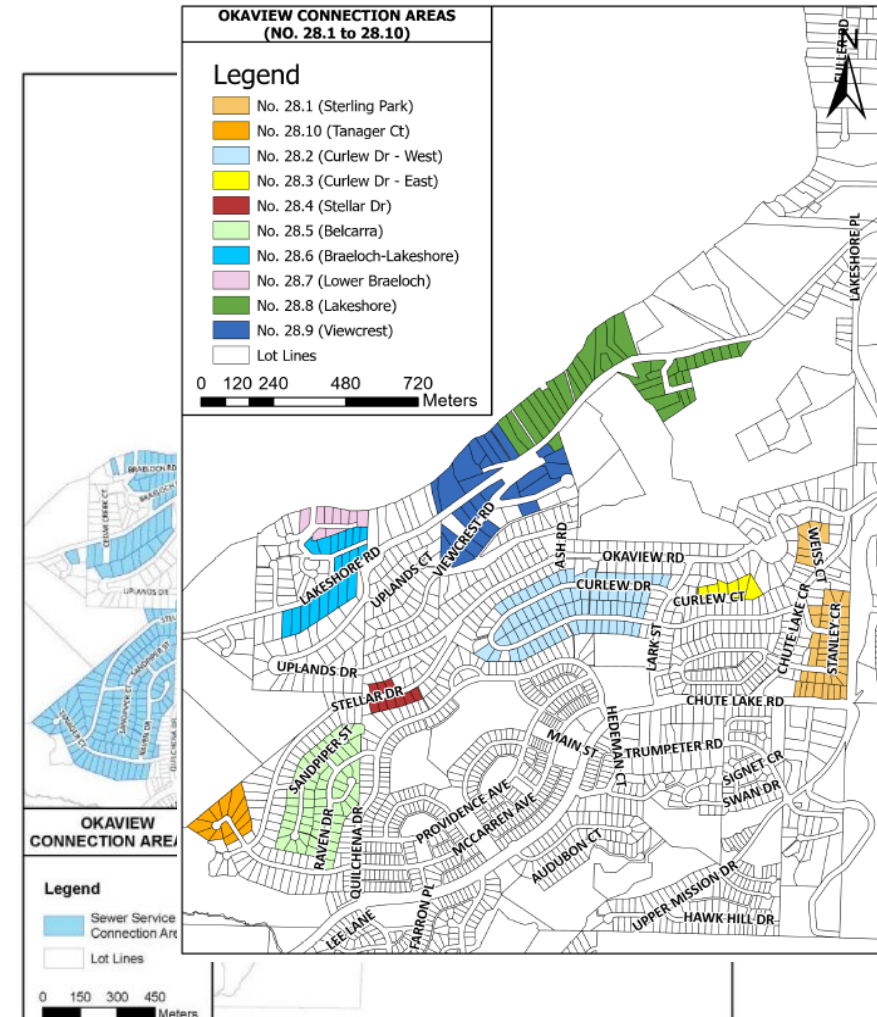
# Rescind and replace Bylaw No. 11540

- ▶ Old bylaw – ~~*Sewer Connection Charge Bylaw No. 11540*~~
- ▶ New bylaw – *Sewer Connection Area Prioritization Bylaw No. 12343*
  - ▶ New sewer connection area boundaries
  - ▶ New priority ranking and sequencing
  - ▶ Clarification on privately constructed works
- ▶ No longer leveraging a charge... as there is no active sewer system to connect to



# New sewer connection area boundaries

- ▶ Boundaries defined based on shared infrastructure
- ▶ Smaller standalone projects more conducive to grant applications



# Prioritization

- ▶ New priority ranking and sequencing considers:
  - ▶ Availability of Reserves to leverage grants
  - ▶ Number of lots to connect
  - ▶ Average age of septic fields
  - ▶ Environmental and health impacts
  - ▶ Development potential
  - ▶ Cost per connection
  - ▶ Availability of grants
  - ▶ Fund recovery

Rank	Connection Area No.	Name
1	22	Central Rutland
2	16	Rio/Terrace
3	25.1	St Amand
4	25.2	Chamberlain
5	35	Sexsmith/Appaloosa
6	28.5	Belcarra
7	28.1	Sterling Park
8	27	Hall Road
9	38.2	Crawford
10	28.6	Braeloch-Lakeshore Rd
11	38.1	Mission Ridge Rd
12	28.3	Curlew Drive - East
13	28.9	Viewcrest
14	28.4	Stellar Drive
15	28.70	Lower Braeloch
16	28.1	Tanager Ct
17	31.00	Boppart
18	28.2	Curlew Drive - West
19	28.8	Lakeshore Rd

Reserve funded

Grant reliant



# Terms and limitations on use of reserves

- ▶ Higher priority area = easier access to reserves
  - ▶ For both developers and the City
- ▶ Relies on excess and extended services (507) and latecomers (508) from the *Local Government Act* as cost recovery mechanism for developers in low-priority connection areas.
- ▶ Ensures investments target high-impact SSCA projects
- ▶ Critical to long-term success and sustainability of program

# Next steps

- Core framework
- ▶ Stage 3 – Update existing reserves and other policies required to fully adopt framework
- Supporting bylaws/policies
- ▶ *Subdivision, Development & Servicing Bylaw No. 7900* amendments
    - ▶ Standards and details for low pressure sewer (septic areas only)
  - ▶ Minor amendments to *Sanitary Sewer/Storm Drain Regulation Bylaw No. 10549*
  - ▶ Review of *Council Policy No. 304 – Expanding or Adding Properties to Specified Areas*



*Questions?*

For more information, visit [kelowna.ca](http://kelowna.ca).