

Bylaw 2600-2016,
being "Official Community Plan Bylaw, 2016" Schedule "B"

PART 6: IMPLEMENTATION

6.1 Financial Strategy



6.1 FINANCIAL STRATEGY

The UDistrict Neighbourhood Plan Financial Strategy is intended to provide a general understanding of how infrastructure that is needed to support the neighbourhood plan may be funded. The timing and priority of the infrastructure improvements may also vary depending on prevailing economic conditions and subject to development activity.

There are a variety of means to fund the infrastructure which typically includes, but not limited to: the development frontage and offsite improvements; amenity contributions; capital programs; development cost charges; and may also include grants.

The implementation of the plan and infrastructure is expected to be over the long-term. As such, development of a longer term financial strategy will strategically allow for the plan implementation. Identifying priorities is important and will allow for the strategic investments to be made at the right time and right place.

The Land Use Plan also identifies different types of development and density within the UDistrict neighbourhood plan and the infrastructure servicing plan identifies the necessary infrastructure needed to support this land use.

The infrastructure, both city and regional, generally includes:

- Transportation, such as: roads, sidewalks, traffic signals, cross walks, etc.
- Water system, such as: pipes, pump stations, PRVs, reservoirs, etc.
- Wastewater system, such as: gravity mains, pump stations, forcemains, etc.
- Stormwater system, such as: gravity mains, bioswales, rain gardens, etc. and
- Parks, such as: fields, facilities, paths, structures, etc.

The UDistrict Neighbourhood Plan financial strategy is also intended to assist in the orderly, predictable, and equitable development of the neighbourhood. It is based on principles that those creating the demand and adding additional burden to the infrastructure pays for it. Generally in most local governments, development is required to provide and pay for the infrastructure needed to support their development. Local governments generally do not finance, nor assume all financial risk, to provide engineering infrastructure required for development. As such, the infrastructure servicing plan identifies general infrastructure needed to support the entire UDistrict Neighbourhood Plan area.

Developer is Responsible for Paying for Infrastructure

As individual properties are developed within the UDistrict, the developer is responsible to provide the infrastructure needed to support their individual development proposal. This may include frontage infrastructure works as well as any applicable offsite infrastructure works. In other words, the developer constructs and pays for all infrastructure needed to support their development proposal.

Applicable latecomer agreements may be an option if “excess” or “extended” infrastructure is required which services other benefitting developable properties. This provides the developer a tool to collect from future benefitting developments for a maximum period of up to 15 years.

Capital Programs

The City may decide to upgrade some of the infrastructure, within or around the UDistrict neighbourhood area, if there is a benefit to the broad community. For example, the City may decide to fund a specific transportation project, which provides better access to the Abbotsford Centre, if a major tenant is secured in the future. Another example may include improving the biking network, through the UDistrict area, which provides a vital connection to the broad community. It is unknown which infrastructure will be funded through the capital program at this time.

Grants

Senior government grant programs are constantly changing and there may be future opportunities for some infrastructure to be funded through these programs. Generally, these government programs do not fund growth related projects; however, it is possible that there may be opportunities for projects which support green infrastructure or reduce the City's overall carbon footprint. For example, the City recently received a government grant for the Salton Road pedestrian/cycle bridge project which provides opportunities to get people out of their vehicles through walking and cycling opportunities.

Development Cost Charges

The City has a Development Cost Charge (DCC) Bylaw which sets fees that are collected from developers to offset some infrastructure costs incurred, to service the needs of new development. From time to time, the City updates the Development Cost Charge Bylaw which sets rates for specific engineering infrastructure and parks which services the broad community.

The City is currently updating Master Plans for transportation, transit, City water and wastewater, drainage, Regional water and wastewater, and Parks, based on the new Official Community Plan. The Master Plans will identify the specific infrastructure projects and costs needed to support the growth of the new OCP, the projects will be prioritized, and identified in the City's Financial Plan. However, there is no commitment to implement the projects, nor to the priority of the projects given within the Financial Plan. There may be specific infrastructure, which benefits the broad community, which may be included in a future DCC Bylaw.

If any of the infrastructure works identified in the UDistrict servicing study are included in a future DCC Bylaw, there may be opportunities for DCC rebates/credits to be applied to these specific infrastructure works. It is unknown at this time which infrastructure will be included into any future DCC Bylaws.

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