

Noroncal Servicing Study

Local Improvement Levy Information

What is a Local Improvement Levy?

The process for initiating a Local Improvement Levy is established under Part 10, Division 7 (Sections 391 – 409) of the Municipal Governance Act.

A Local Improvement Levy is imposed on a specific area within a municipality to fund a service or improvement that benefits that particular area rather than the whole municipality.

Some examples of local improvements are water or sewer line upgrades, lane lighting, or paving. The County has confirmed that a Local Improvement Levy can apply to the construction of a new fence.

Property owners or the County can initiate a Local Improvement Levy. In either case, the process - outlined below - is much the same.

Local Improvement levies are applied to land. This means that the owner of the land is responsible for paying the Local Improvement Levy along with the annual property taxes. A Local Improvement Levy is allocated as an annual charge for a set number of years, typically 15, 20, or 25.

Local Improvement levies include the cost of financing but may be paid out in any year during the amortization period to avoid further interest charges.

What is the process for a Local Improvement Levy?

Residents can initiate the Local Improvement Levy process using the tools outlined below. Right now, the County is developing the Local Improvement Plan by exploring the process, materials, and costs of bringing services to Noroncal. This information will be shared with residents.

The Government of Alberta's "Petition to Council" outlines the process and provides resources and templates for the forms needed. A link is on the Sturgeon County webpage: www.sturgeoncounty.ca/LocalImprovement.

Step 1: County Prepares Local Improvement Plan

The Local Improvement Plan must include the following:

- Description of the local improvement with location
- List the properties and persons liable to pay
- How the tax rate will be established
- Estimated cost of the work
- Term of cost to the property owners
- How much of the project cost will be paid by:
 - County funds
 - Local Improvement Tax
 - Other revenue sources (Grants, etc.)



Step 2: Resident(s) Prepare and Circulate Petition Package

This package must include a petition form, rates sheet, initial estimated cost, map, statement of witness and affidavit. The person(s) who prepares the package is responsible for circulating and returning the completed petition package. The petition representative should be encouraged to review the Government of Alberta document "Petition to council" (GOA, 2019).

The petition must be circulated in person to obtain signatures from all affected property owners. To be valid, at least two-thirds of the affected property owners must sign in favour of the local improvement. All signatures must be obtained within a 60-day period.

Please note: the owner of multiple properties within the affected area will count as only one vote.

Step 3: Notice of Intention and Improvement Plan Sent to Owners

When a valid petition is received by the County, a *Notice of Intention* letter is sent to all affected residents. This letter indicates:

- The type and scope of work proposed
- The cost of the project for the affected property owner

Affected citizens have 30 days from the mailing date of this notice to appeal through the Petition Against process.

Step 4: Bylaw is Prepared

Step 5: 30-Day Petition Period

Petition Against packages are available only after a Notice of Intention letter has been received by affected property owners. Affected citizens have 30 days from the mailing date of this notice to appeal through the Petition Against process.

For a petition (for or against) to be sufficient, it must have:

- Support from 2/3 of the property owners liable to pay Local Improvement Levy
- Validity of the petition is determined by the CAO of Sturgeon County
 - The County will work with interested residents to understand what is required for a valid petition

Step 6: Bylaw Passed by Council

If the Local Improvement Plan passes the petition process, Sturgeon County Council can impose the Local Improvement Levy any time in the three years following the notice. Council can either pass the Bylaw before the final cost is determined or wait until the project is complete and the final costs are determined.

Step 7: Project Begins Construction

Step 8: Local Improvement Tax Levy is Imposed