



# **EXECUTIVE COMMITTEE**

**Wednesday, July 17, 2013  
11:45 AM**

**Henry Baker Hall, Main Floor, City Hall**



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Office of the City Clerk

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**Revised Public Agenda  
Executive Committee  
Wednesday, July 17, 2013**

**Approval of Public Agenda**

**Minutes of the meeting held on June 26, and July 3, 2013.**

**Administration Reports**

EX13-34      Interim Extra-Municipal Servicing Policy and Fee Structure

**Recommendation**

1. That the *Attachment 1 - Interim Extra-Municipal Servicing Policy* (the “Interim Policy”) be approved effective July 29, 2013.
2. That the *Attachment 2 - Interim Extra-Municipal Servicing Fees and Surcharges* attached to this report be approved effective July 29, 2013.
3. That the City Solicitor be instructed to prepare the necessary amendments to *The Regina Water Bylaw No. 8942* and *The Sewer Service Bylaw No. 5601* to accommodate the new interim extra-municipal servicing fees and surcharges.
4. That the City Solicitor be instructed to prepare the necessary amendments to *The Regina Administration Bylaw No. 2003-69* to authorize the Deputy City Manager, Community Planning and Development or his or her delegate to sign agreements relating to the provision of water, sewer and/or stormwater connections outside of City limits, provided the agreement is not with another municipality.
5. That E12-40 be removed from the outstanding list for Executive Committee.



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Office of the City Clerk

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EX13-35      Housing Incentives Policy - Revisions to the Current Policy

**Recommendation**

1. That Appendix A, revisions to The City of Regina *Housing Incentives Policy*, be APPROVED.
2. That an increase in the maximum yearly expenditure from the Social Development Reserve from \$2.2 million to \$2.5 million dollars effective 2014 be APPROVED.
3. That the City Solicitor be instructed to amend Bylaw 2012-14 being *The City of Regina Condominium Policy Bylaw, 2012* to clarify that the provisions of Bylaw 2012-14 also apply to the re-division of a single condominium unit into one or more units.
4. The *Downtown Residential Tax Incentives Policy* be revised to cap tax incentives at \$7,500 per unit to match the maximum tax incentive allowed under the *Regina Housing Incentives Program Warehouse District* (RHIP).

EX13-36      Capital Budget Advance Approval - Fleet Bus Purchase

**Recommendation**

1. That the 2014 and 2015 planned capital purchases of 15 new conventional low floor transit buses be approved in advance for a total cost of \$7,500,000, in order to speed up the conversion of the conventional transit fleet to entirely low floor accessible buses, and to significantly reduce fleet maintenance time and costs.
2. That \$1,000,000 from the Fleet Equipment Replacement Reserve and \$6,500,000 from the Asset Revitalization Reserve be used to fund the advance purchase of new low floor transit buses.
3. That the Asset Revitalization Reserve be repaid \$3,300,00 in 2014 and the balance of \$3,200,000 be repaid in 2017 through future allocations from the Fleet Equipment Replacement Reserve.



## **City Clerk's Reports**

### **EX13-37      Three-Year Contract with Crown Enterprises for Off-Site Storage**

#### **Recommendation**

1. That City Council authorize the City Clerk, or his or her designate to negotiate and approve the terms of an agreement with Crown Enterprises Ltd. for off-site storage for the period of February 1, 2013 and ending February 29, 2016.
2. That the City Clerk be authorized to execute the agreement with Crown Enterprises Ltd. after review and approval by the City Solicitor.
3. That this report be forwarded to the July 29, 2013 meeting of City Council for approval.

### **EX13-38      2013 Elected Official Appointments to the Mayor's Housing Commission**

#### **Recommendation**

1. That Executive Committee nominate three members of Council to sit on the Mayor's Housing Commission for a term effective September 1, 2013 to December 31, 2014.
2. That members appointed continue to hold office for the term indicated or until their successors are appointed.
3. That this report be forwarded to the July 29, 2013 City Council meeting.

## **Resolution for Private Session**

AT REGINA, SASKATCHEWAN, WEDNESDAY, JUNE 26, 2013

AT A MEETING OF THE EXECUTIVE COMMITTEE  
HELD IN PUBLIC SESSION

AT 11:45 AM

**These are considered a draft rendering of the official minutes. Official minutes can be obtained through the Office of the City Clerk once approved.**

Present: Councillor Wade Murray, in the Chair  
Mayor Michael Fougere  
Councillor Bryon Burnett  
Councillor Bob Hawkins  
Councillor Shawn Fraser  
Councillor Jerry Flegel  
Councillor John Findura  
Councillor Terry Hincks  
Councillor Mike O'Donnell

Regrets: Councillor Sharron Bryce  
Councillor Barbara Young

Also in Attendance: City Clerk, Joni Swidnicki  
City Manager, Glen Davies  
City Solicitor, Byron Werry  
Deputy City Clerk, Amber Smale  
Deputy City Manager, City Operations, Dorian Wandzura  
Deputy City Manager, Community Planning & Development, Jason Carlston  
Deputy City Manager, Corporate Services, Brent Sjoberg  
Executive Director, Governance & Strategy, Jim Nicol  
Solicitor, Jana-Marie Odling  
Director, Construction & Compliance, Kelly Wyatt  
Manager, Bylaw & Licensing, Lorn Chow

APPROVAL OF PUBLIC AGENDA

**Councillor Bob Hawkins moved, AND IT WAS RESOLVED, that the agenda for this meeting be approved, as submitted.**

ADOPTION OF MINUTES

**Councillor John Findura moved, AND IT WAS RESOLVED, that the minutes for the meeting held on May 29, 2013 be adopted, as circulated.**

ADMINISTRATION'S REPORT

EX13-30      Temporary Taxicab Licences

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**Recommendation**

1. That six temporary taxicab owner's licences be allocated through the lottery/draw system prescribed by *The Taxi Bylaw, 1994* for issuance on May 1, 2014.
2. That no further review be required prior to the issuance of temporary taxicab licences in future years provided the requirements of *The Taxi Bylaw 1994* are met.
3. That CR12-19 be removed from the outstanding list for Executive Committee.

**Councillor Terry Hincks moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.**

RESOLUTION FOR PRIVATE SESSION

**Councillor Jerry Flegel moved, AND IT WAS RESOLVED, that in the interests of the public the remainder of the items on the agenda be considered in private.**

**Councillor Jerry Flegel moved, AND IT WAS RESOLVED that the meeting recess for three minutes.**

Meeting recessed at 11:55 am

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Chairperson

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Secretary

AT REGINA, SASKATCHEWAN, WEDNESDAY, JULY 3, 2013

AT A SPECIAL MEETING OF THE EXECUTIVE COMMITTEE  
HELD IN PUBLIC SESSION

AT 1:00 PM

**These are considered a draft rendering of the official minutes. Official minutes can be obtained through the Office of the City Clerk once approved.**

Present: Councillor Mike O'Donnell, in the Chair  
Mayor Michael Fougere  
Councillor Bryon Burnett  
Councillor Bob Hawkins  
Councillor Barbara Young  
Councillor Jerry Flegel  
Councillor John Findura  
Councillor Terry Hincks  
Councillor Wade Murray

Regrets: Councillor Sharron Bryce  
Councillor Shawn Fraser

Also in Attendance: Deputy City Clerk, Amber Smale  
City Manager, Glen Davies  
City Solicitor, Byron Werry  
Deputy City Manager, City Operations, Dorian Wandzura  
Deputy City Manager, Community Planning & Development, Jason Carlston  
Deputy City Manager, Corporate Services, Brent Sjoberg  
Executive Director, Governance & Strategy, Jim Nicol

APPROVAL OF PUBLIC AGENDA

**Mayor Michael Fougere moved, AND IT WAS RESOLVED, that the agenda for this meeting be approved, as submitted.**

Meeting commenced in the absence of Councillor Terry Hincks.

ADMINISTRATION REPORTS

EX13-31 Regina Revitalization Initiative (RRI) Stadium Project - Request for  
Proposals Evaluation Criteria

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**Recommendation**

1. That the Administration issue a Request for Proposals (RFP) for the RRI Stadium Project using the evaluation criteria as presented in this report.
2. That the Deputy City Manager of Corporate Services be authorized to award a contract for the RRI Stadium Project to the successful proponent selected by the RFP and based on the approved criteria.
3. That this report be forwarded to the July 8, 2013 City Council meeting for consideration.

**Councillor Wade Murray moved that the recommendations contained in the report be concurred in.**

Councillor Terry Hincks returned to the meeting.

**Councillor Bob Hawkins moved, in amendment, seconded by Councillor Barbara Young that the final recommendation include the following after Deputy City Manager "be authorized to seek from Council approval for his final recommendation for an award of".**

**The amendment was put and declared LOST.**

**The main motion was put and declared CARRIED.**

EX13-32 Regina Revitalization Initiative Stadium Project - 3rd Party Involvement

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**Recommendation**

1. That City Council:
  - a. approve an offer to lease with SaskSport, as may be negotiated by REAL on behalf of the City, relating to the lease of the Stadium by SaskSport (*SaskSport Offer to Lease*);
  - b. authorize the City Solicitor and the Deputy City Manager & CFO to approve the final form lease agreement with SaskSport (*SaskSport Stadium Lease*), as may be negotiated by REAL on behalf of the City, relating to the Lease of the Stadium by SaskSport prior to the completion of the construction of the Stadium, such lease to include the terms and conditions set forth in the *SaskSport Offer to Lease*;



2. That the City Clerk be authorized to execute: the *SaskSport Offer to Lease* and the *SaskSport Stadium Lease*.

**Mayor Michael Fougere moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.**

EX13-33      Regina Revitalization Initiative Stadium Project - Stadium Reserve

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**Recommendation**

1. That an RRI Stadium Reserve be established.
2. That the City Solicitor be instructed to amend Schedule "A" of The Regina Administration Bylaw No. 2003-69 to provide for a RRI Stadium Reserve as outlined in this report.

**Councillor Terry Hincks moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.**

**ADJOURNMENT**

**Councillor Jerry Flegel moved, AND IT WAS RESOLVED, that the meeting adjourn.**

Meeting adjourned at 1:48 pm

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Chairperson

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Secretary

July 17, 2013

To: Members,  
Executive Committee

Re: Interim Extra-Municipal Servicing Policy and Fee Structure

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### RECOMMENDATION

1. That the *Attachment 1 - Interim Extra-Municipal Servicing Policy* (the “Interim Policy”) be approved effective July 29, 2013.
2. That the *Attachment 2 - Interim Extra-Municipal Servicing Fees and Surcharges* attached to this report be approved effective July 29, 2013.
3. That the City Solicitor be instructed to prepare the necessary amendments to *The Regina Water Bylaw No. 8942* and *The Sewer Service Bylaw No. 5601* to accommodate the new interim extra-municipal servicing fees and surcharges.
4. That the City Solicitor be instructed to prepare the necessary amendments to *The Regina Administration Bylaw No. 2003-69* to authorize the Deputy City Manager, Community Planning and Development or his or her delegate to sign agreements relating to the provision of water, sewer and/or stormwater connections outside of City limits, provided the agreement is not with another municipality.
5. That E12-40 be removed from the outstanding list for Executive Committee.

### CONCLUSION

The Interim Policy and the associated fee structure are only applicable to potential direct retail customers outside of City limits (e.g., private land/property owners or development proponents). Inter-governmental agreements or wholesale agreements with third party servicing providers shall be examined outside the scope of the Interim Policy and the associated fees structure. Examination of inter-governmental or wholesale agreements shall consider the same elements and implications as evaluated within the scope of the Interim Policy.

The fundamental principles underlying the Interim Policy is service extensions beyond the City limits must not result in:

- (a) incompatibility with the City’s immediate or planned future growth;
- (b) an additional financial burden on the City; or
- (c) an additional financial burden on development within City limits by inadvertently subsidizing growth outside of City limits.

From this perspective, the Administration is recommending in this Interim Policy that any new servicing requests received by the City must meet the requirements outlined in the Interim Policy and as is provided in this report in order to be approved.

In conjunction with the Interim Policy, the Administration is proposing the fee structure relating to the provision of serviced connections outside of City limits be updated to ensure parity exists between development within and outside of City limits. The updated fee structure will:

- (i) be set up to result in a net neutral cost to the City for reviewing, processing and ultimately approving a service connection outside of City limits;
- (ii) set rates that consider the current and future capital and operational costs incurred by the City. This is consistent with the requirements placed on developers acting within City limits who are required to pay all the capital costs of servicing either directly or through servicing agreement fees and development levies; and
- (iii) ensure the customer shall be responsible for all costs and liability arising from any third-party approvals, easements, engineering services, construction, operation and maintenance associated with the connection to the City's system that may be required.

As part of the fee structure, a connection fee equivalent to the fee placed on development within City limits through Servicing Agreement Fees and Development Levies (SAF) will be initiated. This fee will be calculated based on the size of development in hectares, which is consistent with the SAF policy used for all types of developments within City limits. However, the City is aware developments suited to be located outside City limits typically have large areas of unserviced activity combined with lower intensity of use on the site with a lesser number of employees as compared with developments suited to be inside City limits. A comprehensive review of the SAF policy is proposed to be conducted in 2014, and ways to calculate the fees may be included in the scope of the review and re-examined. The option however, exists within the interim policy where if the applicant can demonstrate in situations where the serviced development area of an approved use suited to be located outside City limits is smaller and requires limited servicing; the one-time connection fee may be reduced to a smaller area than of the entire development land parcel. Alternatively, the applicant can subdivide the parcel so the connection fee will only be applied to the exact portion of the property on which the City's services will be used.

## BACKGROUND

On May 14, 2012, Council approved report CR12-66, which outlined a work plan intended to address the regional planning issues facing the City, including regional servicing, growth management, and the roles of the various municipalities and the Provincial government.

In order to advance the regional servicing issue, the Administration was directed to establish a cross-departmental team to formulate an interim policy with respect to the provision of services outside of City limits. This team included representation from Community Planning & Development Division, City Operations Division, Governance and Strategy including Communications, Finance through Utility Billing and Legal. As part of its work, the team has developed the Interim Policy and the updated fees associated with requests for the provision of water, wastewater and/or stormwater services including the provision of service via septic hauling outside of City limits that are detailed in this report.

Another team is in the midst of a comprehensive regional water and wastewater servicing study, which will provide additional information and details surrounding capacity, planning and funding issues that may be present with the provision of servicing outside of City limits from a long-term perspective. The Administration will apply an approved Interim Policy until the regional servicing study is completed in early 2014 and subsequent amendments or a replacement of the Interim Policy would be drafted and proposed for approval later in 2014.

The report, E12-40 was discussed at the private Executive Committee meeting on September 5, 2012. With the Executive Committee's direction, the Administration circulated the report to the Rural Municipality (RM) of Sherwood, the Ministry of Government Relations and the Regina and Regional Home Builders Association (RRHBA) for feedback. The report is updated incorporating the comments received. The major changes to the report include:

1. A statement was added to clarify the Interim Policy and fee structure is only applicable to potential direct retail customers outside of City limits (e.g., private land/property owners or development proponents). Inter-governmental agreements or wholesale agreements with third party servicing providers shall be examined outside the scope of the Interim Policy and fee structure. Examination of inter-governmental or wholesale agreements shall consider the same elements and implications as evaluated within the scope of the Interim Policy.
2. Recommendations toward the provision of services to residential developments outside of City limits have been changed. The requests for servicing new residential developments outside of City limits will be considered within the process equivalently to non-residential developments and thus be evaluated as per the proposed criteria outlined in the Interim Policy.
3. The review of an owners' or development proponents' requests for permission to discharge septic tank wastewater into the City's sewer system via City's the Septage Receiving Station has been added to the scope of the Interim Policy. The associated policy and fees were clarified.
4. The Communication section of the report has been updated and the feedback from the stakeholders is Attachment 4 of this report.

## DISCUSSION

### **(1) Existing Policy and Procedures**

A cross-departmental team has completed a comprehensive review of the current policy and process for reviewing requests made for the provision of services outside of City limits. More details are contained in Attachment 3 of this report. The major findings are summarized as follows:

#### **(a) City Bylaws and Policies**

The existing bylaws relating to the provision of services outside of City limits include *The Regina Water Bylaw No. 8942* and *The Sewer Service Bylaw No. 5601*. A policy focusing on water connections titled *Policy Regarding Water Connections Outside City Limits* has been in place since 1991.

(b) Delegated Authority

The Deputy City Manager, City Operations has executed most of the extra-municipal service agreements due to the signing authority pursuant to *The Regina Administration Bylaw*, Schedule E, clause 4(b). Complex cases, such as the water supply contract signed with the RM of Sherwood for collectively providing water to Sherwood Industrial Park, have required approvals from City Council.

(c) Evaluation Criteria

In the absence of a comprehensive servicing analysis and regional growth framework, the Administration and Council have responded to the servicing requests on a case-by-case basis, depending on the City's current capacity to provide services. Land use considerations, such as compliance with the City's *Official Community Plan* (the "OCP") and the District Plan, were also factors in the approval process.

However, there has been a lack of consistent criteria and tools for staff to determine the full implications of these servicing requests. In addition, there was no comprehensive, consistent and coordinated internal decision-making framework for assessing and responding to the requests received. Any future decision-making framework should be based on an evaluation of short-term and long-term servicing capacity, and an assessment of the impacts on other aspects of city infrastructure and assets, such as roadway maintenance and improvements, fire services, recreational facilities and future growth scenarios.

(d) Existing Agreements

The City currently has two agreements directly signed with the Rural Municipality of Sherwood No. 159: one for providing water collectively to the Sherwood Industrial Park; and one for firefighting services. The City also has 84 active water supply agreements/contracts with individual third party customers in the RM.

The City has an agreement with Brandt Industrial Ltd. for a connection to the City's sewage works.

The City currently has no stormwater service agreement with customers outside of City limits.

The City currently has no formal agreements in place with the RM of Sherwood (nor any other rural municipality) to address tax revenue sharing, recreational capital funding compensation models, larger regional servicing partnerships or growth management strategies.

The proposed Interim Policy and Procedures discussed further below would not impact or amend the existing agreements between the City and individual third party customers in the RM unless the extra-municipal customer wishes to amend the agreement.

(e) Fee Structure

According to *The Regina Water Bylaw No. 8942*, for premises connected to the City water system but are located outside of City limits, the regular water usage rates set out for customers within the City, plus an additional surcharge as determined by the City, shall apply to those premises.

According to *The Sewer Service Bylaw No. 5601*, persons residing outside of City limits may apply to the City for a connection to City's sewer system or for permission to discharge by other means to the City's sewer system, and that person shall pay a sewer service charge at such rates as may be determined by Council.

Historically, the provision of water and sewer service to users outside of City limits have been provided for a nominal connection fee, plus a 75% surcharge above the regular rates for the services being provided. However, it is unknown at this time whether or not the surcharges would offset the full cost of providing capital improvements or other services such as transportation, fire protection or recreation that result from development outside of City limits. It also unknown what the full extent of subsidization by the City in the surrounding RM and beyond is today for all City services provided, however the intent is to move towards a full cost recovery model through the mechanisms appropriate to the services provided.

**(2) Proposed Interim Policy and Procedures**

(a) City Bylaws and Policies

The Interim Policy has been constructed to assess future servicing requests outside of City limits based on an evaluation of net benefits to the City and the region, and considering the City's best short-term and medium-term interests.

This Interim Policy is intended to be a temporary measure that will be ultimately superseded by a long-term servicing strategy and policy in alignment with a broad regional planning approach.

Amendments to the *The Regina Water Bylaw No. 8942* and *The Sewer Service Bylaw No. 5601* will be required if the Interim Policy is approved.

(b) Delegated Authority

*The Planning and Development Act, 2007* (Saskatchewan) allows a municipality providing service(s) to a property in another municipality to enter into a servicing agreement directly with the developer and to recoup the capital costs of that service.

The Administration recommends Council provide delegated authority to approve or deny applications that may be received for servicing outside of City limits in accordance with the Interim Policy and as is provided in this report. However, if it is unclear whether or not an application can result in net benefits to the City and the region, City Council's direction or decision will be required.

(c) Evaluation Criteria

A two-level decision making framework is proposed in order to evaluate requests to provide servicing to new development outside of City limits:

- The first-level is a filter to quickly exclude any applications that would conflict/compete with the City's growth or result in immediate engineering/technical challenges for the City to provide service; and
- If an application can meet the basic criteria of the first-level, it will then be evaluated based upon the principle of net benefit to the City and the region as set out in the prescribed evaluation criteria listed in Appendices B and C to this report.

The Administration is proposing any servicing requests received by the City for new developments must meet all of the following requirements in order to be approved:

- (i) The development will not result in a conflict with the City's OCP and the District Plan;
- (ii) The development is deemed to be more suitable to be located outside of City limits;
- (iii) The development will not result in immediate engineering/technical difficulties for the City to provide service; and
- (iv) The development will result in a net benefit to the City and region based on a set of evaluation criteria as listed in Appendices B and C.

Each application is to be considered on its own merits. Approval or denial of any application shall not bind the City to approval or denial of any other application.

(d) Agreements

Once the City accepts the servicing applications and receives the applicable fees, the City and the service proponent will go into the process of reaching an Extra-Municipal Servicing Agreement. The City approved plans, as well as applicable external approvals, will form the schedules in the agreement.

The Extra-Municipal Servicing Agreements shall specify the conditions associated with the extension of the City's water, domestic sewer and/or stormwater services and related management systems to the proposed development land located outside of City limits, such as each party's obligations and the approved flow rate/meter size.

The City makes no guarantee with regards to the quantity, quality, pressure or uninterrupted availability of the service(s) provided; and reserves the right to interrupt or permanently terminate the service(s).

The initial term of permission provided to either a landowner or developer proponent requesting for discharging septic tank wastewater into the City's sewer system is until mid-2015, during which time the City will undertake an overall review on its septic hauling policy. The City reserves the rights to revoke or suspend the permissions within that period.

The proposed Interim Policy and Procedures would not impact or amend the existing agreements between the City and individual third party customers in the RM unless the extra-municipal customer wishes to amend the agreement in a manner such that any of the following conditions occur;

- The use of the land has been changed;
- The land has been subdivided;
- The water consumption has increased significantly above the original intended provision of service, or an alteration to the connection is required to provide a greater level of service; and/or
- The type of service requested has been changed or additional types of services are requested.

(e) Fee Structure

In the absence of tax revenue sharing and/or capital funding compensation, there is no funding source to recover the City's additional on-going and capital costs arising from the impacts of service extensions on City infrastructure and assets. If the users of City services outside of City limits do not contribute to recovering the additional capital, operating and maintenance costs resulting from the impacts on the City's infrastructure, these costs will have to be collected from residents and businesses within the City through increased mill rates, utility rates and development fees.

For extra-municipal connections to the City's water, sewer, and/or stormwater systems, the servicing fees and surcharges structure recommended by the Administration consists of the following components:

(i) Application Review Fee

This is a new fee which has not been applied in previous applications. It is intended to recover the City's staffing and overhead costs associated with the application review process.

(ii) Administration Fee

This is a new fee which has not been applied in previous agreements. It is used to recover the City's staffing and overhead costs incurred for activities such as agreement preparation, design review, legal review, agreement execution, and inspection and management of agreement obligations prescribed upon the proponent and the City.

(iii) One-time Connection Fee

This is a new fee which has not been applied in previous agreements for providing services outside of City limits.



The one-time connection fee will be equivalent to the fee placed on development within City limits through SAF. Similar to SAF, it is intended to recover the City's growth related capital costs for utilities, roads, and parks and recreational facilities. The connection fee recognizes that the extension of services beyond City limits would result in a reduction of capacity available to internal developments, and would impact the City's road network, parks and recreational facilities. It also ensures that development beyond City limits does not place a disadvantage upon development within City limits. As such, the one-time connection fee equivalent to the SAF is calculated based on the estimated capital costs of growth related infrastructure over the next 20 years as it pertains to sewage, water or drainage works; roadways and related infrastructure; parks; and recreational facilities. Costs are indexed for inflation and a rate is determined using a forecasted estimate of revenue as a result of development area in hectares and the associated fees collected.

The connection fee will be calculated based on the size of development in hectares. This is consistent with the SAF policy used within City limits. Currently, all developments within the City limits are charged the same SAF rates based on the property size, regardless of the land use type, density and consumption rate/discharge amount. On a simplified level, the SAF rate and subsequently the one-time connection fee is the cost of providing services divided by the number of hectares that will benefit from those services, to determine a cost per hectare.

However, the City is aware that developments suited to be located outside of City limits typically require larger areas of unserviced land and lower intensity of use with fewer employees than urban developments and as such, the property size may not be relative to the use of the services. It is noteworthy that a comprehensive review on the SAF policy is proposed to be conducted in 2014, and ways to calculate the fees may be re-explored. As an interim solution to this concern, an option is included within the interim policy where, if the applicant can demonstrate in situations where the serviced development area is smaller than the entire area of the developed land parcel and represents a lower intensity of use and level of service, the one-time connection fee may be reduced based on a smaller development area. Alternatively, the applicant has the option to subdivide the parcel so that the connection fee will only be applied to the exact portion of the property on which the City's services will be used.

#### (iv) Ongoing Usage Surcharge

In addition to the regular rates, the ongoing usage surcharge will be used to recover the additional operational and maintenance costs for the provision of services outside City limits. Increased ongoing costs include activities such as the trips made to capture meter readings, inspections and repairs made outside the normal in-city processes.

#### Water and Sewer Surcharge

The surcharge for the provision of water and/or sewer service will remain equivalent to 75% of the regular rate (i.e., daily base rate based on meter size plus consumption charge based on meter reading), which has been in place since the 1960s. However, exact costing data used to develop the surcharge in relation to the cost of supporting servicing outside of City limits is not available, and has not been revisited to date. Without a comprehensive regional servicing analysis, it is unknown at this time if the surcharge is enough to offset the City's costs, and the policy does not include a recommendation of amending the surcharge level at this time.

### Stormwater Surcharge

For the provision of stormwater service, there is no past practice outside of City limits. To keep consistence with the surcharge level for water and/or sewer services, the Administration is proposing that a surcharge equivalent to 75% of the regular rate (i.e., Drainage Infrastructure Levy Rates based on the size of the property) be adopted for stormwater services if it is requested and approved.

In addition to the extra-municipal servicing fees and surcharges, the customer will also be responsible for all costs and liability arising from the approvals, easements, engineering services, construction, operation and maintenance associated with the connection to the City's system(s). Moreover, any service fees and charges that are applicable to the users within City limits pursuant to *The Regina Water Bylaw No. 8942* and *The Sewer Service Bylaw No. 5601* are also applicable to the users outside of City limits.

#### (f) Fees for Septic Tank Wastewater Discharge

For the provision of septic tank wastewater discharge service, an Application Review Fee will apply to the service proponent for recovering the City's costs on application screening. If a serviced connection is also requested for the same existing or proposed new development, only the greater value of the Application Review Fee would apply.

Moreover, the City will directly charge the haulers holding a permit from the City. An annual fee based on the carrying capacity of the hauling vehicle will be applied pursuant to Schedule "A" of *The Sewer Service Bylaw No. 5601*. The landowners or development proponent having the permission from the City to discharge their septic tank wastewater to the City's system should contact a hauling company regarding the fees for haul service as this is outside the scope of the Interim Policy.

### **(3) Recent Requests**

Over the years, the City of Regina has been approached by surrounding rural and urban municipalities, organization, developers and individual land owners and residents requesting that City water, sanitary sewer, and/or stormwater services be extended beyond the City's boundaries. In recent years, the City has seen an increase in the number of requests for City services to these developments, many of which are seemingly urban-style industrial developments requiring water, wastewater and stormwater services. The City is also aware of several major residential developments outside of City limits where the developer would like to pursue City servicing, although no formal applications have been received to date.

It is in the view of the Administration that, most, if not all, of these urban-style developments outside of City limits would compete with City growth, and would put additional strain on the City's ability to provide services to support its own internal growth.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

The conservative nature of the Interim Policy may be perceived to result in lost revenue opportunities in the short-term. For example, a development that might have been approved previously may not satisfy the new interim criteria, meaning that the City will forgo the 75% surcharge it could have obtained from this development. The 75% surcharge may not be sufficient to offset the full cost of providing the capital improvements and other services, and thus could potentially result in a net loss. However, the financial impact on the City is more likely to be positive as the fees established as part of the Interim Policy would ensure to recover the City's capital and on-going costs for each service extension case approved. Even if a revenue loss actually occurs in the short-term, it is anticipated this potential loss will be outweighed by positive benefits in the long-term.

The Interim Policy and fee structure will provide a consistent approach and decision-making framework for the City to utilize while it takes the time to properly develop a planned regional approach and revenue sharing servicing model based on the long-term costs/benefits for the City.

### Environmental Implications

Intensive development in a rural municipality could result in a loss of arable land or natural habitats in the region. In addition, individual developments on the periphery of the City with large scale onsite servicing could have a negative impact to the City and the underground aquifer system if not adequately managed. There is the risk development in the RM of Sherwood will proceed with water cisterns and septic systems will become problematic for the City as it expands. The City currently provides very low cost septic haul disposal services for RM development, but the Administration will be undertaking an overall review on the City's septic hauling policy. Should the City discontinue the septic hauling service, the RM would have to build its own facility or find an alternate disposal facility willing to take septic waste. The City has become aware that the RM is planning to build a sewage lagoon to service industrial developments north of the City limits and a sewage treatment plant to service a proposed large residential area just southeast of City limits. These pose a potential concern related to stream water quality and odour control mitigations.

### Strategic Implications

The recommendations presented in this report are consistent with the Corporate Strategic Plan with respect to growth management and affordability, and the OCP community priority regarding regional cooperation. The recommendations are also strategically aligned with the Government of Saskatchewan's desire to have regional planning partnerships.

The City of Regina is under no obligation to provide services for any type or level of development that a rural municipality chooses to approve. It is preferable for a rural municipality to reconsider any intense land use scenarios which are being pursued that require servicing from the City. However, refusal to consider regional servicing may result in the development of alternative services from other providers and a reduced level of cooperation with surrounding municipalities. A strategic plan for responding to servicing requests external to City limits should consider the potential for others providing servicing to developments external to the City. Exploration of partnerships may also be prudent. As there are presently no provincial or private service providers in close proximity to the City's boundaries, it is unlikely developers can seek alternative servicing while a more comprehensive regional servicing study is being completed.

Strengthening City infrastructure and managing public assets will be achieved through effective financial management. Appropriate fee structuring enables the City to recover the costs and provide reliable water, wastewater, stormwater and roadway infrastructure for all customers, ensuring other funds remain available for other City priorities and supports the goals of Strategic Focus.

#### Accessibility Implications

There is no accessibility implications related to the recommendations.

#### COMMUNICATIONS

The draft Interim Policy and the draft Executive Committee report were sent to the Minister of Government Relations on September 14, 2012, requesting their feedback. On September 17, 2012, as part of the Memo of Understanding discussions with the RM of Sherwood's Administrator, a summary of the draft Interim Policy was shared. The Administrator indicated they understand the rationale behind the Interim Policy and the approach being proposed by the City. On September 20, 2012, the draft Interim Policy and the draft Executive Committee report were sent to the RM of Sherwood, requesting their feedback. The Regina and Regional Home Builders Association (RRHBA) was also consulted and requested for feedback at a meeting on September 20, 2012. All of the written responses received to date are Attachment 4 of this report.

A communications strategy has been developed for the ongoing regional servicing study to address potential issues and focuses on engaging key stakeholders in surrounding communities. This plan will provide recommended channels to ensure information is communicated to stakeholders in a clear and timely manner.

DELEGATED AUTHORITY

The disposition of this report requires City Council approval.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kelly Wyatt', with a stylized flourish extending from the end.

Kelly Wyatt, Director  
Construction & Compliance

A handwritten signature in blue ink, appearing to read 'Diana Hawryluk', with a stylized flourish extending from the end.

Diana Hawryluk, Director  
Planning

Respectfully submitted,

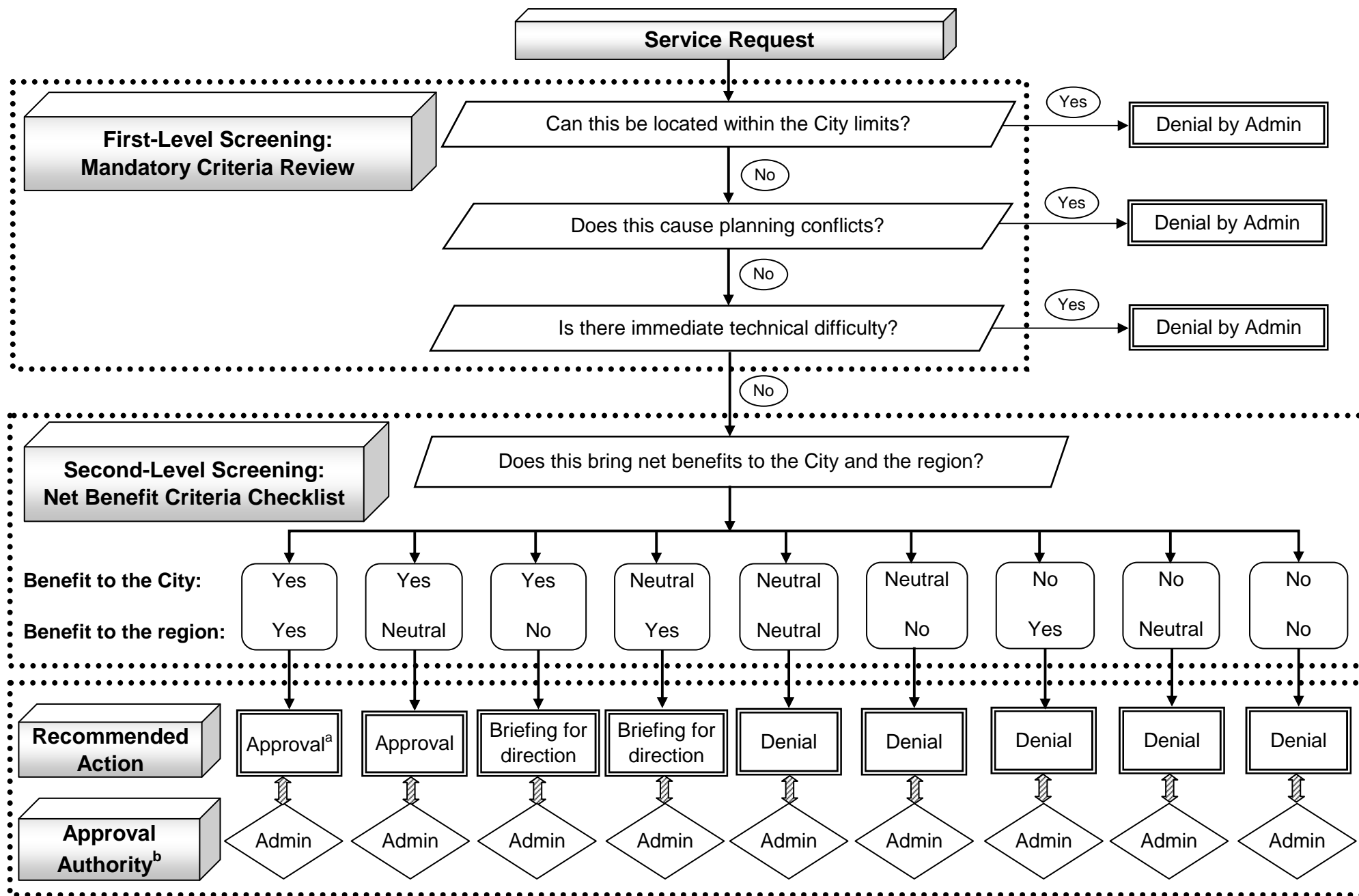
A handwritten signature in black ink, appearing to read 'Jason Carlston', with a stylized flourish extending from the end.

Jason Carlston, Deputy City Manager  
Community Planning & Development

GB/bz/cm

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# Appendix A: Extra-Municipal Servicing Request Review Decision Tree



**Notes:** a. Approval is subject to third party approvals, technical review and agreement execution;

b. Council's direction or approval may be required if necessary.

### Criteria Checklist for Evaluating the Net Benefit to the City

Considerations	Criteria	Impact					Notes
		Negative	Slightly negative	Neutral	Slightly positive	Positive	
<b>Revenue opportunity (gross income)</b>	Utility revenue opportunity						*Dollar amount
	Capital contribution						*Dollar amount
<b>Capital costs</b>	Impact on water infrastructure						
	Impact on sewer infrastructure						
	Impact on drainage infrastructure						
	Impact on roadways						
	Impact on parks & recreation facilities						
	Impact on landfill						
<b>Risk to in-town services</b>	Reliability of water service						*Flow rate *Connection location (e.g., existing or new pipeline)
	Reliability of sewer service						*Flow rate *Connection location
	Reliability of drainage service						*Prior development flow *Post development flow

<b>Impact on urban environment and quality of life</b>	Groundwater aquifer						
	Surface water within the City						
	Urban air quality and odour						
	Hazardous waste discharge/disposal						
	Noise						
	Visual nuisance (e.g., glare)						
	Safety						
<b>Others</b>							
<b>Overall Net Benefit</b>		<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral					

**Notes:**

If individuals assign different ratings to the same criterion, discuss this to arrive at a consensus. Do not average the ratings or vote for the most popular one.



### Criteria Checklist for Evaluating the Net Benefit to the Region

Considerations	Criteria	Impact					Notes
		Negative	Slightly negative	Neutral	Slightly positive	Positive	
<b>Economic development</b>	Job creation						
	Regional economic growth						
<b>Other opportunities</b>	Social opportunity						
	Recreational opportunity						
<b>Impact on the regional environment and ecosystem</b>	Groundwater						
	Surface water						
	Air quality and odour						
	Waste disposal						
	Hazardous substances						
	Loss of prime agricultural land						
	Drainage						
	Natural habitat						
<b>Others</b>							
<b>Overall Net Benefit</b>		<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> Neutral					

**Notes:** If individuals assign different ratings to the same criterion, discuss this to arrive at a consensus. Do not average the ratings or vote for the most popular one.



Policy Title:	Applies to:		Reference #
Interim Extra-Municipal Servicing Policy	All divisions		###-XXX-##
Approved by:	Dates:		Total # of Pages
City Council	Effective:	29-JUL-2013	
	Last Review:		
	Next Review:		
Authority:			
<ul style="list-style-type: none"><li>▪ The Regina Water Bylaw No. 8942</li><li>▪ The Sewer Service Bylaw No. 5601</li><li>▪ The Planning and Development Act, 2007</li></ul>			

## 1.0 Purpose

The intent of this document is to provide a consistent policy to standardize the decision-making framework and procedures for reviewing requests for the provision of water distribution, wastewater collection (or septic tank wastewater discharge), and/or stormwater collection, and related management services outside of the City limits. The policy establishes the criteria for evaluating applications, and clarifies roles and responsibilities of the various City of Regina Divisions, Departments and Branches in managing requests for these services.

This interim policy is intended to be a temporary measure that will be ultimately superseded by a long-term servicing strategy and policy in alignment with a broad regional planning approach.

## 2.0 Scope

This policy only applies to potential direct retail customers outside of City limits (e.g., private land/property owners or development proponents). Inter-governmental agreements or wholesale agreements with third party

servicing providers shall be examined outside the scope of the Interim Policy and the associated fees structure. Examination of inter-governmental or wholesale agreements shall consider the same elements and implications as evaluated within the scope of the Interim Policy.

This policy applies to the development of lands located outside of the City limits which the City's water distribution, wastewater collection (or septic tank wastewater discharge), and/or stormwater collection and related management systems are requested. As many developments external to City limits would benefit from the provision of municipal services, the policy addresses how providing these services would impact the City and the Region as a whole.

This policy:

- establishes authority to approve or deny applications for direct or indirect connection to the City water distribution, wastewater collection, and/or stormwater collection services and related management systems for developments outside of City limits; and
- provides the policy framework, or criteria, for evaluating whether or not an application would be approved or denied for providing these services outside of City limits.

### **3.0 Definitions**

***Administration:***

The employees and officials comprising the administration of the City of Regina. City Administration communicates City Council's Vision throughout the corporation. They lead employees and manage financial resources set out in the budgetary process.

***City:***

The municipal corporation of the City of Regina or the geographical area within City limits, as the context requires.

***City Limits/City Boundaries:***

The legal corporate limits/boundaries of the municipal corporation of the City of Regina; may be expanded from time to time through annexation.

***Development:***

The carrying out of any building, engineering, mining or other operations in, on or over land or the making of any material change in the uses or intensity of the use of any building or land.

***Proposed Development lands:***

Those lands (or any part thereof) outside of City limits where no previous extra-municipal servicing agreement has been entered into for the specific proposed development.

***Executive Leadership Team (ELT):***

The City Manager, Deputy City Managers, Executive Director of Governance & Strategy and Executive Director of Legal.

***Official Community Plan or OCP:***

The Regina Development Plan, Bylaw 7787, pursuant to sections 29 to 43 of The Planning and Development Act, 2007

***Outside User:***

An owner or developer of a property or land situated beyond the City boundaries that has applied for or is receiving City service(s) covered by this policy.

***Region:***

There are a number of different definitions of regions that surround Regina (e.g. eco regions, watershed, economic regions, etc.). The City of Regina does not have a defined region for planning purposes. For the sake of this policy, the region will be the City of Regina and the surrounding RM of Sherwood, since the RM of Sherwood is where most of the requests have originated, and are anticipated into the near future. It should be acknowledged that the City has received, and anticipates continuing to receive, occasional requests for servicing from other nearby municipalities, which will also be considered using the principles outlined in this Policy.

***Extra-Municipal Servicing Agreement:***

An agreement signed between the City of Regina and the Outside User for extending the City's water, domestic sewer and/or stormwater services and related management systems to a Development or Development lands located outside of City limits. Such agreements executed prior to the effective date of this policy may be titled as '*Extra-Municipal Water Supply Contract*' or '*Agreement*'.

## **4.0 Policy Statement**

### **4.0.1 Application**

A formal written application must be submitted for each request for a new extension of water distribution, wastewater collection or stormwater

collection service and related management systems provided by the City of Regina. The City shall respond, in writing, to each application indicating approval, denial or conditional approval, as the case may be.

A formal application shall consist of and be considered complete on the date the City has received all of the following:

- an application form completed and signed by the applicant(s);
- all related forms, drawings or other documents deemed necessary by the Administration for proper consideration of the application; and
- appropriate application fee.

Applications shall be directed to: Planning Department, 12th Floor of City Hall, 2476 Victoria Avenue, PO Box 1790, Regina, SK S4P 3C8.

Please refer to *Procedures for Entering into an Extra-Municipal Servicing Agreement with the City of Regina* for more details on the application, approval and post-approval processes.

#### **4.0.2 Delegated Authority**

##### **(1) Approval Authority**

The Deputy City Manager, Community Planning and Development or his/her delegate is authorized to approve or deny a request. However, if it is unclear whether or not an application can result in net benefits to the City and the region, City Council's direction or decision will be required. The approval authority is illustrated in *Appendix A - Extra-Municipal Servicing Request Review Decision Tree*.

##### **(2) Signing Authority**

The Deputy City Manager, Community Planning and Development or his/her delegate is authorized to sign the decision letter for approving or denying a formal application.

##### **(3) Administrative Authority**

The Deputy City Manager, Community Planning and Development or his/her delegate is authorized to develop and manage Administrative procedures to implement this policy.

#### **4.0.3 Evaluation Criteria**

Each application is to be considered on its own merits. Approval or denial of any application shall not bind the City to approval or denial of any other application.

A two-level decision making framework is adopted to evaluate the requests of service(s). The first level is used to screen out applications that do not meet the basic mandatory requirements of the City. These mandatory requirements are based on the following principles:

- (1) It does not cause planning conflicts – This means that the development will not result in potential land use incompatibilities with *Regina's OCP*, *Regina Zoning Bylaw No. 9250*, and *Sherwood - Regina Planning District Development Plan*;
- (2) It can only be, or is more suitable to be, located outside of City limits – This means that there is no suitable land available within the City for the development, or it must locate in rural areas due to location requirements or other special characteristics, as determined at the City's discretion; and it does not compete with development within the City; and
- (3) The City has capacity to extend the service(s) – This means that the City does not have immediate technical difficulties to service the specific connection point/development at the time of the application review.

If an application demonstrates compliance with the first-level mandatory criteria, it will then be evaluated case by case, based on the principle of net benefits to the City and the region. Two checklists will be reviewed separately to determine if the extension of service(s) will result in net benefits to the City and the region.

Applications shall be circulated to the following City branches as necessary to determine the impacts on the City:

- Long Range Planning;
- Infrastructure Planning;
- Environmental Engineering;
- Utility Billing;
- Landfill Operations;
- Water & Sewer Engineering;
- Water Operations;
- Sewer & Drainage Operations; and
- Fire Department.

Applications shall be circulated to the following City branches and external stakeholder as necessary to determine the net benefit to the region:

- Long Range Planning;
- External stakeholders (e.g., Government Relations, Saskatchewan Watershed Authority); and
- Other internal branches if required.

Determination of an application (approval, denial, conditional approval) will be made as per the results from the checklist review of the evaluation criteria, as well as any other factors the Administration may deem relevant in the particular circumstances. If there is uncertainty whether or not an application can bring about net benefits to the City and the region, City Council's direction or decision will be required.

For more details, please refer to *Appendix A - Extra-Municipal Servicing Request Review Decision Tree*, *Appendix B - Checklist for Evaluating Net Benefit to City*, and *Appendix C - Checklist for Evaluating Net Benefit to Region*.

#### **4.0.4 Existing Outside Users with an Agreement with the City**

All existing outside users with an extra-municipal servicing agreement signed prior to the effective date of this policy will not be affected. However, a new application for re-evaluation as per this policy may be required if any of the following conditions occur:

- The use of the land has been changed;
- The land has been subdivided;
- The water consumption has increased significantly above the original intended provision of service, or an alteration to the connection is required to provide a greater level of service; and/or
- The type of service requested has been changed or additional types of services are requested.

When the existing user holding an agreement with the City sells, leases, or assigns all or part of his/her/its interest in the property and/or the service(s), the buyer, lessee or assignee that obtains the interest, shall apply to the City to become a new customer. The City will enter into a new agreement with the new customer, or re-review the application if necessary when any of the above conditions occur.

#### **4.0.5 Extra-Municipal Fees and Surcharges**

The applicant is required to pay all the applicable extra-municipal servicing fees and surcharges.

For more information, refer to the *Extra-Municipal Servicing Fees and Surcharges*.

#### **4.0.6 Extra-Municipal Servicing Agreement**

Once the City accepts the servicing applications and receives the applicable fees, the City and the service proponent will proceed to the process of reaching an Extra-Municipal Servicing Agreement. The City approved plans, as well as applicable external approvals, will form the schedules in the agreement.

The Extra-Municipal Servicing Agreements shall specify the conditions associated with the extension of the City's water, domestic sewer and/or stormwater services and related management systems to the proposed development land located outside of City limits, such as each party's obligations and the approved flow rate/meter size.

The City makes no guarantee with regards to the quantity, quality, pressure or uninterrupted availability of the service(s) provided; and reserves the right to interrupt or permanently terminate the service(s).

The Extra-Municipal Servicing Agreements are to be prepared by the Planning Department with review by the Legal Department, and then executed by the Outside User for service and City Clerks.

### **5.0 Appendices**

- Appendix A - Extra-Municipal Servicing Request Review Decision Tree
- Appendix B - Criteria Checklist for Evaluating the Net Benefit to the City
- Appendix C - Criteria Checklist for Evaluating the Net Benefit to the Region

### **6.0 Supporting Documents**

- Extra-Municipal Servicing Fees and Surcharges



- Procedures for Entering into an Extra-Municipal Servicing Agreement with the City of Regina
- Extra-Municipal Servicing Application Form
- Extra-Municipal Servicing Agreement (blank template)

## **7.0 Contact**

For more information on this policy, please contact:

Infrastructure Planning Branch  
Community Planning & Development Division  
12th Floor, City Hall  
2476 Victoria Avenue  
P.O. Box 1790  
Regina, Saskatchewan  
S4P 3C8

## **8.0 Revision History**

<b>Date</b>	<b>Description of Change</b>	<b>(Re)-Approval Required (y/n)</b>
dd-mmm-yyyy	Initial Release.	Yes



City of Regina

## Operational Policy

Policy Title:	Applies to:		Reference #
Interim Extra-Municipal Servicing Fees and Surcharges	All divisions		###-XXX-##
Approved by:	Dates:		Total # of Pages
City Council	Effective:	29-JUL-2013	
	Last Review:		
	Next Review:		
<b>Authority:</b> <ul style="list-style-type: none"><li>▪ <i>The Regina Water Bylaw No. 8942</i></li><li>▪ <i>The Sewer Service Bylaw No. 5601</i></li><li>▪ <i>The Planning and Development Act, 2007</i></li></ul>			

## 1.0 Purpose

To establish a fee structure to recover the City's costs associated with providing water distribution, wastewater collection and/or stormwater collection services and related management systems to outside users beyond City limits of the City of Regina.

## 2.0 Scope

This policy only applies to potential direct retail customers outside of City limits (e.g., private land/property owners or development proponents). Inter-governmental agreements or wholesale agreements with third party servicing providers shall be examined outside the scope of the Interim Policy and the associated fees structure. Examination of inter-governmental or wholesale agreements shall consider the same elements and implications as evaluated within the scope of the Interim Policy.

### 3.0 Definitions

***Capital Costs:***

The municipality's estimated cost of providing construction, planning, engineering and legal services that are directly related to the provision, alteration, expansion and upgrade of the following services and facilities associated, directly or indirectly, with a proposed development:

- sewage, water or drainage works;
- roadways and related infrastructure;
- parks; and
- recreational facilities.

***City:***

The municipal corporation of the City of Regina or the geographical area within City limits, as the context requires.

***City Limits/City Boundaries:***

The legal corporate limits/boundaries of the municipal corporation of the City of Regina; may be expanded from time to time through annexation.

***Development:***

The carrying out of any building, engineering, mining or other operations in, on or over land or the making of any material change in the uses or intensity of the use of any building or land.

***Proposed Development lands:***

Those lands (or any part thereof) outside of City limits where no previous extra-municipal servicing agreement has been entered into for the specific proposed development and, in the City's opinion, the City will incur additional capital costs as a result of the proposed development.

***Outside User:***

An owner or developer of a property or land situated beyond the City boundaries, that are dependent on City service(s).

***Extra-Municipal Servicing Agreement:***

An agreement signed between the City and the proponent for extending the City's water, domestic sewer and/or stormwater services to a Development or Development lands located outside of City limits. Such agreements executed prior to the effective date of this policy may be titled as 'Extra Municipal Water Supply Contract' or 'Agreement'.

***Servicing Agreement Fees and Development Levies (SAF):***

Charges or levies adopted by Council from time to time pursuant to *The Planning and Development Act, 2007* for the purpose of recovering all or a part of the capital costs incurred by the City as a result of a proposed

development, as described in the *Administration of Servicing Agreement Fees and Development Levies Policy*.

**SAF Rate:**

The fees adopted by Council pursuant to section 172(3)(b) of *The Planning and Development Act, 2007* per hectare of a new development.

## **4.0 Fee Structure**

The extra-municipal servicing fee structure comprised of various components set up to result in approximately net neutral cost for reviewing, processing and ultimately approving a service connection, against current and future capital and operational costs incurred by the City. The customer should pay the following fees to the City for application evaluation and extra-municipal service provision:

### **4.0.1 Application Review Fee**

The application review fee applies to all formal applications for the planning and technical review of servicing properties outside of City limits. The fee is not refundable, no matter what the decision is. The application review fee rate is \$3,000 per application. This fee will only be charged once when there is more than one type of service requested for a development. It has been calculated to recover the City's staffing and material costs associated with the application review process.

### **4.0.2 Administration Fee**

This fee only applies to the approved requests. It is used to recover the City's staffing and material costs associated with preparing and executing an extra-municipal servicing agreement, subsequent and conditional to an approval. The administration fee rate is \$6,500 per application. It has been calculated to recover the City's costs incurred for activities such as agreement preparation, design review, legal review, agreement execution, and inspection and management of agreement obligations prescribed upon the proponent and the City.

### **4.0.3 One-time Connection Fee**

This fee applies to the approved proponents only. The proposed one-time connection fee is equivalent to the fee placed on development within City limits through Servicing Agreement Fees and Development

Levies (SAF). Similar to SAF, it is intended to recover the City's growth related capital costs for the utilities, roads, and parks and recreational facilities. The connection fee recognizes that the extension of services beyond City limits would result in a reduction of capacity available to internal developments, and would impact the City's road network, parks and recreational facilities. It also ensures that development beyond City limits does not place a disadvantage upon development within City limits.

The connection fee (dollars per hectare multiplied by the area of the proponent's development) for any given development shall be equivalent to the sum of: the applicable portion of the Utility SAF rate (water, sewer, and/or stormwater portions as applicable), the entire Roadways SAF rate, and the entire Parks and Recreation SAF rate, as is in effect at the time the application is approved.

A reduction to the one-time connection fee may be applied based on a reduced development area. The reduction may be approved at the discretion of the General Manager of Community Planning or delegate in situations where the development area approved to receive service(s) is deemed to be a smaller portion of the total land area owned by the proponent and in consideration of a similar development within City Limits as a result of a lower intensity of development resulting in a smaller serviced area.

#### **4.0.4 Ongoing Usage Rates**

##### a) Water and sewer

For premises located outside of City limits that are connected with the City's water and/or sewer system will be charged the regular rates plus the applicable surcharge(s).

The regular rate will be equivalent to the regular rate set out for customers within the City (i.e, daily base charge and consumption charge).

The usage surcharge is used to recover the additional operational and maintenance costs associated with the provision of services outside of City limits. These additional costs include activities such as longer trips made to capture meter readings outside of City limits, and inspections and repairs made outside the normal City processes.

The surcharge for the provision of water and/or sewer service to users outside of City limits is equivalent to 75% of the daily base charge plus the consumption charge.

As for the sewer consumption amount, the calculation method used for accounts within City limits will also be adopted to the users located outside of City limits.

For cases where a sewer connection exists without a connection to the City's water system, a City or City approved metre is required to be installed on the user's water line. For billing purposes, this monthly readings will be used as the amount of discharged wastewater.

b) Stormwater

The regular Drainage Infrastructure Levy Rates set out for customers within the City, plus a surcharge of 75%, will be billed monthly to the outside user of the City's stormwater service.

**4.0.5 Direct connection costs**

The development proponent or ultimate user of the service is responsible for all costs and liability arising from the third-party approvals, easements, engineering services, construction, operation and maintenance associated with the connection to the City's system.

**4.0.6 Service fees**

Any service fees and charges that are applicable to the users within City limits pursuant to *The Regina Water Bylaw No. 8942* and *The Sewer Service Bylaw No. 5601* are also applicable to the users outside of City limits.

**4.0.7 Payment of Fees**

The Application Fee shall be submitted along with the formal application, by the proponent.

The Administration Fee is due immediately upon approval, prior to the creation and execution of an extra-municipal servicing agreement.

Payment for the Connection Fees is required in full prior to the execution of the extra-municipal servicing agreement.

The payment of usage rates and service fees is pursuant to *The Regina Water Bylaw No. 8942* and *The Sewer Service Bylaw No. 5601*.

## **5.0 Fees for Septic Tank Wastewater Discharge**

For the provision of septic tank wastewater discharge service, an Application Review Fee (\$1,600 per application) will apply to the service proponent for recovering the City's costs on application screening. If a serviced connection is also requested for the same existing or proposed new development, only the greater value of the Application Review Fee (i.e., \$3,000) would apply.

Moreover, the City will directly charge the haulers holding a permit from the City. An annual fee based on the carrying capacity of the hauling vehicle will be applied pursuant to Schedule "A" of *The Sewer Service Bylaw No. 5601*. The landowners or development proponent having the permission from the City to discharge their septic tank wastewater to the City's system should contact a hauling company regarding the fees for haul service as this is outside the scope of the Interim Policy.

## **6.0 Related Reference Material**

- Interim Extra-Municipal Servicing Policy
- Administration of Servicing Agreement Fees and Development Levies Policy

## **7.0 Contact**

For more information on this policy, please contact:

Infrastructure Planning Branch  
Community Planning & Development Division  
12th Floor, City Hall  
2476 Victoria Avenue  
P.O. Box 1790  
Regina, Saskatchewan  
S4P 3C8

## 8.0 Revision History

Date	Description of Change	(Re)-Approval Required (y/n)
dd-mmm-yyyy	Initial Release.	Y





## **Current Policy and Process for Reviewing Requests of Services Outside of City Limits**

**Project Name:** Interim Inter-municipal Servicing Request Policy and Procedures

**Date:** August 29, 2012

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### **PURPOSE**

This document summarizes the current method used by the City of Regina (City) to evaluate servicing requests outside of City limits. Such a background review serves as a starting point of the Interim Inter-municipal Servicing Policy and Procedures Project.

Interim procedures, decision-making framework/criteria, and fee structure will be developed in the next step to standardize approval process for developments beyond City limits and to ensure net benefits to the City.

The interim policies and procedures will then be evaluated and revised when a comprehensive Regional Servicing Study is completed and some form of coordinated regional planning framework becomes available to protect the interests of the City and the region now and into the future.

### **EXISTING CITY BYLAWS AND POLICIES**

- *The Regina Water Bylaw No. 8942* (including amendments to December 19, 2011)
- *The Sewer Service Bylaw No. 5601* (including amendments to October 18, 2010)
- *Policy Regarding Water Connections Outside City Limits, 1991* (City Clerk Box No. 13240; L498993)

### **AGREEMENTS**

The City requires that all customers outside of City limits enter into a standard agreement for water and/or sewer service (i.e. referred to as an *Extra Municipal Water Supply Contract* or

*Service Agreement*). Each agreement is reviewed by the City Solicitor and executed by the Deputy City Manager, City Operations or City Clerk.

The City makes no guarantee with regards to the quantity, quality, pressure or uninterrupted availability of the water supplied; is not liable for any direct, indirect or consequential damages; and reserves the right to interrupt or permanently terminate service.

The customer agrees to abide by the terms for premises located outside of City limits pursuant to *The Regina Water Bylaw* and *The Sewer Service Bylaw*; acknowledges that the volume and pressure of the water supplied will not support a fire protection system or a fire hydrant; and also assumes the applicable surcharge, and all costs and liability arising from the third-party approvals, easements, engineering services, construction, operation and maintenance of their service connection.

The City currently has two agreements for directly servicing the Rural Municipality of Sherwood No. 159: one for providing water collectively to the Sherwood Industrial Park; and one for fire services. A previous agreement for recreation services has since been terminated at the request of the RM. The key facts of the two active agreements are summarized as follows:

(1) Extra-Municipal Water Supply Agreement

Signing date: December 22, 2010;

Effective date: January 1, 2011;

Expiry date: continue in full force and effect from year to year, subject to termination;

Continuity of supply: (i) the City will use its best efforts to ensure, but does not guarantee, continuity of supply; (ii) the City may interrupt the water supply if there is a water shortage or high demand on the Water System in the City's opinion; and (iii) the City may permanently stop the Water Supply if continuing it creates operational concerns for the City;

Termination: by either party by written notice of termination delivered to the other party, effective not less than six months from the date of notice; OR by the City, effective immediately if (i) any third party gains any interest in or use of the Water Line; or (ii) the customer attempts to assign this Agreement without the City's prior written consent;

Failure to pay: interest shall accrue; after 30 additional days the City shall have the option of suspending the supply of Water and/or terminating this Agreement, provided that 30 days' notice of its intention is provided.

(2) Fire Services Agreement

Signing date: March 5, 2002;

Response to alarms: The Regina Fire Department may respond to Alarms, but reserves the sole direction in deciding to respond;

### ATTACHMENT 3 – Current Policy and Process

Payment: Annual Fee of \$115,000 per year as well as a payment schedule per each Alarm;

Failure to pay: In the event the RM refuses or neglects to remit any payment required within this Agreement, the City may terminate by notice in writing, to be delivered not less than 90 days prior to the effective date of such termination;

Termination: (a) by the City, by notice in writing, not less than one year prior to the effective date of such termination which shall be expressly stated in the notice; or (b) by the RM, by notice in writing to be delivered not less than 90 days prior to the effective date of such termination.

In addition to the above two agreement directly signed with the RM, the City also has 84 active water supply agreements/contracts with individual third party customers in the RM. The service is provided by the City primarily because the RM is not equipped to do so as the RM does not have a comprehensive servicing strategy, thus relying on developers to negotiate servicing with the City directly. As such, the City does currently have some degree of control over land-use in that it can influence development by approving or refusing servicing requests depending on compatibility with the City's development plans.

As for sanitary sewer service, the City has an agreement with Brandt Industrial Ltd. for a connection to our sewage works. However, the City has been accepting a significant amount of hauled liquid waste from the RM. It was roughly estimated that 85% or more of haul to the City's bulk sanitary disposal facility is from the RM. This disposal facility needs to be replaced, and is a financial and operational risk to the City. Currently, the City only charges the haulers a nominal annual fee to dump into our sewage works. If the City was to discontinue this service, the RM would have to build their own facility or find an alternate disposal facility willing to take their waste. The City became aware that the RM is planning to build a sewage Lagoon to service the north industrial developments. The wastewater will be collected by a contained gravity system and then pumped to the lagoon.

The City currently has no stormwater service agreement with customers outside of City limits, but received a few inquires from the developers about draining the stormwater on their developments into our works.

The City has no formal agreements in place with the RM of Sherwood (nor any other rural municipality) to address tax revenue sharing, recreational capital funding compensation models, larger regional servicing partnerships or growth management strategies. In the absence of tax revenue sharing or capital funding compensation, an imbalance exists with the City of Regina residents and businesses paying for the indirect additional capital, operating and maintenance costs for non-residents and outside businesses, such as the costs arising from the expansion of capacity and the acceleration of capital improvement/revitalization projects at the water treatment plant, wastewater treatment plant and major roads. If the users outside of City limits do not contribute to recover the costs resulting from their impacts on the City's infrastructure, these costs would have to be collected from residents and business within the City through increased mill rates, utility rates and development fees.

## **AUTHORITY**

The Deputy City Manager, City Operations executed most of the servicing agreements due to the signing authority pursuant to *The Regina Administration Bylaw*, Schedule E, clause 4(b). Complex cases, such as the water supply contract signed with the RM for collectively providing water to Sherwood Industrial Park, required approvals by City Council. A rejection of the application is considered final, and there is no formal appeal mechanism.

## **EVALUATION CRITERIA**

Currently, consideration of servicing requests outside of City limits is based primarily on the City's current capacity to provide services along with land-use considerations such as compliance with the City's *Official Community Plan* or the *Sherwood-Regina District Development Plan*.

Due to the absence of a comprehensive servicing analysis and regional growth framework, internal decisions have to be made on an ad hoc basis without the larger long-term picture available for consideration. There has been a lack of criteria and tools for staff to determine the full implications of these servicing requests. There is currently no comprehensive, consistent and coordinated internal decision-making framework for assessing and responding to the requests based on an evaluation of short-term and long-term servicing capacity and an assessment of the impacts on other aspects of city infrastructure and assets, such as roadway maintenance and improvements, fire services, recreational facilities and future growth scenarios.

## **ROLES & RESPONSIBILITIES**

The departments/individuals involved in the approval process and their specific roles and responsibilities may vary depending on the complexity and the context of the application. For most of the cases, City Operations, Water and Sewer Services Department intakes the application, reviews the application and design, circulates to other departments when necessary (e.g., Community Planning and Development Division, Construction and Compliance Department), makes recommendations to Deputy City Manager, prepares and forwards the service agreement, and sends out the approval letters to the applicant.

For a less complex case, such as a request to service a single farm residence or small business outside of City limits, the roles and responsibilities are presented in the table below.

<b>Department/Individual</b>	<b>Typical responsibilities</b>
Deputy City Manager	<ul style="list-style-type: none"><li>▪ Execute the agreement</li></ul>
Water and Sewer Services Department, City Operations Division	<ul style="list-style-type: none"><li>▪ Request formal application and information from the applicant</li><li>▪ Review the application for technical feasibility including circulation to other</li></ul>

### ATTACHMENT 3 – Current Policy and Process

	<p>City departments when necessary</p> <ul style="list-style-type: none"> <li>▪ Approve or deny the request</li> <li>▪ Recommend Deputy City Manager, City Operations entering into a service agreement if the request is approved</li> <li>▪ Prepare and forward the service agreement</li> <li>▪ Complete and forward Part B of Information Form</li> <li>▪ Send formal Approval to Proceed along with the executed service agreement</li> <li>▪ Review and approve the design in principle</li> <li>▪ Send formal Approval to Construct</li> <li>▪ Supervise and inspect the construction</li> <li>▪ Obtain and forward as-built drawings to Construction and Compliance Department for records</li> </ul>
Construction and Compliance Department, Community Planning and Development Division	<ul style="list-style-type: none"> <li>▪ Input as-built information into records</li> </ul>
Utility Billing	<ul style="list-style-type: none"> <li>▪ Open an account for the applicant</li> <li>▪ Billing</li> </ul>
Office of the City Solicitor	<ul style="list-style-type: none"> <li>▪ Provide legal service in the preparation of the service agreement</li> </ul>
Other departments	<ul style="list-style-type: none"> <li>▪ Provide comments and services when called upon</li> </ul>

For a more complex case, such as a request for servicing a large-scale industrial development outside of City limits, the typical roles and responsibilities are shown below.

<b>Department/Individual</b>	<b>Typical responsibilities</b>
Council or Deputy City Manager	<ul style="list-style-type: none"> <li>▪ Approve or deny the request</li> </ul>
City Clerk or Deputy City Manager	<ul style="list-style-type: none"> <li>▪ Execute the agreement</li> </ul>
Water and Sewer Services Department, City	<ul style="list-style-type: none"> <li>▪ Request formal application and</li> </ul>

### ATTACHMENT 3 – Current Policy and Process

Operations Division	<ul style="list-style-type: none"><li>information from the applicant</li><li>▪ Review the application for technical feasibility including circulation to other City departments</li><li>▪ Prepare and forward the service agreement</li><li>▪ Complete and forward Part B of Information Form</li><li>▪ Send formal Approval to Proceed along with the executed service agreement</li><li>▪ Send formal Approval to Construct</li><li>▪ Supervise and inspect the construction</li></ul>
Construction and Compliance Department, Community Planning and Development Division	<ul style="list-style-type: none"><li>▪ Review and approve the design in principle</li><li>▪ Get and input as-built drawings as records</li></ul>
Utility Billing	<ul style="list-style-type: none"><li>▪ Open an account for the applicant</li><li>▪ Billing</li></ul>
Office of the City Solicitor	<ul style="list-style-type: none"><li>▪ Provide legal service in the preparation of the service agreement</li></ul>
Other departments	<ul style="list-style-type: none"><li>▪ Provide comments and services when called upon</li></ul>

## **PROCEDURES**

The table below provides the typical process to enter into an *Extra Municipal Water Supply Contract* with the City of Regina:

<b>Step</b>	<b>Who</b>	<b>Activity</b>
1	Applicant	➤ Inquire about water and/or sewer connection to the City
2	Receiving department	➤ Forward the request to City operations, Water and Sewer Services Department
3	City Operations, Water and Sewer	➤ Send an information package to the applicant, which includes:

### ATTACHMENT 3 – Current Policy and Process

	Services Department	<ul style="list-style-type: none"> <li>▪ an information/data form (to be filled out);</li> <li>▪ a copy of the standard service agreement;</li> <li>▪ a standard drawing or detail; and</li> <li>▪ a request for formal (written) application for service by the applicant</li> </ul>
4	Applicant	➤ Completes Part A of the information form and returns it along with a formal application to City Operations, Water and Sewer Engineering
5	City Operations, Water and Sewer Services Department	<ul style="list-style-type: none"> <li>➤ Review the application for technical feasibility including circulation to other City Departments for review and comments</li> <li>➤ Request additional information from the applicant if necessary</li> <li>➤ Forward a memo to the Deputy City Manager, City Operations to recommend entering into a service agreement if the City approves the application</li> <li>➤ Notify the applicant of the decision</li> </ul>
6	City Operations, Water and Sewer Services Department & Office of the City Solicitor	➤ Prepare the service agreement
7	City Operations, Water and Sewer Services Department	<ul style="list-style-type: none"> <li>➤ Forward the service agreement to the applicant to sign</li> <li>➤ Return information form with Part B completed</li> </ul>
8	Applicant	<ul style="list-style-type: none"> <li>➤ Obtain all necessary approvals and easements</li> <li>➤ Return the signed (executed) agreement to the City along with copies of approvals from: <ul style="list-style-type: none"> <li>▪ Saskatchewan Ministry of Environment (Permit to Construct, Extend or Alter Existing Works);</li> <li>▪ the Rural Municipality (development permit and/or building permit); and</li> <li>▪ any other regulatory agency which may have jurisdiction.</li> </ul> </li> </ul>
9	Deputy City Manager,	➤ Execute the agreement

### ATTACHMENT 3 – Current Policy and Process

	City Operations	
10	City Operations, Water and Sewer Services Department	➤ Forward final Approval to Proceed along with the executed service agreement
11	Applicant	<ul style="list-style-type: none"> <li>➤ Submit design plan of proposed installation for approval</li> <li>➤ Submit Part C of the information form completed by the applicant's engineer/contractor</li> </ul>
12	City Operations, Water and Sewer Services Department	<ul style="list-style-type: none"> <li>➤ Approve the design in principle</li> <li>➤ Send formal Approval to Construct to the applicant in writing</li> </ul>
13	Applicant	<ul style="list-style-type: none"> <li>➤ Provide 48 hours (2 working days) notice to Water and Sewer Services Department of any proposed work requiring the supervision and/or participation of the City that is: <ul style="list-style-type: none"> <li>▪ excavation of the supply main and hot tapping by the applicant's contractor; and</li> <li>▪ installation of the water meter and final inspection by the City</li> </ul> </li> </ul>
14	Applicant	<ul style="list-style-type: none"> <li>➤ Notify the City upon completion of construction (The City reserves the right to conduct a final inspection of any or all of the construction)</li> </ul>
15	Utility Billing	➤ Open an account for the applicant and billing commences
16	Applicant	➤ Submit as-built drawing to City Operations, Water and Sewer Services Department within 30 days of completion or at the time of connection. The as-built will include a plan of the location with all dimensions to property lines, and a detail of the plumbing connections
17	City Operations, Water and Sewer Services Department	➤ Forward the as-built drawings to Construction and Compliance Department for input into records



## **FEE STRUCTURE**

As conditions of providing water and/or sewer services to customers outside of City limits, all costs of construction and connection are to be borne by the customer. The customer is required to construct a water meter vault at the point of connection. The customer is also responsible for all operational aspects and maintenance of the service line.

According to subsection 8(5) of *The Regina Water Bylaw No. 8942*, for premises connected with the water system but located outside of City limits, the regular rates set out for customers within the City plus a surcharge as determined by the City shall apply.

According to subsections 12(1) and 12(2) of *The Sewer Service Bylaw No. 5601*, persons residing outside of City limits may apply to the City for a connection to City's sewer system or for permission to discharge by other means to the City's sewer system, and the person shall pay a sewer service charge at such rates as may be determined by Council.

Historically, the provision of water and sewer service to users outside of City limits have been provided for a nominal connection fee and a 75% surcharge for the services they are receiving. However, it appears that these surcharge rates are based on anything scientific. An extensive search of City records has been unable to locate any documents justifying the surcharges. The 75% water surcharge was documented in the *Policy Regarding Water Connections Outside City Limits*, 1991, but the surcharge rate for sewer service could not be found in any document.

It is unknown at this time whether or not the surcharges would offset the full cost of providing capital improvements or other services such as transportation, fire protection or recreation. For instance, it is estimated that up to 15% of Regina workers commute from outside of City limits, but we have no way to recover the costs of their impact on our road network system.

As indicated in the *2012 Proposed Water and Sewer Utility Budget*, the City currently services 85 water customers (including a collective one for Sherwood Industrial Park) and 38 wastewater customers outside of City limits. For the years 2010 and 2011, the average water consumption rate by customers beyond the City boundary is 1.35 million m<sup>3</sup> per year, accounting for 6.52% of the total volume consumed. This results in \$2.9 million of annual revenue averagely, which makes up less than 7.33% of the total water revenue.

As for hauled liquid waste, as set out in section 26 of *The Sewer Service Bylaw No. 5601*, no person shall discharge septic tank wastewater into the sewer system without a permit from the City and paying an annual fee. The annual fee is based on the carrying capacity of the vehicle. Currently, monthly charge per .455 cubic metres of vehicle capacity for acceptance of septic tank wastewater into the City's sewer system is \$2.00 as set out in the Bylaw, which appears very low considering the operational, financial, and environmental risks imposed upon the City.

## **SURVEY OF POLICIES OF OTHER URBAN MUNICIPALITIES**

### **(1) Policy Research in May, 2012**

Given the intensity and nature of servicing requests received by the City in recent months as well as the dissolution of the District Planning Commission, the schedule of the interim regional servicing strategy project is tight in order to protect the interests of the City/region and respond to the applicants awaiting decision in a timely manner. This does not allow time for an extensive study on the policies and practices of other urban municipalities regarding extension of water and/or sewer services beyond the city boundaries. A more comprehensive research looking into the policies and practices of other cities, more importantly the rationale behind them, should be included as an important component of the background report of the Regional Servicing Study in the next phase. The interim policy and procedures developed in this phase can then be re-examined with the considerations of the City's situations as well as the feasibility of applying other cities' successful practices in the City of Regina.

Nevertheless, an initial research into this topic has still been conducted to get a general idea about the current practices in other municipalities. Inquiries were sent to comparable urban municipalities such as Saskatoon, Calgary, Edmonton, Winnipeg, Red Deer, and Leduc. As of the completion of this report, limited feedbacks have been sent back in response to our inquiries.

Actually, cities such as Edmonton and Winnipeg have substantial long-term land supply within the boundaries, so the unplanned development in the fringe areas is not a major concern. The following introduces the current policies and practices of Saskatoon and Calgary acquired from the recent research.

#### **Saskatoon**

- Water
  - The City of Saskatoon supplies SaskWater potable drinking water at 8 supply points around the perimeter of the city. SaskWater then re-distributes this water to the surrounding communities, water co-ops & companies, industries, and individuals (approx 28,000 people).
  - Most supply points are connected to primary water mains (>400mm) and all new locations are required to be at primaries.
  - Any new supply points are approved by City Council.
  - The master supply agreement with SaskWater was signed nearly 30 years ago.
  - The agreement was approved by City Council as are all amendments.
  - The master agreement specifies the maximum flow rate available at any one location.
  - Any increases in the maximum flow require approval of City Council.
  - SaskWater is charged 30% or more than the water rate City charges customers within the City.
  - Off-site (development) levies are charged at each location based on the equivalent frontage of low density residential.

- If the City's system is not capable of supplying the amount, SaskWater will be further required to pay for capital upgrades.
- Sanitary sewer
  - Sanitary sewer services is not provided to properties outside of City limits.
- Stormwater
  - Any pre-development flows that pass through the City on the way to the river are accommodated in the City's system.
  - In at least one instance, an agreement was signed with a developer and the RM to guarantee that a certain capacity would be available. In this case the developer was subject to off-site levies.

**Calgary:**

- Supports the extension of City's water and/or sanitary sewer lines to existing incorporated urban centres contained in the Calgary Regional Plan and urbanization strategy;
- Does not support the extension of water or sanitary sewer lines to service rural residential uses;
- Does not support the extension of City water or sanitary sewer lines to rural non-residential uses, as a general principle. Possible exceptions are uses which must locate in rural areas due to locational requirements or other special characteristics, but they still need to be located near the city. If they are beyond the city's growth corridors, they may be considered for a service extension depending on the scale, location and the specific use;
- Requires Council's approval/endorsement in instances where the request conforms to the policy or one of the exceptions may be considered to apply; and
- Rejects the requests via the Administration in writing when the requests do not meet the policy.

**(2) Fee Research in September, 2012**

Additional research was undertaken for the extra-municipal servicing fees in other municipalities and the context of those fees. Major Western Canadian cities surrounding the City of Regina, including the Cities of Saskatoon, Winnipeg, Calgary, Edmonton and Red Deer, were the focus of this research. The survey was undertaken through email correspondence, phone conversations and document review. Highlights of the research findings are provided as follows:

- Governance and customers
  - The investigated cities primarily deal with wholesale large volume customers that will then re-sell the service(s) to the end users. These cities' direct customers are utility companies partnered with or owned by the city, service commissions providing services to a number of municipalities through regional co-operation, or neighboring municipalities that have a master servicing agreement with the city. The investigated cities manage very few individual applications as compared to what the City of Regina manages.

- Water and sewer rates
  - Saskatoon is applying a 30% surcharge added to the commercial water rate for inside customers. Saskatoon is reviewing this as the volumetric charge to external users ends up to be close to what is charged to residential customers inside city limits.
  - Winnipeg charges the standard in-City rates to the regional customers, specifically 100% of the block 1 water rate (the highest rate among the three blocks) and/ or 100% of the sewer rate.
  - Calgary, Edmonton and Red Deer are charging regional customers lower rates than in-city customers, as the provincial regulator only allows the cities to charge the exact portions of services (i.e., treatment and supply in the case of water service, and treatment and disposal in the case of wastewater service) provided by a city to its regional customers.
- Capital cost recovery for utility services
  - Saskatoon charges a one-time pre-paid levy based on the maximum permitted flow rate at each connection point around the city boundary.
    - The levy for a connection point is calculated by multiplying the equivalent front metres for a low density residential property with the pre-paid rate per front metre. The equivalent frontage is obtained by multiplying the equivalent number of single family homes (i.e., divide the maximum permitted flow rate with the average household peak demand) with the average width of a residential lot.
    - If SaskWater would like to increase the maximum permitted flow rate at an existing connection point, the levy calculation would be based on the increased amount. Please see the attachment for examples.
  - Winnipeg applies an on-time up front utilities buy-in charge based on the meter size to both existing and new development. The municipal customer would be required to provide property information including the meter size.
  - Calgary is considering charging the regional customers respective utility levies incurred by inside developers. Such levies would only be applied to new development.
  - Edmonton and Red Deer embed additional capital costs arising from service extensions within their rates established for varied customers through the AWWA (American Water Works Association) cost of service methodology. There is thus no one-time levy charged for connection.
- Capital cost recovery for other aspects of infrastructure
  - Saskatoon, Edmonton, Red Deer and Calgary do not charge levies or fees to recoup the impacts of outside growth on the city's other aspects of infrastructure, such as roadways, parks and recreation facilities.
  - Winnipeg requires revenue/tax sharing with the regional municipal customers, which consists of a one-time up front charge (for new development) and on-going annual participation fee (for both existing and new development serviced by the city). The shared revenue would be allocated to the City of Winnipeg regional roads capital budget.

- Overhead costs
  - As Saskatoon signed a master agreement with its only customer (i.e., SaskWater) about 30 years ago, there is no need to establish a fee structure to recoup the overhead costs for reviewing individual applications or processing agreements.
  - Calgary, Winnipeg and Red Deer include the overhead costs associated with service extensions in their rates or capital recovery fees.
  - Edmonton charges a very minor fee to new customers applying to become a part of the regional system.

The fee structures of the investigated cities were established within a regional coordinated planning/servicing framework and/or a revenue sharing model which is currently lacking at the City of Regina. Also, the bulk sales of those cities are different from the retail practices of Regina. Therefore, these cities' fees which are independent of the resale rates set by the wholesale customers are not directly comparable to Regina's fees which were proposed as the final rates to the end users in the absence of a broad regional planning framework.

The policies and practices in other jurisdictions will have significant implications on the long-term regional servicing strategy to be developed in alignment with a broad regional planning approach. The results obtained in this research provide ideas on where the long-term regional servicing strategy could possibly head into. Further research and exploration of options should be included within the scope of the *Regina and Region Water and Wastewater Study*.

Compared to its impacts on the long-term servicing strategy, this research has much less implications on the interim fee structure under development which will serve as a temporary measure to protect the City's interests before a regional planning framework becomes available and the actual costs arising from service extensions are known. The interim fee structure should be proposed based on logic, calculation and current tools.

### **(3) Research in 1999**

It was also found from an extensive search of the City's records that similar research was done by the City Administration in 1999. Most cities offered some level of service beyond city limits at that time, and the type of service offered by each city was dictated by the nature of that city's water system.

Saskatoon, Calgary and Edmonton each had their sources of supply within city limits. They preferred to deal only with large wholesale customers outside of City limits.

Regina and Moose Jaw obtained the water supply from sources far beyond City limits, and therefore it was not hard to supply either individual or wholesale water users from the large water supply pipelines. The City of Winnipeg also had a water source far beyond City limits, but did not offer any services beyond their urban limit.

The Cities of Regina, Moose Jaw and Prince Albert offered comparable levels of service to rural users and charged a comparable surcharge. The Cities of Calgary and Edmonton dealt only with large wholesale users and did not charge a surcharge, although the wholesaler added

### ATTACHMENT 3 – Current Policy and Process

operating and administrative charges to the final cost of the water. The City of Saskatoon charged a 30% surcharge on bulk sales, which was seen to be a development deterrent.

In all cases, the approvals for new connections involved respective city councils. In the cases of Saskatoon, Calgary and Edmonton, there was a desire to control development outside of City limits for reasons of growth management and environmental impact. For the smaller centers investigated, development control was not considered a governing criterion.

The following table and paragraphs provide a summary of the research results conducted in 1999:

	Regina	Saskatoon	Moose Jaw	Prince Albert	Winnipeg	Calgary	Edmonton
Policy in Place	No	Yes	Yes	No	Yes	Yes	No
Rural Connections Permitted	Yes	Yes	Yes	Yes	No	Yes	Yes
Rural Residential	Yes	No	Yes	Yes	No	No	No
Rural Non-Residential	Yes	No	Yes	Yes	No	Yes	Yes
Wholesale	No	Yes	No	No	No	Yes	Yes
Approval by Council	Yes	Yes	Yes	Yes	N/A	Yes	Yes
Surcharge	Yes	Yes	Yes	Yes	N/A	No	No
Surcharge Level	75%	30%	75%	50%	N/A	0	0

**Jen Tan - RE: Extra-Municipal Servicing**

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**From:** "Braitman, Barry MA" <Barry.Braitman@gov.sk.ca>  
**To:** "Jill Beck" <JIBECK@regina.ca>  
**Date:** 10/17/2012 11:06 AM  
**Subject:** RE: Extra-Municipal Servicing  
**CC:** "Leibel, Ralph MA" <Ralph.Leibel@gov.sk.ca>, "Diana Hawryluk" <DHAWRYLU@regina.ca>, "Michael Cotcher" <MCOTCHER@regina.ca>, "Jason Carlston" <JCARLSTO@regina.ca>

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Ralph is on the road this week and asked me to respond.

We do not have any comments about the content of the interim policy, and understand that you will have an engagement process with the other potential regional partners as the long term strategy is developed.

We wish to acknowledge and express our support for your initiative to consider servicing on a regional basis. As you may be aware, the Government of Saskatchewan has released the Saskatchewan Plan for Growth – Vision 2020 and Beyond. It recognizes the importance of municipal infrastructure to sustain Saskatchewan's growth, including:

"increase planning initiatives at the provincial, regional and municipal levels to ensure infrastructure investments are co-ordinated and aligned with future population growth and private-sector economic growth...The Government of Saskatchewan will support municipal and regional planning efforts to address economic growth opportunities and challenges with a focus on a regional approach to planning around our larger centres. "

Your approach speaks clearly to the principles, goals and actions of the Saskatchewan Growth Plan.

**Barry Braitman, PPS MCIP**

Director, Community Planning  
Ministry of Government Relations  
(306) 787-2893  
barry.braitman@gov.sk.ca

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**From:** Jill Beck [mailto:JIBECK@regina.ca]  
**Sent:** Wednesday, October 17, 2012 07:53 AM  
**To:** Leibel, Ralph MA  
**Cc:** Diana Hawryluk <DHAWRYLU@regina.ca>; Jason Carlston <JCARLSTO@regina.ca>; Michael Cotcher <MCOTCHER@regina.ca>  
**Subject:** Extra-Municipal Servicing

Good Morning Ralph,

I am following up on our letter dated September 14, 2012 regarding the above draft Interim Extra-Municipal Servicing Policy. Please advise if you have any written comments to provide on this draft policy as it will be

going before Council on November 19th.

Regards,

**Jill M Beck**  
Manager, Long Range Planning

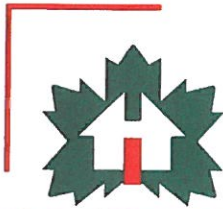
Planning Department  
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November 20, 2012

Jason Carlston  
Deputy City Manager  
City of Regina

Cc: Diana Hawryluk – Director, Planning  
Kelly Wyatt – Director, Construction & Compliance

Subject: Interim Extra-Municipal Servicing Policy and Fee Structure

Dear Jason;

The Regina & Region Home Builders' Association wishes to provide comments back to the City of Regina on the future of Extra-Municipal Servicing for developments outside the city limits.

We support the City of Regina's *Interim Extra-Municipal Servicing Policy and Structure Fee*. It is important that the City of Regina is fair in its approach to providing services to its citizens and the businesses developments that support the City of Regina tax base. We would consider the situation completely unfair if the City of Regina provided services to business developments outside the city of Regina at a reduced rate compared to the cost of services charged to developments within the city limits. This may appear on the surface to be a commercial or industrial development matter, but since the future Greenfield communities developed in Regina will be a mix of residential and commercial to create more complete neighbourhoods, we feel our voice in this issue is important. We want to ensure how the City of Regina resolves this issue does not have the consequence of eroding housing affordability even further because development inside the Regina city limits is subsidizing development outside of the city limit.

We also want to point out that we feel the root of this item is the current gap in policy and action to annex the appropriate level of developable land by the City of Regina to support the growth needs of today and into the future. The fact that the City of Regina has been slow to complete the Official Community Plan and the sector plans that will be imbedded in the OCP only exacerbates the problem.

In addition, we must make clear that services provided to the Rural Municipality of Sherwood that occur in a hap hazard manner when the City of Regina provides services in the first place, falls short of good planning principles and has significant unintended consequences that are extremely difficult to untangle in the future.

We believe what the *Interim Extra-Municipal Servicing Policy and Fee Structure* really demonstrates the need for regional long term planning, which does not appear to be occurring effectively under the current RM of Sherwood regime. We understand that the Rural Municipality of Sherwood has been excessively difficult to work with and they appear motivated to continuously throw glass under the feet of the City of Regina, resulting in good long term planning not to occur in an effective manner that is responsible and considers the needs of the City of Regina. It is important to also note that because the RM of Sherwood is situated so closely to the City of Regina with all its services and amenities, that this greatly benefits the lives of the individuals and families who are citizens of that R.M.

In Premier Brad Wall's recent speech 'Saskatchewan's Plan for Growth' he stated that annexation issues with Rural Municipalities must be addressed. We feel this is the right time for the City of Regina to advocate to the Provincial Government to step in and resolve these differences before the Rural Municipality of Sherwood becomes noose around the neck of the City of Regina. To allow the current situation to continue will have significant future negative impacts to our economy and housing affordability.

Regards,

A handwritten signature in blue ink, appearing to read 'Stu Niebergall', is positioned above the printed name.

Stu Niebergall  
*President & CEO*

July 17, 2013

To: Members,  
Executive Committee

Re: Housing Incentives Policy – Revisions to the Current Policy

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### RECOMMENDATION

1. That Appendix A, revisions to The City of Regina *Housing Incentives Policy*, be APPROVED.
2. That an increase in the maximum yearly expenditure from the Social Development Reserve from \$2.2 million to \$2.5 million dollars effective 2014 be APPROVED.
3. That the City Solicitor be instructed to amend Bylaw 2012-14 being *The City of Regina Condominium Policy Bylaw, 2012* to clarify that the provisions of Bylaw 2012-14 also apply to the re-division of a single condominium unit into one or more units.
4. The *Downtown Residential Tax Incentives Policy* be revised to cap tax incentives at \$7,500 per unit to match the maximum tax incentive allowed under the *Regina Housing Incentives Program Warehouse District* (RHIP).

### CONCLUSION

The City's *Comprehensive Housing Strategy* (CHS) was completed in February of 2013 and approved by Council with Administration's Recommendations on April 29, 2013. On June 10, 2013, Council approved the Housing Strategy Implementation Plan for the CHS. Revisions to the Housing Incentives Policy (Appendix A) represent Strategy 1 as outlined in the CHS and detailed in the implementation plan. The *Housing Incentives Policy* has been amended based on the consultant's recommendations included in the CHS, background study and evaluation of policy alternatives. Revisions to the *Housing Incentives Policy* were also based on an internal review of the policy by members of the Administration who either work directly with the policy or are involved in the policy's effectiveness through development review, permits and development approvals. The revised policy was also reviewed by members of the Saskatchewan Housing Corporation (SHC) to ensure compatibility with provincial housing programs.

For the most part, revisions to the policy were intended to clarify elements of the existing policy with regards to interpretation and administration of the policy including definitions of terms, policy language and eligibility requirements. There are, however, five significant revisions that reflect a change from the previous *Housing Incentives Policy*, last revised in January 2012. These changes include:

- An increase in the annual allocation from the Social Development Reserve (SDR) from \$2.2 to \$2.5 million annually, which is used to fund the capital incentives program.
- An increase in the capital contribution from \$10,000 to \$15,000 per unit to account for increases in the cost of construction and land since the policy was established in 2009.
- Revisions to the policy to eliminate tax incentives for market ownership units.
- Changes to the percentages and eligible locations for tax incentives to expand incentives for rental and below market home ownership units throughout the City.
- Tax incentives equating to a percentage of the property tax (25% of total tax) for the addition of a secondary suite to an existing or new home.

As explained in this report, changes to the *Housing Incentives Policy* will help to stimulate the rental market more efficiently, provide more low-cost ownership and rental units, and encourage a diversity of housing types throughout the City. These changes are in keeping with the issues and goals of the CHS and the consultant's recommendations.

## BACKGROUND

The City of Regina's *Housing Incentives Policy* has been an effective means of providing support in the form of tax incentives and capital grant contributions to stimulate the construction of both rental and ownership housing units. The *Housing Incentives Policy*, first approved in 2009 as an amended version of the *City's Inner City Housing Stimulation Strategy* (ICHSS), was meant to expand the program in order to stimulate development of rental units throughout the City, to encourage housing development within inner city neighbourhoods, and to create units for assisted homeownership and rental units offered at or below market average rent. The *Housing Incentives Policy* is also a way in which the City can support, partner and complement housing initiatives of federal and provincial programs.

With this in mind, the purpose of the *Housing Incentives Policy* has been:

- To support modest, affordable and accessible housing options.
- To stimulate rental housing development.
- To encourage housing development that makes efficient use of established City infrastructure and helps build vibrant, sustainable and inclusive neighbourhoods.

From 2006-2012, the City's housing incentives programs have had a significant impact on housing development in the city through tax and capital incentives as well as the sale of city-owned land. In total, these programs have contributed an investment of \$7,397,378 through the following contributions:

- Capital Grants of \$2,286,651 equal to 283 units
- Tax Incentives of \$4,109,337 equal to 1,296 units
- Land Contributions of \$1,001,350 equal to 27 additional units (63 units total, 36 units accounted for in capital and tax incentives unit count)

Recent economic growth to the City of Regina and its surrounding region has put further pressure on the housing market. In this context, the *Housing Incentives Policy* is one way in which the City can continue to stimulate the housing market and affect housing availability and cost.

## DISCUSSION

The implementation plan for the *Comprehensive Housing Strategy* (CHS) was brought before Executive Committee on May 29, 2013 and Council on June 10, 2013. The implementation plan included work plans for the more than 30 strategies from the CHS including Strategy 1, which provided direction for proposed changes to the *Housing Incentives Policy* to better address the need for rental and below market ownership units. Revisions to the policy as recommended in the CHS and detailed in the implementation plan are further explained in the topic areas below. A simplified diagram of the new policy is included as Appendix B.

## Changes to Tax and Capital Incentives to Adapt to Market Changes

In order to support the creation of more rental and below market ownership units, the CHS recommends removing tax incentives for market rate ownership units and providing tax incentives for rental and below market ownership units only. Second, the CHS recommends increasing capital incentives from \$10,000 to \$15,000 per unit to address the increases in construction and land costs since the policy was put in place in 2009. The *Inner City Housing Stimulation Strategy* (ICHSS) and later the *Housing Incentives Policy* (HIP) were focused on reinvestment in existing and inner-city neighbourhoods and the creation of ownership units in these areas. Since the *Housing Incentives Policy* was put in place in 2009, there has been significant uptake in tax incentives in these neighbourhoods. (Appendix E-3 includes maps illustrating where tax incentive properties are located.) Tax incentives were provided for market and non-market home ownership units at a rate of 100% of 5 years in 'Area 1' and 90% for 3 years in 'Area 2' as identified in *Housing Incentives Policy* map on page 11 of Appendix A. Based on housing renewal since 2009 in these areas, tax incentives have been removed for market ownership units under the revised policy. Tax incentives in the revised policy are restricted to purpose-built rental units and ownership units that meet household income eligibility requirements.

To address the need for housing downtown as defined by the Regina Downtown Neighbourhood Plan and the OCP, under this new policy Administration will consider capital incentives for below market units created in the downtown and Warehouse District at the discretion of the Deputy City Manager of Community Planning and Development. These two areas are currently covered under separate tax incentive programs, the *Downtown Residential Tax Incentives Policy* (DRIP) and the *Regina Housing Incentives Program Warehouse District* (RHIP), both of which offer five-year tax exemptions for residential development but no capital incentives. Capital incentives offered under the *Housing Incentives Policy* could be stacked with DRIP and RHIP tax incentives to encourage below market rental and ownership units in the downtown and Warehouse District. In addition, Administration recommends that the *Downtown Residential Tax Incentives Policy* be revised to cap tax incentives at \$7,500 per unit to match the maximum tax incentive allowed under the *Regina Housing Incentives Program Warehouse District* (RHIP). For reference, summary of the *Downtown Residential Tax Incentives Policy* is included in Appendix F.

Capital incentives offered through the *Inner City Housing Stimulation Strategy* (ICHSS) provided 5% of construction costs per unit for each below market unit created. When the policy was revised in 2009 to the *Housing Incentives Policy* (HIP), the capital contribution was amended to \$10,000 per unit. These numbers provided the basis for the proposed increase in capital incentives to \$15,000 per unit for the revised policy. Based on the average cost per unit as reported by housing providers applying for capital incentives in 2012-2013 of \$160,000-\$220,000, a capital incentive of \$15,000 per unit would cover approximately 7-9% of rental unit costs, and 6.5-7% of the project budget for ownership units excluding land costs. With land costs considered, a capital incentive of \$15,000 would fund approximately 5-7% of the development cost. Historically, 5% has been the percentage of municipal contribution to housing. Further, the recommendation that incentives be increased to \$15,000 was based on calculations by the consultant on the funding required for a property owner to keep rents below average based on current land and construction costs.

The consultant for the CHS also recommended that the maximum yearly expenditure from the Social Development Reserve (SDR) be increased from \$2.2 million to \$2.5 million dollars to account for the increase in capital contributions from \$10,000 to \$15,000 per unit.

Administration recommends that this increase be approved and made effective for 2014 to accommodate new applications under the revised policy. Subsequent incremental increases to the SDR are also recommended in the CHS over the next five years. Further increases to the SDR will be brought forth after the revised policy is in place and once the policy has been monitored and reviewed for its effectiveness, and revisions proposed, if necessary.

### **Secondary Suite Eligibility for Tax Incentives**

The addition of secondary suites as eligible units for tax incentives is new with this policy. Under this policy, a tax exemption in the amount of 25% of the taxes on the property will be offered for new homes with secondary suites or the addition of a secondary suite in an existing home where one did not exist. Prior to this policy revision, secondary suites were not eligible for tax incentives unless under the exemption for an entire home. The addition of secondary suites to the policy is intended to increase the diversity of rental units available throughout the City and to encourage additional rental units near existing infrastructure and services. Secondary suites are also affordable by design due to size and construction costs; by definition in the Zoning Bylaw a secondary suite must be in or attached to an existing house and must not occupy more than 40% of the building area. A secondary suite also increases the rental stock in a manner that is less intrusive than a purpose-built rental building.

### **Capital Incentives Eligibility Criteria to Ensure Below Market Housing**

The *Housing Incentive Policy* establishes criteria for capital incentives that help maintain housing costs below market. Eligibility requirements used for this policy are carried over from the City's past incentives policies (Appendix C) and are consistent with the policies of other cities studied by the consultant for the Comprehensive Housing Strategy. For rental units receiving capital incentives, units must be kept at or below market average rent for a minimum of five years. To address concerns that incentives are provided to market units, it is important to distinguish between market units and market average rent. Market average rent is a citywide average based on the cost of both new and existing rental units. By capping rents at market average, capital incentives are providing units that are less than new market units. For example, a two-bedroom rental unit receiving capital incentives must remain at or below \$948 per month as per the market average rent for a two-bedroom as reported by CMHC. This is significantly less than the cost of a new market two-bedroom offered without capital incentives, which is currently in the range of \$1100 to \$1400 a month. This amounts to a reduction of 15-30% for those units receiving capital incentives. Further, Administration will ensure that rental rate requirements used for the capital incentives program do not exceed the rental affordability criteria used by SHC or CMHC for program eligibility.

Ownership units eligible for capital incentives must be sold to households that are at or below eligible income levels for assisted homeownership as established by the province. Currently, eligible buyers must have a household income at or below the Maximum Income Levels (MILs) of \$66,500; this equates to a home price of approximately \$255,000. This is well below the average home price in Regina of \$316,000 as of April 2013. The MIL is a threshold for income eligibility and many non-profits and private developers provide units to households well below the MIL. For example, a number of units where capital incentives were provided have been sold to households at \$52,000 or less; in another project, capital incentives were provided for rental suites to young tenants with an annual income of \$18,000 or less.

Finally, it is important to note that the City's contribution to housing is only a percentage of the low-cost or subsidized housing built in the City.

Many additional units are funded by the province to meet the needs of low-income households. In addition, units owned by the province or other entities are leased at Rent Geared to Income (RGI) so that households are contributing a maximum of 30% of their income to housing.

With this new policy in place, Administration will monitor the uptake in capital incentives for ownership units to evaluate whether or not it is necessary to create a Maximum Income Level definition that is specific to Regina as a substitute for provincial income thresholds. Evaluation may also point to the need for a definition for 'entry-level' homeownership to align with provincial programs such as Headstart on a Home as mentioned below.

### **Protection of Rental Units in the Long-Term**

In order to further limit the depletion of rental units by conversion to condominiums, rental units receiving tax incentives must remain rental for a minimum of five years; rental units also receiving capital incentives must remain rental for an additional five years, or ten years total. After this period of rental tenure, conversions of rental units to condominiums are subject to the requirements of *The City of Regina Condominium Policy Bylaw, 2012*.

In recent months, Administration has seen a shift in development plans to accommodate a diversity of housing types within a single development. In order to achieve this diversity, including both ownership and rental units, we have seen the creation of rental units under one condominium title in a condominium plan. This building type looks and acts like a traditional, purpose-built rental building and provides rental units in what is otherwise a condominium development. In order to accommodate this development scheme and support mixed-tenure developments, revisions to the *Housing Incentives Policy* have added this building type to the list of eligible unit types. However, to protect these rental units in the long-term, Administration recommends (recommendation number three in this report) that the City Solicitor be instructed to amend Bylaw 2012-14 being *The City of Regina Condominium Policy Bylaw, 2012* to clarify that the provisions of Bylaw 2012-14 apply to the re-division of a condominium title into separate titles for each unit. In this manner, Administration can protect these rental units from re-division to multiple condominium ownership units subject to the regulations governing conversion to condominiums as outlined in Bylaw 2012-14.

Further, with an increase in the vacancy rate for Regina to 1.9% as reported by CMHC in the June 24, 2013 *Rental Market Report*, Administration will begin review of the *The City of Regina Condominium Policy Bylaw, 2012* to suggest revisions to the policy to ensure the stability of the rental market. The current condominium conversion policy allows for conversions of rental units to condominium units once vacancy has reached 2% for 12 consecutive months.

### **Alignment with Provincial Programs**

One of the objectives of the revised *Housing Incentives Policy* is to better align the policy with provincial programs. Revisions to the *Housing Incentives Policy* currently align with the provincial Rental Construction Initiatives program and the Rental Development Program. Administration has also worked with developers to support their Headstart on a Home applications with the province by asking that a percentage of units be provided to purchasers at or below the MIL. Also, the addition of tax incentives for secondary suites will provide a municipal incentive for the creation of secondary suites. This incentive could be combined with

the province's Secondary Suite Program. Finally, Administration has been approved for enrollment in the Affordable Housing Ownership Program (AHOP) through the Saskatchewan Housing Corporation (SHC).

The Province will provide a grant to the municipality equal to the education portion of tax incentives offered to ownership units receiving City capital contributions for up to \$5,000 per unit. These funds, estimated at \$617,000 for 2011-2015, will be put into the Social Development Reserve to continue to support the City's housing capital incentives.

### **Development Criteria and Alignment with the OCP**

In addition to complementing provincial funding programs, the *Housing Incentives Policy* establishes development criteria to align with other current policy documents, namely the Official Community Plan. To qualify for incentives, developments of four units or more have been asked to consider and address a number of criteria listed in the policy, Section 5.3. These development criteria include compatibility with neighbourhood character, screening of parking stalls, active ground floor building facades (in the case of mixed-use projects), energy efficiency and bicycle parking to name a few. In addition, the policy strongly encourages the creation of accessible units that meet or exceed the provincial requirement of 5% for multi-unit rental buildings to support the construction of accessible units in ownership housing as well.

Housing providers are not required to meet all development criteria set out in this section of the policy. Rather, these criteria provide suggestions for design in terms of compatibility, efficiency and livability. Traditionally, Administration has worked with developers on site design, building layout and other design elements and will continue to do so in a collaborative manner. Should applications for capital incentives begin to exceed the funds available, these development criteria could be included in the standards used to evaluate development projects for funding selection.

### **Effectiveness of the Incentives Policy**

The Housing Incentives Policy is one of the most effective tools the City has for addressing the City's low vacancy rate, and the goal of increasing this rate from the current 1% to 3% by 2017. Appendix D includes tables that show the impact of tax or capital incentives since 2006. In total, the City's housing incentives can be attributed to an investment of \$7,397,378. Administration has calculated that tax and capital incentives combined account for 5% or more of all units built in a given year. Appendix E includes maps illustrating where capital and tax incentives have been applied by location since 2009.

The City's incentives also play a significant role in the affordability of both rental and ownership units. In 2012, units receiving capital incentives made up 2% of all units built. In 2013, this number is expected to climb to nearly 4% of all starts for the year including 82 rental units and 107 ownership units built throughout the City.

In order to maximize City, federal and provincial funding, several strategies in the *Comprehensive Housing Strategy* include ways to increase communication and information sharing between the City, Province, non-profits and the development community. As the implementation of the CHS moves forward and information is more readily available, an uptake in applications and an increase in units eligible for funding are expected.



## Monitoring and Reporting

Going forward, Administration has established goals for the revised *Housing Incentives Policy* as outlined in Strategy 1 of the Housing Strategy Implementation Plan. They include:

- Increase the number of rental units receiving tax and capital incentives
- Incentivize and monitor the number of secondary suites built
- Maximize the number of below market units (ownership and rental) created using capital incentives (compared to 2009-2012)
- Create educational materials about the City's housing incentives for property owners, developers, land owners and non-profit housing providers
- Progress towards an increase in vacancy rate
- Below market ownership and rental units created in neighbourhoods throughout the City
- Streamline the application process for ease of administration and inter-departmental cooperation

In addition to the above goals, Administration has established target unit numbers. Based on the consultant's evaluation that 20% of all households in Regina require below market or moderate housing units, the Housing Incentives Policy will aim towards a goal of 300 units per year through a combination of capital incentives for below market rent and ownership units, tax incentives for secondary suites, and units that fall under the Headstart on a Home for entry-level ownership units. To further address the vacancy issue, Administration has established a goal of an additional 200 purpose-built market rental units receiving tax incentives. In total, this means that Administration estimates that a total of 500 units will receive a City contribution.

The increase in rental unit starts seen last year and expected again this year should help to alleviate the low vacancy rate. The CMHC Rental Market report for April 2103 was released on June 24, 2013. The report notes that:

- Rental vacancy in Regina has increased to 1.9% from .6% last spring and 1% in fall 2012
- Vacancy for two-bedroom units is the lowest at 1.4% (.6% last year)
- Bachelor suite vacancy is the highest at 4.4% (.5% last year)
- Despite higher vacancy, rents are still increasing (5% increases on average since spring 2012)
- CMHC associates the gain in vacancy with two factors: 1) an increase in purpose-built rentals, and 2) increase in households moving to home ownership because the cost of rental units is high
- 1.9% vacancy still puts Regina among the lowest vacancies in the province; of the nine cities surveyed only Estevan and Lloydminster had lower vacancy rates than Regina

Research and forecasting suggest that residential unit starts will slow in 2013 and increase slightly in 2014. However, the number of total starts as estimated by CMHC for 2013 and 2014 (2,400 and 2,450) is well below the number seen in 2012 (3,093 residential starts). Therefore, the vacancy rate over the next 12 months will be an important factor in determining whether or not we are on target to meet the goal of 3% vacancy by 2017.

Administration will closely monitor the housing market in this time of growth and change so as to ensure that the objectives of the *Housing Incentives Policy* are being met. Administration will also evaluate the policy in order to propose changes as necessary for Council review and approval. As vacancy nears the desired 3%, Administration may recommend changes to City incentives to address more acute problems in the rental market, for example a shortage of larger units for families, or smaller units for students and single adults. Similarly, through tracking and mapping of incentives, and in parallel with the OCP, data may show that capital and tax

incentives should be focused on specific neighbourhoods in the City that lack housing diversity. Similarly, Administration may find that once the vacancy rate has improved, incentives should be directed to non-profits for the rehabilitation of existing housing stock, for the creation of additional accessible units and special needs housing, or to address the housing needs of the most vulnerable populations in subsequent years.

Recommendations for later revisions to the *Housing Incentives Policy* will be made after close evaluation of the current market and further understanding of housing needs as the City grows and evolves. A two-year period from the start of this new policy in November 1, 2013 until the fall of 2015 will provide the necessary time to administer the policy and evaluate changes to the housing situation in the City of Regina and will allow time to suggest appropriate revisions to the policy to address emerging issues.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

Revisions to the *Housing Incentives Policy* include two proposed financial implications: 1) an increase in capital incentives from \$10,000 to \$15,000 per unit and, 2) an increase in the Social Development Reserve (SDR) in 2014 from \$2.2 to \$2.5 million to account for an increase in the capital incentive contribution.

The Social Development Reserve is projected to have a balance of \$2.75 - \$3 million at the start of 2014. Funds from the sale of the city-owned lands in the Northwest in the amount of \$2.025 million transferred to the Land Development Reserve (LDR) at 2013 year end will be used to ensure sufficient funds for the Social Development Reserve (SDR) to fund capital incentives for 2014 and 2015. The \$2.025 million, amounting to 5% of the sale proceeds from the Northwest land, was dedicated to the SDR as per the requirement of land sales as outlined in a report to Council dated October 6, 2008 (CR08-122). These funds are in addition to provincial money in the amount of \$617,000 that will be added to the SDR between now and the second quarter of 2015 from funding provided by the Saskatchewan Housing Corporation for the AHOP program.

Administration is establishing a long-term plan for funding the Social Development Reserve from sales of land that is developed. A report will come before Council in Quarter Three of this year to provide more information on the options for long term funding of the Social Development Reserve. The two-year review of the *Housing Incentives Policy* due in 2015 will address funds for the capital incentives program from 2016 forward.

### Environmental Implications

None for this report.

### Policy and/or Strategic Implications

Revisions to the *Housing Incentives Policy* have been made to clarify the policy for administration and implementation. Revisions to the *Housing Incentives Policy* are also in keeping with the recommendations brought forth in the *Comprehensive Housing Strategy* approved by Council on April 29, 2013.

### Other Implications

None for this report.

### Accessibility Implications

Development criteria established for eligibility for housing incentives encourages development of accessible units that exceed the required 5% in multi-unit rental developments and the creation of accessible units in ownership developments.

### COMMUNICATIONS

Internally, more than a dozen members of the Administration contributed to revisions to the *Housing Incentives Policy*. The revised policy was also reviewed by members of the Saskatchewan Housing Corporation (SHC) to ensure compatibility with provincial housing programs.

Information on the City's *Housing Incentives Policy* has recently been consolidated on the City's website to make the policy and application forms easier to locate. Once the City's website has been updated with the new *Housing Incentives Policy*, Administration will work on a 'Frequently Asked Questions' document that will be posted on-line for additional information and guidance.

In addition to on-line resources, Administration intends to create printed materials that can be distributed to non-profits and other housing providers with information on the City's overall housing strategy. Administration has met with SHC to discuss ways of collaborating on outreach strategies for provincial and municipal programs so as to not duplicate efforts. With the implementation of the *Comprehensive Housing Strategy*, Administration will continue to improve access to information on municipal, provincial and federal programs and to communicate how programs may be stacked with the City's housing incentives.

### DELEGATED AUTHORITY

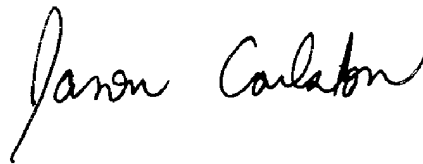
This report requires approval by City Council.

Respectfully submitted,



Diana Hawryluk, Director  
Planning

Respectfully submitted,



Jason Carlston, Deputy City Manager  
Community Planning and Development

Report prepared by:  
Jennifer Barrett, Senior Planner (Housing)



## Housing Incentives Policy

### 1.0 Purpose

The objectives of the incentives provided under this policy are:

- To support modest, below market and accessible housing options.
- To stimulate rental housing development.
- To encourage housing development that makes efficient use of established City infrastructure and helps build vibrant, sustainable and inclusive neighbourhoods.
- To better aim the City's resources where there are gaps in the private market's ability to address housing needs, namely the needs of low and moderate income households.
- To encourage diverse housing options including housing for distinct and special needs groups

### 2.0 Scope

Stakeholders involved with affordable, moderate and accessible housing including non-profit organizations, developers and property owners.

### 3.0 Definitions

**Below market housing** - housing for individuals and families who are at or below the provincial Eligible Income Levels or housing established by non-profit housing providers to provide below market dwelling units. Below market rental developments are defined as those that provide units that are below Market Average Rents.

**Condominium** – means the land included in a condominium plan together with the buildings and units and the common property and common facilities belonging to them.

**Deputy City Manager** – means the Deputy City Manager of Community Planning and Development, or his/her designate.

**Dwelling Unit** – one or more rooms that may be used as a residence, each unit having sleeping, cooking and toilet facilities.

**Dwelling Unit, New** – a newly constructed dwelling unit within two years of issuance of a building permit.

**Dwelling Unit, Detached** – a building which contains only one dwelling unit. Where a Secondary Suite is a Permitted Use in a zone, a detached dwelling unit in that zone may also contain a Secondary Suite subject to the regulations of *The Zoning Bylaw No. 9250* as amended from time to time.

**Eligible Income Level** – means the maximum income levels based on the criteria and requirements set out by Saskatchewan Housing Corporation's Saskatchewan Household Income Maximum and Program Assistance Levels, as updated periodically.

**Group Care Facility or personal care home** – a supervised residential dwelling unit, licensed or approved under provincial statute, for the accommodation of persons, excluding staff, referred by hospitals, courts, government agencies or recognized social services agencies or health officials as defined by *Bylaw No. 9250* as amended from time to time.

**Laneway Dwelling Unit** - an alternative form of secondary suite that is detached from the principal building and is accessed from the rear lane. A laneway dwelling unit is sometimes referred to as a laneway house, carriage house or granny suite.

**Market Average Rent** – the average rent for an area (City of Regina) as reported by the Canada Mortgage and Housing Corporation and updated annually.

**Owner-Occupied Unit** – refers to a dwelling unit where the registered owner of the property resides in the unit as their primary residence.

**Ownership Unit** – a dwelling constructed for intended sale to a purchaser as a principal place of residence including condominium units.

**Purpose Built Rental Unit** – is a rental unit that is designed and built for rental purposes and is not intended as an Ownership Unit.

**Rental Unit** - a dwelling unit for rent or lease to a tenant as a principal place of residence.

**Secondary Rented Unit** – for the purpose of this policy, Secondary Rented Unit refers to an Ownership Unit where the registered owner rents the Unit to a tenant or tenants who are not registered as owners on the property title. Secondary Rented Units are not purpose-built rentals but intended as owner-occupied units or investor-owned properties and include condominiums, single family homes or town homes.

**Secondary Suite** – as defined by *Zoning Bylaw No. 9250*, a subordinate, self-contained dwelling unit within a Detached Dwelling Unit occupying no more than 40 percent of the total gross floor area of the building, including the area of the basement. Secondary suites are currently not permitted in an accessory building or structure as per *Zoning Bylaw No. 9250* as amended from time to time.

## **4.0 Transition Provisions**

### *Tax Incentives*

All applications for Tax Incentives under the Housing Incentive Policy received and approved within the 2013 calendar year, up to and including October 31, 2013, will be considered under the January 2012 Housing Incentive Policy. All applications for the Housing Incentive Policy submitted on or after November 1, 2013 and those not eligible for 2014 exemption will be considered under this new Policy for the 2015 tax year.

### *Capital Incentives*

All applications for Capital Incentives under the Housing Incentive Policy received and approved up to and including October 31, 2013, will be considered under the January 2012 Housing Incentive Policy. All applications for the Housing Incentive Policy submitted on or after November 1, 2013 will be considered under this new Policy.

## **5.0 Policy**

Tax incentives and eligibility requirements are provided in **Section 5.1** of this policy. Capital incentives and eligibility requirements are provided in **Section 5.2** of this policy.

If a project is eligible for both tax and capital incentives under the criteria in this Policy, it may receive both.

## **5.1 Tax Incentives Policy**

A tax exemption may be provided on properties that meet the policy criteria as outlined below.

### **5.1 (1) General Eligibility Requirements**

- a) Tax incentives are available for the creation of New Dwelling Units exclusively. Developments may be new construction or conversion of an existing non-residential building for New Dwelling Units. Renovations of existing residential units will not be eligible for tax incentives. Eligibility for a Secondary Suites in an existing Detached Dwelling Units is outlined in section 5.1(2).
- b) Amount of tax incentive (percentage) and period of time for tax incentive are as per Program Areas noted in **Section 5.1 (3)** and corresponds to the areas in Map 1, **Appendix 1**.
- c) To be eligible, applications must be made while development is underway and will not be accepted retroactively once development is complete and occupancy permit has been issued; relaxation of this requirement is at the discretion of the Deputy City Manager.
- d) For mixed-use residential and commercial development, the residential portion of the building is eligible for a tax incentive if two or more Rental Units or below market Ownership Units are created.
- e) Developments of four units or more must address the Development Design Criteria (**Section 5.3**) in this policy to qualify for Tax Incentives.
- f) Group care facilities or personal care homes are not eligible for assistance under this policy.
- g) Eligible Rental Units must be Purpose Built Rental Units
- h) Secondary Rented Units are not eligible for tax incentives in that an Ownership Unit rented to tenants as a Rental Unit is not eligible for incentives under this policy.

- i) Ownership Units owned or held by private corporations or individuals other than non-profit organizations are not eligible. To be eligible, Ownership Units must be sold as per section 5.1 (2) b) and tax incentives transferred to purchasers.
- j) In the case where Purpose Built Rental Units are under one condominium title, eligibility requirements are as follows:
  - 1) Dwelling Units must meet eligibility requirements noted below in Section 5.1 (2); two or more Rental Units must be created
  - 2) Rental status must be confirmed for full term of exemption
  - 3) Condominium title is not eligible for redivision to single Condominium titles for each Dwelling Unit during the full term of exemption
  - 4) Rental units under one condominium title are subject to the requirements of *The City of Regina Condominium Policy Bylaw, 2012, Bylaw 2012-14*

5.1 (2) Eligible Unit Types

<b>a) Rental Units</b>	<ul style="list-style-type: none"> <li>1) Eligible Dwelling Unit types include:               <ul style="list-style-type: none"> <li>a. Newly constructed residential development with two or more Rental Units</li> <li>b. Conversion of non-residential building to create two or more Rental Units</li> </ul> </li> <li>2) As per Section 5.1 (5), rental status will be confirmed on an annual basis with owner for five years following start of tax exemption.</li> </ul>
<b>b) Ownership units</b>	<ul style="list-style-type: none"> <li>1) Eligible Dwelling Unit types include:               <ul style="list-style-type: none"> <li>a. Newly constructed Ownership Units that meet affordability criteria and are in compliance with Section 5.1(1) d) and 5.1(1) i)</li> <li>b. Conversions of non-residential uses for Ownership Units that meet affordability criteria in subsection 2 below</li> </ul> </li> <li>2) Ownership affordability criteria include:               <ul style="list-style-type: none"> <li>a. Purchaser must have an income level at or below the Eligible Income Level</li> <li>b. Applicants will be required to provide an affidavit stating that the purchaser meets eligibility requirements.</li> </ul> </li> </ul>
<b>c) Secondary suites/Lane-way Dwelling Units</b>	<ul style="list-style-type: none"> <li>1) Unit types that are eligible include:               <ul style="list-style-type: none"> <li>a. Secondary Suite in a newly constructed Detached Dwelling Units</li> <li>b. Addition of a new Secondary Suite within an existing Detached Dwelling Unit (renovation must create a suite where one did not previously exist)</li> <li>c. Laneway Dwelling Unit or alternative secondary accessory dwelling unit as approved by Council</li> </ul> </li> <li>2) Secondary suites must be rented for the full term of the exemption and are subject to the same eligibility requirements as other rental units within the Tax Incentives Policy (<i>Sections 5.1</i></li> </ul>

	(3), 5.1(4) and 5.1(5)). Tax incentives for secondary suites will equal 25% of the property taxes levied for the whole property.
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### 5.1 (3) Program Areas

Percentage and period of tax exemptions are established in Table 1 (below) and based on Program Areas established by the City and defined in Map 1 in **Appendix 1** of this policy.

<b>Table 1 Housing Development Tax Exemption Eligibility</b>			
	<b>Area 1*</b>	<b>Area 2*</b>	<b>Area 3*</b>
<b>Percent Exempt</b>	100%	100%	100%
<b>Term of Exemption</b>			
Rental developments with 2 Dwelling Units or more	5 Years	5 Years	5 Years
Eligible Ownership Unit developments	5 Years	5 Years	5 Years
Residential portion of a mixed-use residential-commercial development is eligible if two or more rental or below market ownership units are created as set out in Section 5.1 (2)	5 Years	5 Years	5 Years
<b>Percent Exempt</b>	25%	25%	25%
<b>Term of Exemption</b>			
Detached Dwelling Unit with a Secondary Suite	5 Years	5 Years	5 Years

\*Program Areas referred to in the table are shown on Map 1 in Appendix 1.

### 5.1 (4). Tax status and Exemption Start

- The tax exemption for the development will begin on January 1 of the year following the approval of the application for tax incentives. The date for commencing the exemption for the development may be deferred for one year at the sole discretion of the Deputy City Manager of Community Planning and Development (or his/her designate).
- Dwelling Units must obtain an occupancy permit before tax exemption is applied. For new Secondary Suites in existing buildings, a Letter of Completion from the Building Branch will serve the purpose of an occupancy permit.
- Taxes and other charges must be paid during the construction phase.
- Properties that have taxes or other charges past due to the City of Regina are not eligible for support under this policy.
- The scope of the tax exemption, including calculation of any percentage or proportion and the determination of any use or cost, shall be conclusively determined by the City Assessor.



- f) Where applicable, the portion of a property qualifying for the tax exemption shall be determined by the most recent City property assessment.
- g) Incentives provided under this policy may be stacked with incentives provided through housing programs of the City of Regina, or the Provincial and Federal Government.
- h) Exemptions for Detached Dwelling Units with a Secondary Suite fall under Secondary Suite eligible unit type regardless of whether main dwelling is rented or owner-occupied.

#### 5.1 (5). Subsequent qualifications and good standing

- a) For rental properties, tax exemptions may be transferred to a new owner under the same terms and conditions as the approved exemption and subject to the new owner entering into an assignment agreement.
- b) Rental units must remain rental for five years after the issuance of the occupancy permit and shall not be eligible for conversion to condominiums.
- c) Units or developments that cease to meet the eligibility criteria in this policy and the conditions of the exemption agreement for the development shall be fully taxable in the year in which the breach of conditions occurs and in all subsequent years.
- d) For ownership units, tax incentives are non-transferrable. This includes ownership units with secondary suites.
- e) Where the development is also eligible for a tax exemption under the *Municipal Incentive Policy for the Preservation of Heritage Properties (MIPPHP)*, programs may be stacked and a total tax exemption of both programs applied. The MIPPHP exemption will be provided first unless otherwise approved by the Deputy City Manager, in their sole discretion. If Rental Units are created, rental status must be maintained for the full term of exemption.
- f) Developments that fall in Program Areas 4 and 5 on Map 1 in **Appendix 1** on page 11 are not eligible under this policy. Applicants should apply under the Program Guidelines for the Downtown Residential Tax Incentives Program (DRIP) and Regina Housing Incentives Program (RHIP).
- g) Local improvement charges and non-exempt portion of levies and other charges to tax accounts must be paid in the year due to remain in good standing.

#### 5.2 **Capital Incentives: Below Market Housing Capital Incentive**

A capital contribution of \$15,000 per unit may be provided from the Social Development Reserve for housing developments that meet the policy criteria as outlined below. Capital contributions may be provided for the development of new Rental Units that are at or below Market Average Rent for five years or more, or for Ownership Units that are provided to individuals and families that are at or below Eligible Income Levels.

## 5.2 (1). Capital Incentives Eligibility Requirements

- a) Eligible rental developments are those that provide Dwelling Units that meet rental requirements for five years or more. Rental requirements are set by the City of Regina based on Average Rents as reported by CMHC and are not to exceed the maximum rents established by SHC for programs using SHC's moderate-income maximum limits.
- b) Eligible Ownership Units are those provided to individuals and families who are at or below the provincial Eligible Income Levels set by SHC, or housing established by non-profit housing providers.
- c) Non-profit organizations and private sector developers are eligible. However, the following limits apply:
  - 1) Priority will be given to the non-profit housing developments
  - 2) Private sector developers must have a minimum of four units to apply. Private sector developers can apply for capital incentives for up to 50 units per development in a calendar year (January-December) at the discretion of the Deputy City Manager. There is no minimum or maximum unit number for non-profit housing organizations.
- d) Capital incentives apply for the creation of new Dwelling Units exclusively. Renovations of existing residential units will not be eligible.
- e) Group care facilities and personal care homes are not eligible for assistance under this policy.
- f) To be eligible, applications must be made while development is underway and will not be accepted retroactively once development is complete and occupancy permit has been issued; relaxation of this requirement is at the discretion of Deputy City Manager.
- g) Residential units in Areas 1, 2 and 3 from the Map 1, **Appendix 1** on p. 11 this policy are eligible for capital incentives.
- h) Projects of four units or more must address the *Development Design Criteria* (**Section 5.3**) in this policy to qualify for the below market Housing Capital Incentive.
- i) Capital contributions under this policy may be provided in addition to tax exemptions for which the property qualifies.
- j) Secondary Rented Units are not eligible for capital incentives in that an Ownership Unit rented to tenants as a Rental Unit is not eligible for incentives under this policy.
- k) The Housing Capital Incentive may be provided in addition to or in lieu of property, a building or other in-kind assistance.
- l) The maximum yearly expenditure from the Social Development Reserve shall be two million and five hundred thousand dollars. The Deputy City Manager has the discretion to exceed this cap by 10% should there be sufficient justification.

- m) Properties that have taxes or other charges past due to the City of Regina are not eligible for support under this policy.
- n) New units within the area defined by the Downtown Residential Incentives Program (DRIP) or program Area 4 and the Warehouse District (RHIP) or program Area 5 as identified in the policy map in Appendix 1 may be eligible for capital incentives at the discretion of the Deputy City Manager.

5.2 (2). Below Market Housing Eligible Unit Types:

- a) Eligible below market residential units and building types include:
  - 1) Newly constructed residential developments with two or more Rental Units. See section 5.2 (1) c) for unit minimum and maximum for private sector developments.
  - 2) Newly constructed Ownership Units. See section 5.2 (1) c) for unit minimum and maximum for private sector developments.
  - 3) Rental or Ownership Units created through the conversion of a non-residential building.
- b) Purpose Built Rental Units under one condominium title are eligible provided:
  - 1) Two or more Rental Units are created; four unit minimum for private sector developments
  - 2) Rents remain at or below Market Average Rents for five years
  - 3) Rental status is maintained for a ten-year period
  - 4) Condominium title is not eligible for redivision to single Condominium titles for each Dwelling Unit during the full term of exemption
  - 5) Rental units under one condominium title are subject to the requirements of *The City of Regina Condominium Policy Bylaw, Bylaw 2012-14.*
- c) Secondary Suites are not eligible for capital incentives.

5.2 (3). Grant Disbursement and Reporting Requirements

- a) Capital incentives will be awarded after an occupancy permit is issued and the requirements for income or rental affordability are met.
- b) Rental rates will be confirmed on an annual basis for five years through affidavit stating that all units in the development are at or below the Market Average Rents as reported by CMHC and updated annually.
- c) Rental Units will remain rental and shall not be eligible for conversion to condominiums for ten years after the issuance of the occupancy permit.

- d) For Ownership Units, affordability will be confirmed through affidavit stating that purchaser of the unit has a household income at or below the Eligible Income Level as defined by the province and updated periodically.
- e) Capital Incentives may be used in conjunction with provincial and federal programs.

**NOTE: Capital Contributions described in this policy will be considered on a case-by-case basis.**

### 5.3 Development and Design Criteria

Developments of four units or more including single buildings, planned groups of dwellings, and other multi-family housing forms, should consider the following:

<i>Attractive Streetscapes &amp; Vibrant Neighbourhoods</i>	<ul style="list-style-type: none"> <li>• Façade compositions that are substantially similar in appearance should not be used repeatedly in any block face. Façade design should aim to create variation in the frontage façade.</li> <li>• Parking and vehicular access should be by the rear lane and parking screened by the residential buildings as much as possible.</li> <li>• Where rear lane parking and vehicular access is not possible, garage design should minimize the dominance of the garage and garage façade should not extend further into front yard than façade of house.</li> <li>• Urban design elements should be compatible with the surrounding built form and character of the neighbourhood.</li> <li>• Buildings should have active uses at the street level to provide interface with the street and sidewalk to increase feelings of pedestrian comfort and safety. Enclosed parking should not be at the street level, creating a blank façade.</li> <li>• Developments should preserve the continuity of the existing street and lane grid to the greatest extent possible.</li> </ul>
<i>Sustainable Community Infrastructure and Safety</i>	<ul style="list-style-type: none"> <li>• Developments are encouraged to address energy efficiency and water conservation measures.</li> <li>• Developments are encouraged to take maximum advantage of passive solar access where possible.</li> <li>• At least one area dedicated to the separation and collection of materials for recycling and composting should be provided in the building or building complex.</li> <li>• Bicycle parking is required for apartment buildings at a rate of 5% of required vehicle spaces as per <i>The Zoning Bylaw</i>, Chapter 14, Section 3.12. Site design should emphasize safety and convenience such that bicycle parking and storage are near building entrances and streets or bicycle paths. Bicycle parking in excess of the 5% required is strongly encouraged.</li> <li>• For developments other than apartment buildings, where bicycle parking is not required by <i>The Zoning Bylaw</i>, bicycle parking and storage are strongly encouraged at a minimum of 5% of required vehicle spaces.</li> </ul>

Accessibility	<ul style="list-style-type: none"> <li>As per <i>The Uniform Building and Accessibility Standards Regulations</i> multi-unit rental buildings are required to provide 5% barrier-free units. The creation of barrier-free units in Ownership Units such as condominiums, town homes or single-family detached to support accessible housing options is strongly encouraged.</li> </ul>
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## 6.0 Roles & Responsibilities

The Deputy City Manager in his or her sole discretion conclusively determines compliance with the eligibility criteria for tax and capital incentives under this policy. The Deputy City Manager is authorized to approve any capital contribution agreements entered into pursuant to this Policy.

Amendments to the Housing Incentives Policy made from time to time require approval by City Council.

## 7.0 Related Forms

An application should be made by completing one of the following application forms:

*Housing Incentives Policy: Tax Incentives Application*  
*Housing Incentives Policy: Capital Grant Application*

## 8.0 Reference Material

This policy supports objectives and policies established by Council through the *Regina Development Plan Bylaw 7877* (Official Community Plan), including inner-city revitalization, growth management and economic development, below market and special needs housing, compatible infill, and cost effective, sustainable development.

The City acknowledges a Consultant's Final Report, The Comprehensive Housing Strategy, submitted to the City of Regina in February 2013 and its recommendations regarding revisions to the Housing Incentive Policy, which have been included here.

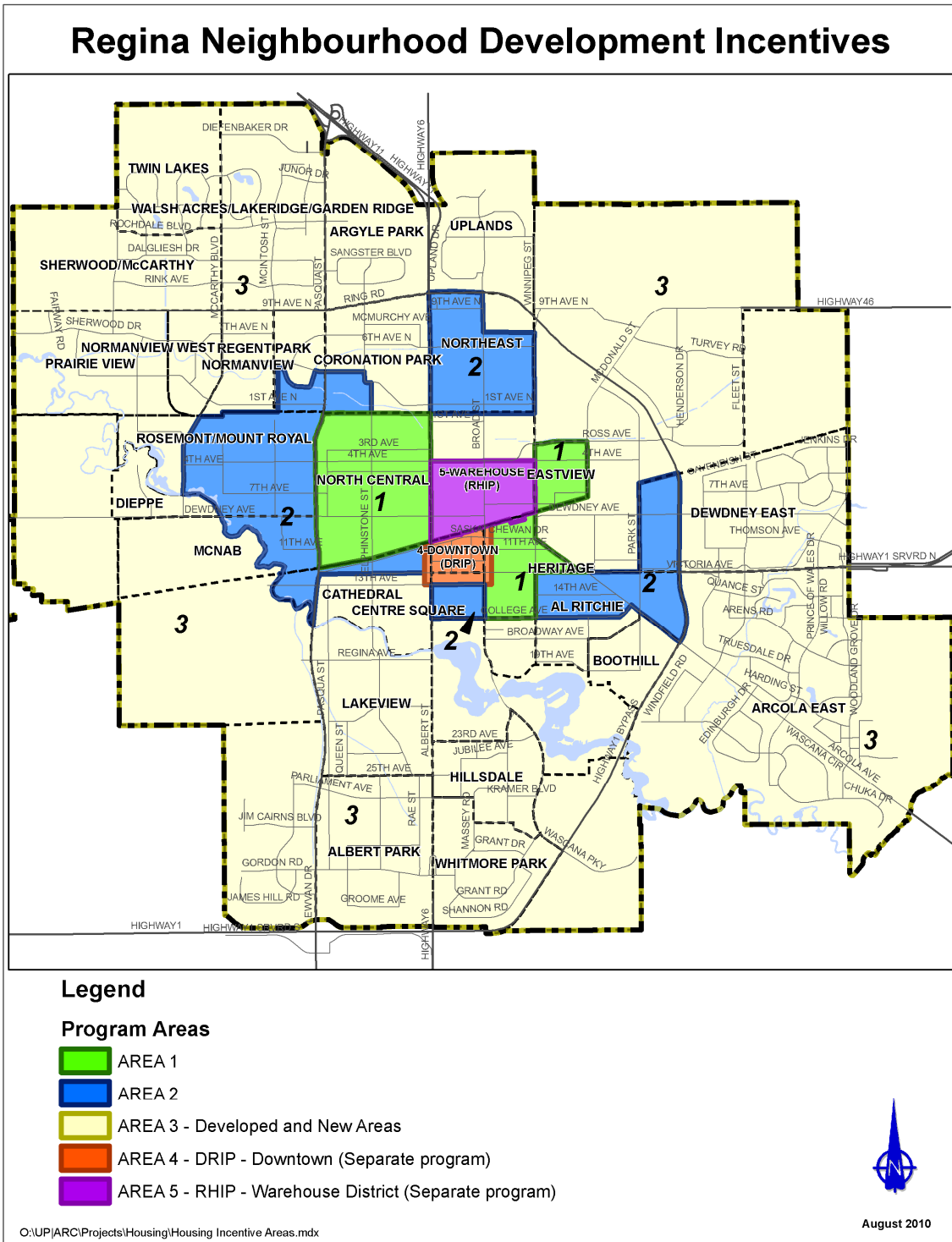
The City recognizes that the Official Community Plan (OCP) scheduled for completion in late 2013 will include new policies and programs affecting the Housing Incentives Policy at which time a revision may be required.

## APPENDIX 1

### Program Areas for Housing Incentive Policy

#### Map 1 – Program Areas

Program areas identified on this map dictate to the percentage and period of tax exemptions as outlined in Table 1 (**Section 5.1 (3)**).



# Housing Incentives Policy

Revised 4 June 2013

## Tax Incentives

### Rental units

#### Rental Eligibility:

- Rental development of 2 units or more
- All price points
- Areas 1, 2 and 3 = 100%, 5 years

#### Secondary suite:

- Secondary suites either in a new home, or a suite in existing home. Must be rental suite created
- Areas 1, 2 and 3 = 5 years
- Exemption equalling 25% of tax on entire property for new suite added to existing or new home

### Ownership units

#### Ownership Eligibility\*:

- S-F dwelling/condo; assisted ownership only; *Background: \$66,500 MIL = \$255k house*
- Areas 1, 2 and 3 = 100%, 5 yrs

## Capital Incentives

### Rental units

#### Rental Eligibility:

- At or below average rents
- Areas 1, 2 and 3
- Rental development of 2 units or more; minimum of 4 units and max of 50 units for private sector developers
- Secondary suites not eligible

### Ownership units

#### Ownership Eligibility\*:

- Assisted ownership (purchaser must be at or below the MIL of \$66,500)
- Areas 1, 2 and 3
- Minimum of 4 units and max of 50 units for private sector developers

*\*For ownership units, if qualify for capital then eligible for tax incentive; confirmation of eligibility can be done once for both applications. Exception is for secondary suite, where only tax incentive is offered, not capital.*

## Confirmation and Tracking

- |  |   |  |   |
|--|---|--|---|
| ➤ Rental status confirmed for five years | ➤ Affidavit confirming MIL for ownership (first buyer only) | ➤ Affidavit confirming rental at or below average for five-year period | ➤ Affidavit confirming owner at or below MIL (first buyer only) |
| ➤ Annual reporting                       | ➤ Tax incentives non-transferrable for ownership unit       | ➤ Not eligible for conversion for ten-year period                      |   |
| ➤ Reporting on secondary suites          |   |  |   |

## APPENDIX C

# Housing Incentives Policy

### 1. PURPOSE

The objectives of the incentives provided under this policy are:

- To encourage housing development that makes efficient use of established City infrastructure and helps build vibrant, sustainable and inclusive neighbourhoods.
- To support modest, affordable and accessible housing options.
- To stimulate rental housing development.

### 2. REFERENCE

This policy supports objectives and policies established by Council through the *Regina Development Plan Bylaw 7877* (Official Community Plan), including inner-city revitalization, growth management and economic development, affordable and special needs housing, compatible infill, and cost effective, sustainable development.

The City recognizes the critical role of community associations and other community organizations in improving the appearance, liveability, and residential quality of inner city neighbourhoods. Wherever possible, the City will:

- Work cooperatively with community associations to encourage community participation in planning, to promote positive community image and to enhance the quality of life.
- Coordinate local infrastructure improvements and other municipal programs and activities to complement neighbourhood planning and local initiatives.

### 3. TAX INCENTIVES

Tax incentives and eligibility requirements for the Regina Housing Incentives are provided in Schedule 1 of this policy.

- a) Exemptions to support residential developments under this policy may be provided as per Schedule 1 and as amended by Council from time to time.
- b) The exemption will be established on a parcel-by-parcel basis.
- c) Only the residential portion of a development is eligible for tax exemptions except as otherwise permitted in this policy.
- d) The tax exemption for the development will begin on January 1 of the year following approval. The date for commencing the exemption for the development may be deferred for one year at the sole discretion of the Deputy City Manager of Community Planning and Development (or his/her designate).
- e) The exemption may be transferred to a qualified owner under the same terms and conditions as the approved exemption.



- f) Properties that are in tax arrears with the City of Regina are not eligible for support under this policy.
- g) Rental developments will remain rental for 10 years after the issuance of the occupancy permit, after 10 years they will be subject to the City's Condominium Conversion Policy.
- h) The Deputy City Manager of Community Planning and Development (or his/her designate) shall in their sole discretion conclusively determine compliance with the eligibility criteria for tax incentives under this policy.
- i) The scope of the tax exemption, including calculation of any percentage or proportion and the determination of any use or cost, shall be conclusively determined by the City Assessor.
- j) Where applicable, the portion of a property qualifying for the tax exemption shall be determined by the most recent City property assessment.
- k) Units or developments that cease to meet the eligibility criteria in this policy and the conditions of the exemption agreement for the development shall be fully taxable in the year in which the breach of conditions occurs and in all subsequent years.
- l) Where the development is also eligible for a tax exemption under the *Municipal Incentive Policy for the Preservation of Heritage Properties (MIPPHP)*, the full benefit under both policies may be provided. The MIPPHP exemption will be provided first unless otherwise approved by the Deputy City Manager of Community Planning and Development (or his/her designate), in their sole discretion.

#### **4. CAPITAL INCENTIVES**

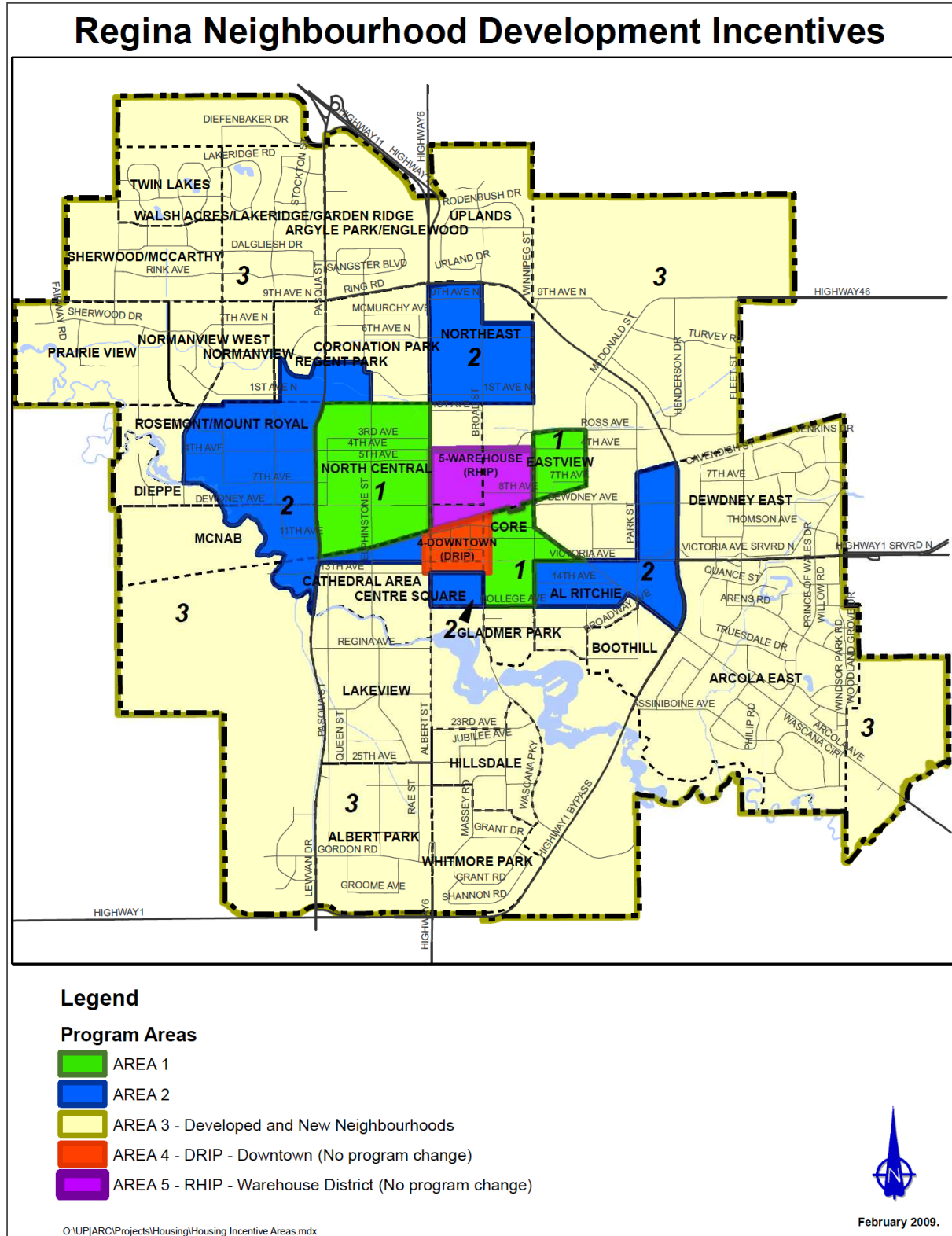
Capital incentives and eligibility requirements for the Regina Housing Incentives are provided in Schedule 2 of this policy.

- a) Capital grants may be provided from the Social Development Reserve for affordable housing developments as per Schedule 2 and as amended from time to time by City Council.
- b) The Deputy City Manager, Community Planning and Development (or his/her designate) in their sole discretion conclusively determine compliance with the eligibility criteria for capital incentives under this policy.
- c) Capital contributions under this policy will be provided in addition to tax exemptions for which the property qualifies.

#### **5. TRANSITION PROVISIONS**

An application under the Housing Incentives Policy received by the City of Regina, in a complete form prior to 11:59 pm on October 31, 2011, shall be processed and considered, based on the policies in effect prior to the December 19, 2011 amendments to the policy coming into effect. The City of Regina will accept an amended application requesting that the said application be processed and considered based on the December 19, 2011 amended Housing Incentives Policy. All applications received after November 1, 2011 shall conform to the December 19, 2011 amended Housing Incentives Policy.

# SCHEDULE 1 HOUSING INCENTIVES POLICY: TAX INCENTIVES FOR AREAS 1, 2 AND 3



## HOUSING INCENTIVES POLICY: TAX INCENTIVES FOR AREAS 1, 2 AND 3

### 1. ELIGIBILITY

#### ALL PROPERTIES

The terms and conditions for the exemption provided under this policy are as follows:

- a) Single family dwellings must be new construction.
- b) Single family dwellings must be owner-occupied; or may be owned by a non-profit housing organization, Aboriginal housing corporation, or a co-operative.
- c) Single family dwellings owned by private corporations are *not eligible*.
- d) Secondary suites in qualifying single family dwellings will be included in the exemption for the main dwelling.
- e) Developments with two or more units may be owned or rented.
- f) Developments with 2 or more dwelling units may be new construction or adaptive re-use of an existing building for new residential units.
- g) Tax exemptions are available for a term of three or five years, depending on the policy area and type of development as described in Table 1 and Table 2 of this Schedule.
- h) Incentives provided under this policy may be stacked with incentives provided through housing programs of the City of Regina, or the Provincial and Federal Government.
- i) Personal care homes and group homes are not eligible for assistance under this policy.
- j) Rental developments shall not be eligible for conversion to condominium for 10 years after occupancy permit.

#### SMALL SITE DEVELOPMENTS: 1 TO 4 DWELLING UNITS

- l) Tax exemptions may be provided to eligible small-site developments with 1 to 4 dwelling units as described in Table 1.

<b>Table 1</b>			
<b>Small Site Housing Developments With 1 to 4 Dwelling Units</b>			
	<b>Area 1</b>	<b>Area 2</b>	<b>Area 3</b>
<b>Percent Exempt</b>	100%	90%	90%
<b>Term of Exemption</b>			
Single Family Dwelling	5 Years	3 Years	None
Developments with 2-4 Units – <i>Owner-Occupied</i>	5 Years	3 Years	None
Rental Developments with 2-4 units	5 Years	5 Years	None

- k) Façade compositions that are substantially similar in appearance may not be used more than twice in any block face, and must not be adjacent to one another.

**LARGE SITE DEVELOPMENTS: FIVE OR MORE DWELLING UNITS**

- l) Large-site developments with five or more dwelling units may qualify for the applicable tax exemption described in Table 2.

<b>Table 2</b>			
<b>Large-Site Housing Developments With 5 or More Dwelling Units</b>			
	<b>Area 1</b>	<b>Area 2</b>	<b>Area 3</b>
<b>Term of Exemption</b>			
Ownership Development	5 Years	3 Years	Not Eligible
Percent Exempt	100%	90%	
Rental Development, construction start by March 28, 2011	5 Years	5 Years	5 Years
Percent Exempt	100%	100%	100%
50% exemption on commercial portion of new mixed residential-commercial development in a mixed-use zone. Residential portion is at least 50% of the development.	Yes	Not Eligible	Not Eligible

- m) All developments with five or more dwelling units, including planned groups of dwellings, townhouses, and other multi-family housing forms, must meet the following requirements:

*Attractive Streetscapes & Vibrant Neighbourhoods:*

- Parking and vehicular access will be by the rear lane and parking will be screened by the residential buildings as much as possible.
- Where rear lane parking and vehicular access is not possible, garage design must minimize the dominance of the garage on the streetscape (e.g. shall not protrude from the dwelling unit.)
- Urban design and architectural character should be compatible with the surrounding built form and character of the neighbourhood.
- In zones where mixed-use development is permitted, active uses should be at grade and interface directly with the street edge and public realm.
- All developments should provide an active use at grade and access with the street edge to provide for more “eyes on the street” to increase feelings of pedestrian comfort and safety and contribute positively to the vibrancy of the street.
- Developments will preserve the continuity of the existing street and lane grid.

*Sustainable Community Infrastructure and Safety:*

- All buildings will meet or exceed the energy efficiency and water conservation requirements of provincial affordable housing programs
- Developments are encouraged to be solar ready and built to take maximum advantage of passive solar access.
- At least one station dedicated to the separation and collection of materials for recycling and composting will be provided in the building or building complex.

## **SCHEDULE 2**

### **HOUSING INCENTIVES POLICY: CAPITAL INCENTIVES**

#### **1. AFFORDABLE HOUSING CAPITAL CONTRIBUTION**

Affordable housing is housing for individuals and families who are at or below the provincial Maximum Income Levels (MILs), or housing established by non-profit housing providers and Aboriginal organizations to provide affordable dwelling units on a long-term basis. Affordable rental developments are defined as those that provide units that are below average market average rents on a long-term basis.

- a) A capital contribution of \$10,000 per unit may be provided from the Social Development Reserve for affordable housing developments.
- b) Priority will be given to the non-profit, First Nation and Metis, and co-op housing sectors.
- c) Projects must meet the small site or large site requirements in this policy to qualify for the affordable housing capital incentive.
- d) The affordable housing capital contribution may be provided in addition to or in lieu of property, a building or other in-kind assistance.
- e) The maximum yearly expenditure from the Social Development Reserve shall be no more than two million dollars. The Deputy City Manager of Community Planning and Development has the discretion to exceed this cap by 10% should there be sufficient justification.

**NOTE:**

**Capital Contributions described in this policy will be considered on a case-by-case basis.**

## APPENDIX D

### CITY CONTRIBUTIONS TO HOUSING

Updated July 2, 2013

This document represents an updated version of the City's housing contributions for 2006-2012 and is based on the data collected for a report completed in December 2012, *City Contributions to Housing*. Data has been updated to reflect tax exemptions for projects completed in 2012 and eligible for exemption in 2013.

#### **Total City Contributions to Housing 2006-2012**

Through the provision of capital grants, land and various tax incentives, the City has contributed to housing development within the community that has resulted in new rental and ownership units. The impacts of these measures from 2006-2012 are as follows:

- ★ Capital Grants = \$2,286,651 = 283 units created
- ★ Land Contributions = \$1,001,350 = 27 new units created
- ★ Tax Incentives = \$4,109,377 = 1,296 new units created
- Total Value = \$7,397,378      Total Units = 1,606 new units created**

#### **Capital Grants (Social Development Reserve)**

The Social Development Reserve was established in November 1993 (Bylaw 9552) for funding capital projects or capital grants in furtherance of social development within the City of Regina. Funding has been used to support a variety of affordable and social housing projects that address the needs of individuals across the housing spectrum. This includes providing financial contributions to organizations directly involved in the development of affordable housing as well as partnering with the province to support programs they administer to increase affordable housing options within the community.

City Council initially supported funding through this reserve for projects which conformed to the following principles:

- projects must be partnerships;
- the City's contribution should be approximately 5% of the project cost;
- the City will not contribute to ongoing operational costs.

In 2009, the amount that could be applied for was changed from 5% of the capital project cost to \$10,000/door.

<b>Social Development Reserve Housing Impacts<sup>+</sup></b>					
<b>2006-2012</b>					
	SDR Grant Amount*	Affordable Housing Units Approved		Social Housing Units Approved	Total Units
		Rental <sup>++</sup>	Ownership <sup>++</sup>		
2006	\$296,500.00	16	35		<b>51</b>
2007	\$210,651.00**	3	51		<b>54</b>
2008	-	-	-	-	<b>0</b>
2009	\$310,000.00	9	2		<b>11</b>
2010	\$265,000.00*				<b>0</b>
2011	\$465,000.00	39***	14***	40	<b>93</b>
2012	\$740,000.00	48	26		<b>74</b>
<b>Total</b>	<b>\$2,286,651.00</b>	<b>115</b>	<b>128</b>	<b>40</b>	<b>283</b>

+Based on based available information sourced from Council Reports and transactions from financial reports

++ Ownership type is based on the applicant's proposal

\*Amounts are based on the year the final amount of grant funding was paid out.

\*\*This number excludes \$16,296.68, which was an adjustment to the funding arrangement previously approved between the City and the Province for the Neighbourhood Home Ownership Program. See *Council Report CR01-112*.

\*\*\*The applicant indicated at the time of funding that these units may be rented or sold. The units were categorized as rental or ownership based on their form (i.e. 39 apartment units, 14 townhouse units).

In the figure above, the number of units under the Social Housing category reflects units that were funded through the Reserve, but targeted a particular special needs group (i.e. persons with disabilities). These units would not been available on the open housing market.

The number of units approved in the 2006 excludes a \$40,000 contribution the City made to the YWCA renovation project of the Isabel Johnson Shelter that resulted in making the shelter wheel-chair accessible and added 20 supportive hostel beds for abused women and children within the community.

To date (June 2013), \$1.5 million has been committed in capital incentives for 2013 representing 150 units, 82 of which will be rental. Additional applications are still being received and the City may reach a contribution of \$1.8-2 million and 180-200 below market units in 2013.

### Capital Grants Housing Highlights

- ★ **In 2007 funding from the Reserve was used to support the development of 50 apartment-style rental units for seniors.**
- ★ **In 2009, Chip and Dale Housing Inc. received funding to develop 2 affordable supportive housing units to adults with intellectual disabilities as part of a larger group care facility designed to contain four residents.**
- ★ **In 2011, Rancho Ehrlo received grant funding to develop 40 studio housing units to provide affordable and supportive housing to individuals living with chronic mental health conditions.**
- ★ **For 2013, we have committed funds for \$1.5 million (150 units), 82 of which are rental; we anticipate committing \$1.5 - 2 million for the year.**

### Land

The City of Regina has contributed to the development of housing by selling lots that have defaulted to the City due to unpaid taxes. In order for the City to sell land at less than market value, Council's approval is required. Under *The Cities Act*, the City must provide public notice before this matter is considered by City Council.

Under the *Saskatchewan Tax Enforcement Act*, when the City obtains a parcel of land through the Tax Title Enforcement process, the City must provide a public notice of the proposed tender for the subject parcel within a twelve month period from the date the land is acquired.

All known affordable housing providers and members of the public who have expressed interest in purchasing such properties are sent a Request for Qualification (RFQ) and Expression of Interest (EOI) notice. The RFQ and EOI are also included on the City's website and the CityPage of the Leader Post. Larger lots with greater development opportunities are subject to a Request for Proposals (RFP) procedure, which includes a public input process. This helps to ensure that the type of housing approved is sensitive to the character and needs of existing neighborhoods.

The figure below shows the value of the lands sold and the price they were sold at. Seven of the lots sold are in various stages of development. Accordingly, the number of units created will increase once those units come online.

Based on information included on the building permits issued for these lots, the form (i.e. single-family dwelling, duplex, etc.) of the development that took place on the lots can be determined. However, the ownership vs. rental status is not tracked. Therefore the exact number of rental units created cannot be determined with any degree of accuracy.

<b>City Land Sales Housing Impact*</b> <b>2006-2012</b>					
	Land Value	Selling Price	Value of City's Contribution	# of Lots Sold	# of Units Created
2006	\$63,000	\$25,250	\$37,750	13	14
2007	\$38,600	\$0	\$38,600	1	2
2008	\$0	\$0	\$0	0	0
2009	\$37,500	\$0	\$37,500	1	1
2010	\$562,500	\$55,000	\$507,500	15	12
2011	\$250,000	\$0	\$250,000	5	5
2012**	\$150,000	\$20,000	\$130,000	4	3
<b>Total</b>	<b>\$1,101,600</b>	<b>\$100,250</b>	<b>\$1,001,350</b>	<b>39</b>	<b>27***</b>

+Based on "best available information" sourced from transactions reports provide by the City of Regina Real Estate Branch

\*\*Reflects the amounts to date of lands sold and constructed upon.

\*\*\*17 of these units received funding assistance through the Social Development Reserve and are reflected in the total units created through that program. **The number of units created with land (27) is misleading because units were not double-counted if units received other incentives. When this report was completed in December 2012, 37 units were developed with 7 more lots yet to be developed (for at least another 26 units and a total of 63 units on the 39 lots sold)**

## Land Housing Highlights

- ★ **27 Single Family Dwelling Created**
- ★ **5 Duplexes Created (10 Dwelling Units)**
- ★ **7 lots still to be developed**
- ★ **51% of lots were sold to Habitat for Humanity for the development of Affordable Housing**

## Tax Incentives

Since 1993, the City has offered an array of various tax exemptions in order to bolster the development of housing in targeted areas, as well as, increase housing options throughout the City. All of the tax exemptions listed below have been subject to program changes and updates since their original establishment date.

**Downtown Residential Tax Incentive Policy (DRIP)** – Established in 1997, the purpose of the policy was to encourage the conversion of existing buildings (no longer suited for commercial purposes) to residential purposes or for the construction of new residential development in the downtown area. DRIP provides a maximum five-year tax exemption for residential condominium and rental projects located within the downtown area.

**Inner City Housing Stimulation Strategy (ICHSS)** – Established in 1993, the ICHSS was created to stimulate owner occupied single family residential infill development in the Inner City in order to enhance the stability and viability of the respective Inner City neighbourhoods. A five-year tax exemption was provided for new owner occupied homes constructed within the ICHSS.



**Housing Incentive Tax Exemption Policy (HITEP)** – Established in 2009 as a retooled version of the ICHSS tax exemption, the HITEP was redesigned to encourage housing development, support modest, affordable and accessible housing options in inner city areas, and assist in stimulating new rental housing development. Through the HITEP, the level and term of exemption varies based on location within the City.

**Regina Housing Incentive Policy – Warehouse District (RHIP)** - Established by Council in 2006, the RHIP provided a five-year tax exemption up to a maximum of \$7,500 for eligible residential properties located within Regina’s Old Warehouse Business Improvement District. Projects that created either ownership or rental housing were eligible for funding.

The total dollar amounts provided in the figure below represents all of the exemptions paid out in the given year. Since these exemptions extend for anywhere between three and five years per property, the dollar values stated in a given year do not directly correlate with the number of new units created in that year.

The total new units represent the number of newly approved exemptions that began in a given year and the number of units tied to those new exemptions.

City Tax Exemptions Housing Impact 2006-2013 <sup>^</sup>								
	DRIP		HITEP		ICHSS		RHIP	
	Total Tax Incentive	Total New Units Created	Total Tax Incentive	Total New Units Created	Total Tax Incentive	Total New Units Created	Total Tax Incentive	Total New Units Created
2006	\$157,305	176			\$311,078	133		
2007	\$162,179	-*			\$312,559	31	\$20,215	12
2008	\$163,031	-			\$333,247	52	\$23,146	4
2009	\$162,401	41			\$322,046	38	\$22,388	8
2010	\$129,370	-	\$69,294	119	\$268,531	-	\$19,011	-
2011	\$62,158	-	\$224,173	225	\$144,541	-	\$11,901	-
2012	\$64,582	-	\$365,291	296	\$119,451	-	\$2,874	-
2013	\$59,807	-	\$521,802	161**	\$56,996	-	\$2,760	-
<b>Total</b>	<b>\$960,833</b>	<b>221</b>	<b>\$1,180,560</b>	<b>801</b>	<b>\$1,868,449</b>	<b>250</b>	<b>\$99,535</b>	<b>24</b>
<b>Total all programs</b>							<b>\$4,109,377</b>	<b>1,296</b>

<sup>^</sup> Numbers represent municipal portion of the tax only, not library or school exemptions

\* No new units were created in this year. Dollar values shown are related to units created in a previous year.

\*\* 120 of the 166 units are rental. Total for 2013 new units is \$198,792

### Tax Incentives Housing Highlights

- ★ Since 2006, the City has provided tax exemptions across all of its programs in the amount of **\$4.1 million**.
- ★ Since 2006, the tax exemption programs provided by the City have stimulated the development of **1,296** housing units.
- ★ In 2013, **75%** of tax exemptions went to purpose-built **rental units**.

## **Partnering with Provincial Programs**

The City is working with the province to align programs and is taking advantage of three provincial housing programs. They include:

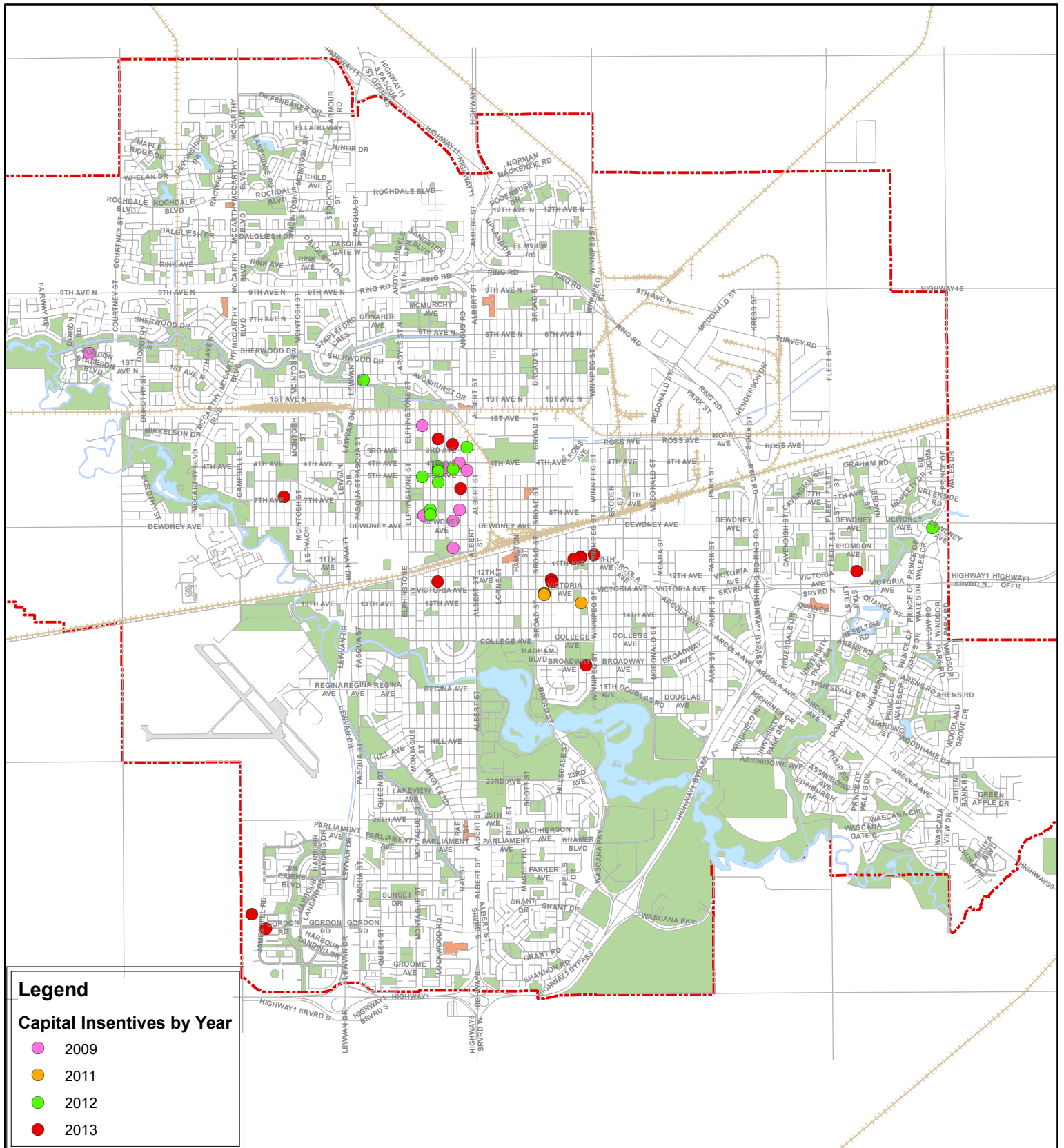
- **Headstart on a Home (HSOH)** – three projects since 2012 have been approved for HSOH financing through the province. Developers have set aside 15% of their developments to affordable units and the City has partnered to provide a capital grant of \$10,000 per door for these affordable units. The \$10,000 per unit will be transferred to eligible buyers at the time of purchase; eligible buyers are those who are at or below the Maximum Income Level (MIL) established by the province – currently \$66,500.
- **Rental Construction Initiative (RCI)** – The City has been enrolled since program start (2011). To date \$2.5 million has been allocated for rental units built in Regina. We estimate up to 600 rental units will be eligible in 2013. The RCI offers an annual payout to developers or owners equivalent to the City's tax incentive up to \$5,000 over five years.
- **Affordable Home Ownership Program (AHOP)** – The City has recently been approved for the AHOP program. \$617,000 for 2011-2015 will be provided by the province for affordable homeownership units funded by the City through our capital grant program. Funding from AHOP will be put into the Social Development Reserve to fund the capital incentive grant program.

In addition to the three programs where the City plays a role in confirming eligibility, there are two additional programs that recipients of City incentives may be eligible for. They are:

- **Rental Development Program (RDP)** – Developments that meet the requirements of City's incentives policy for providing units for low to moderate households may be eligible for an RDP loan for rental development of 4 to 26 units provided they are not receiving any additional provincial funding. Rents must be held at or below average rents for the area for ten years and be offered to households with incomes at or below the MIL as established by Saskatchewan Housing Corporation (SHC).
- **Secondary Suite Program** – This program provides financial assistance in the form of a forgivable loan of 50% of total construction costs up to \$30,000 to construct or renovate a secondary suite. The program has helped to create 67 new units with another 72 eligible units underway. Current funding has been exhausted and the province has created a waiting list should program funding be renewed. With revisions to the City's Housing Incentives Policy, tax incentives in the amount of 25% of property tax for the creation of a secondary suite would be stackable with the provincial program.

Besides these programs, the province has five additional programs for residential unit creation and repair as well as programs for innovative project proposals.

# CAPITAL INCENTIVES 2009-2013



10/Jun/2013

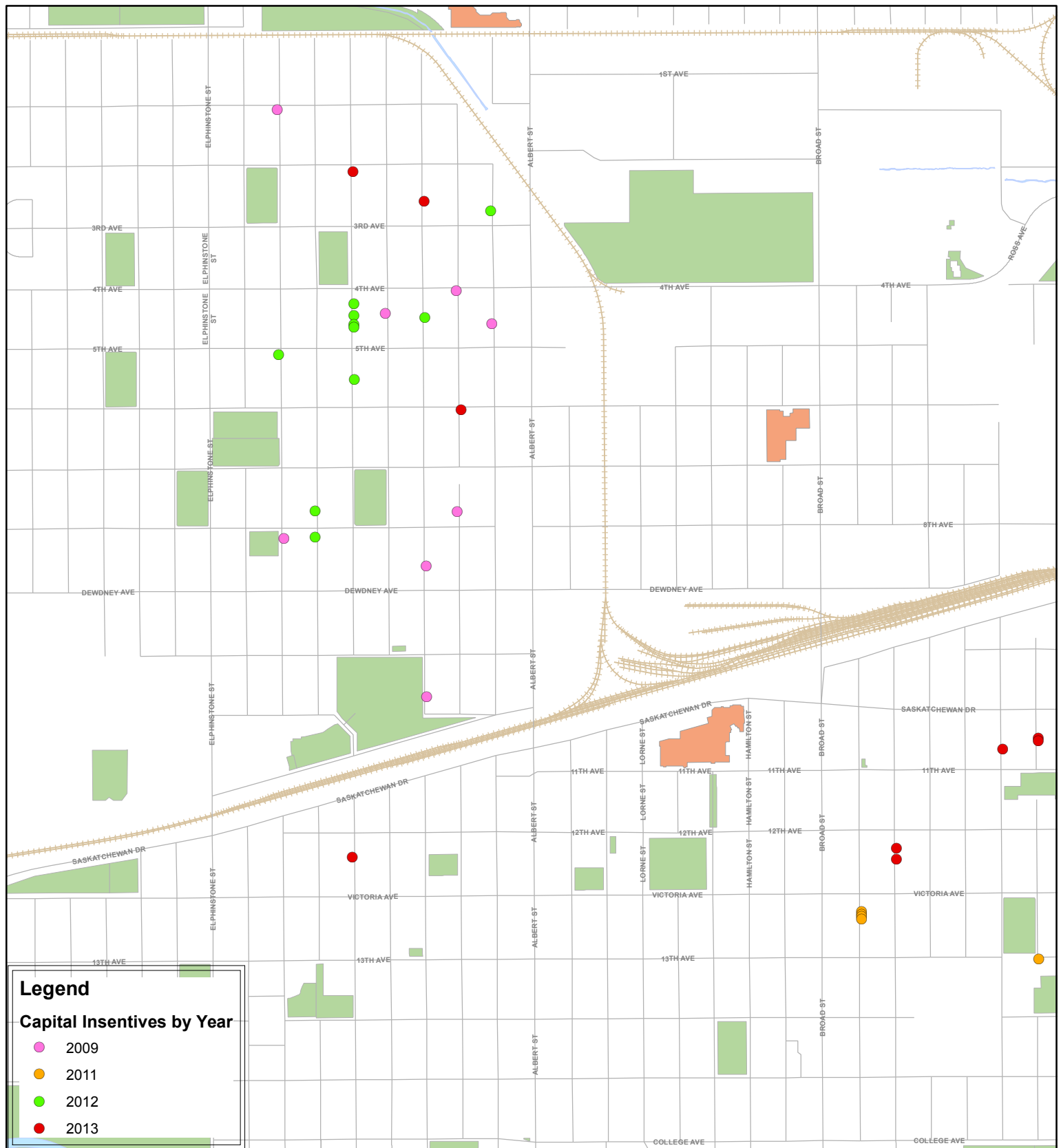
PLANNING DEPARTMENT

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City of Regina



# CAPITAL INCENTIVES 2009-2013



10/Jun/2013

PLANNING DEPARTMENT

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## HITEP - Property Tax Incentives 2009-2013



Start Year

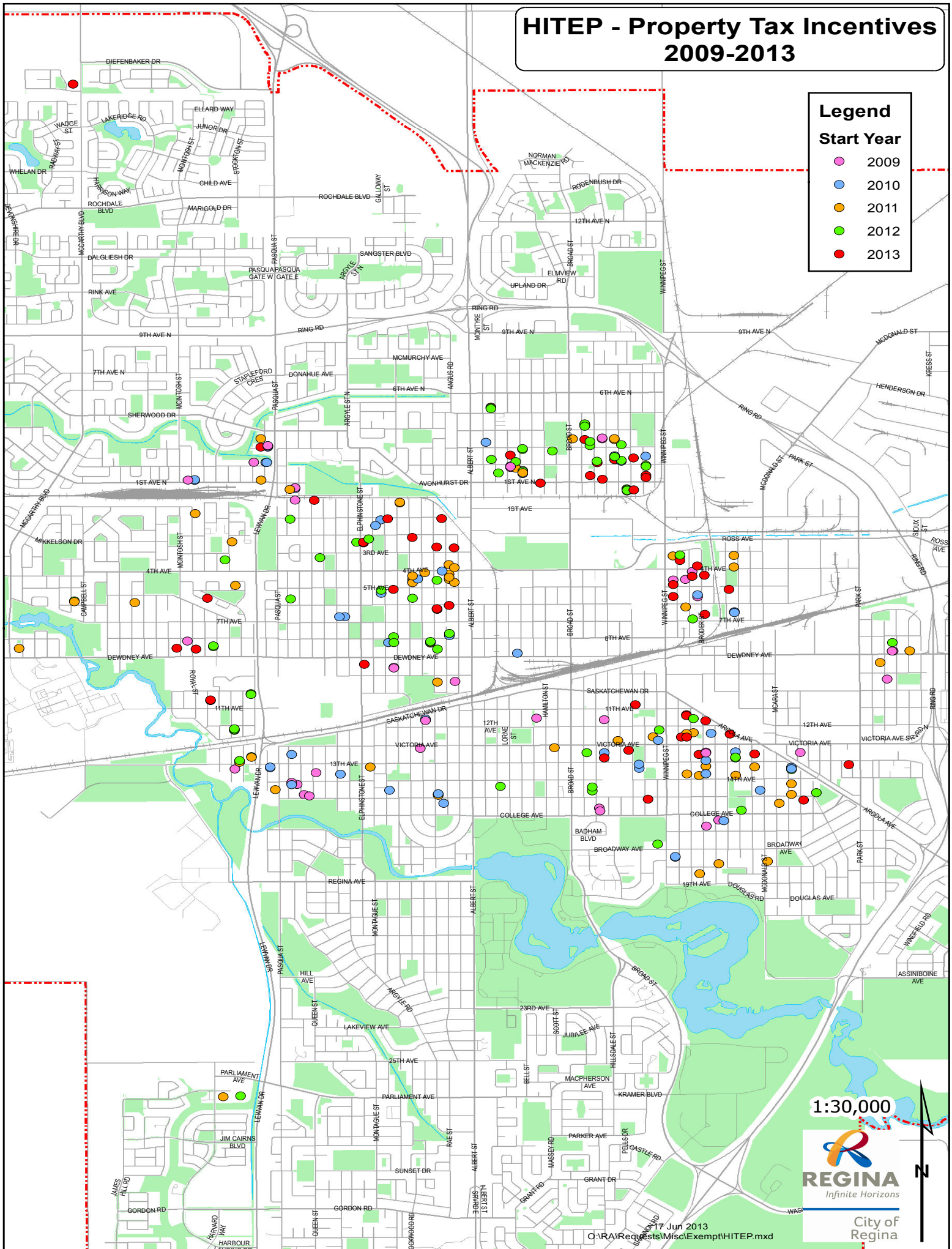
● 2009

● 2010

● 2011

● 2012

● 2013



1:30,000



City of Regina

17 Jun 2013

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## Downtown Residential Tax Incentives Policy

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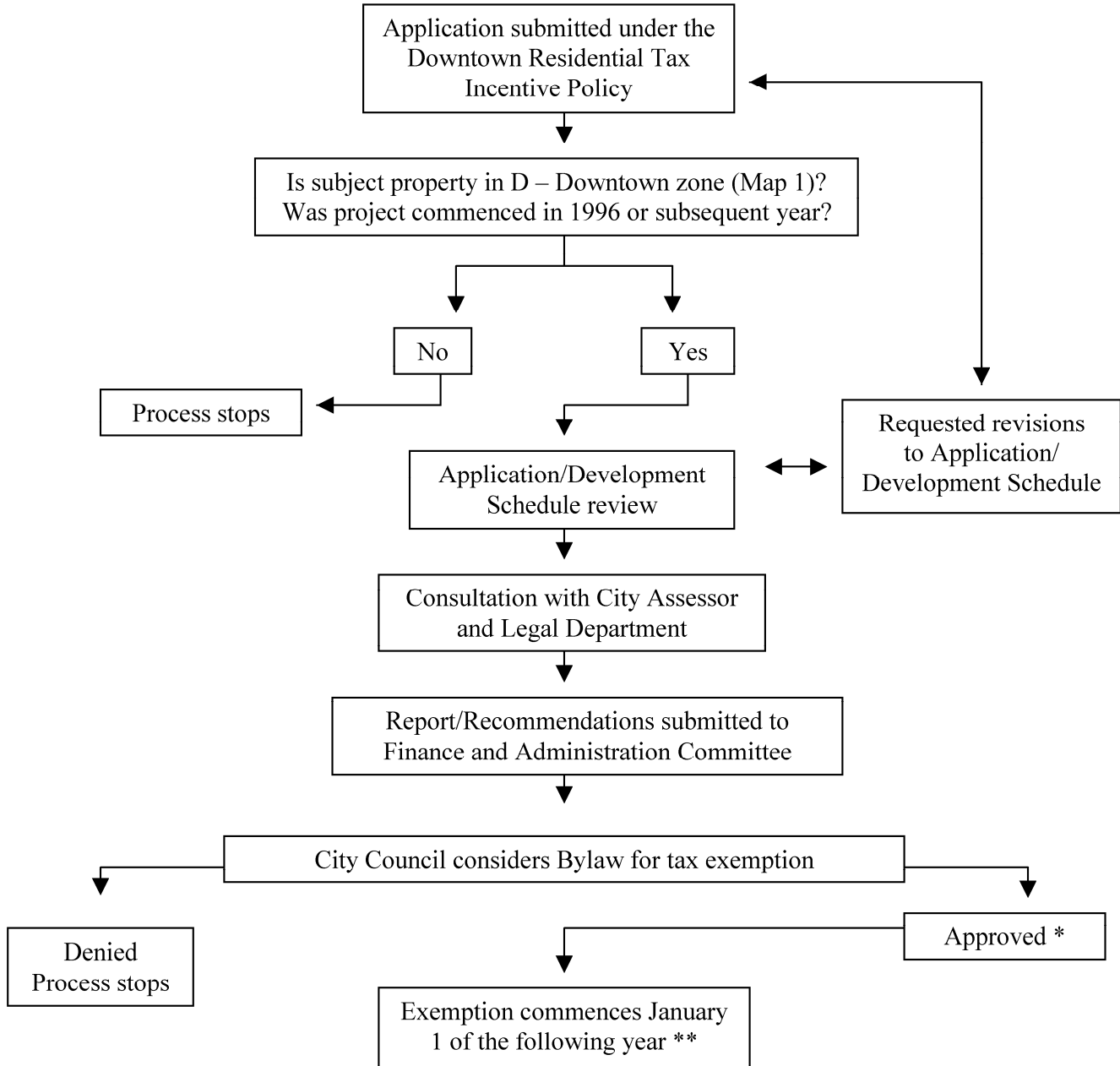
1. The exemption policy shall apply only to properties located within the downtown area identified in Part G of the *Regina Development Plan*, or properties zoned D – Downtown.
2. The exemption may be provided for a maximum of five (5) years for residential condominium and rental projects.
3. The exemption shall apply to the land and building assessment for residential purposes and exclude any portion utilized for commercial or other purposes.
4. For each project, a specific application shall be made to include a development schedule that if not achieved by the applicant, will result in termination of the exemption.
5. Except as provided under condition 6, all taxes on the property shall be kept current at the time of approval and be kept current for those portions of the building that are non-exempt. Any failure to meet this condition will result in termination of the exemption.
6. Tax exemptions will commence January 1 of the year following approval and commencement of construction. City Council may, at its discretion, approve abatement of existing taxes under circumstances to be determined by City Council, and subject to conditions that would include the developer meeting the development schedule and earning the abatement over a period of time based on the development schedule.
7. Where the project is also eligible for a tax exemption under the *Municipal Incentives Policy for the Preservation of Heritage Properties*, the full benefit under both policies may be provided by extending the term of the heritage incentives policy up to five years beyond the term of the exemption under the *Downtown Residential Incentives Policy*.

Projects commenced in 1996 and subsequent years will be considered eligible for application.

## Boundaries of Regina's Downtown



## Downtown Residential Tax Incentive Policy Application Procedure



\* All taxes must be current at time of approval.

\*\* The exemption will commence January 1 of the following year provided that a valid building permit has been obtained.



## DOWNTOWN RESIDENTIAL TAX INCENTIVES POLICY

### Purpose

On March 10, 1997 City Council adopted an incentive policy for residential development in the downtown. The purpose of this policy is to support the downtown by encouraging the conversion of existing buildings (no longer suited for commercial purposes) to residential purposes, or for the construction of new residential development, to increase the viability and population in the downtown area.

### Authority

The Urban Municipality Act provides under Section 275.3 the authority for City Council by bylaw to enter into an agreement subject to any terms and additions the Council may specify for the purposes of exempting land from taxation for a period of not more than five years.

### Terms of the Incentive Policy

In general, City Council will consider assistance in the form of a property tax exemption for residential portions of development in the **D - Downtown zone**, based on the following terms:

- That the exemption policy apply only in the **D - Downtown zone**;
- That the exemption apply for a **maximum of five years** for residential condominium and rental projects;
- That the exemption apply to the land and building assessment for residential purposes and exclude any portion utilized for commercial or other purposes;
- For each project, a specific application be made to include a development schedule that, if not achieved by the applicant, will result in termination of the exemption;
- Except as provided in condition 6 all taxes on the property shall be current at the time of approval and be kept current for those portions of the building that are not-exempt. Any failure to meet this condition will result in the termination of the exemption;
- Tax exemptions will commence January 1 of the year following approval and commencement of construction. City Council may, at its discretion, approve abatement of existing taxes under circumstances to be determined by City Council subject to conditions that would include the developer meeting the development schedule and earning the abatement over a period of time based on the development

schedule.

- Where eligible projects are also eligible for the heritage incentive policy, specific negotiations occur to determine if any portion of the works eligible can be utilized under both programs;
- Projects commenced in 1996 and subsequent years will be considered eligible for application.

July 17, 2013

To: Members,  
Executive Committee

Re: Capital Budget Advance Approval - Fleet Bus Purchase

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### RECOMMENDATION

1. That the 2014 and 2015 planned capital purchases of 15 new conventional low floor transit buses be approved in advance for a total cost of \$7,500,000, in order to speed up the conversion of the conventional transit fleet to entirely low floor accessible buses, and to significantly reduce fleet maintenance time and costs.
2. That \$1,000,000 from the Fleet Equipment Replacement Reserve and \$6,500,000 from the Asset Revitalization Reserve be used to fund the advance purchase of new low floor transit buses.
3. That the Asset Revitalization Reserve be repaid \$3,300,00 in 2014 and the balance of \$3,200,000 be repaid in 2017 through future allocations from the Fleet Equipment Replacement Reserve.

### CONCLUSION

In the 2013 capital budget, funding was made available for Fleet Services to purchase nine new conventional transit buses (seven 40' buses and two small buses). In exchange, eight buses will be retired. A capital request for a further 15 buses is contained in the 2014 and 2015 budget plans. The status quo timeline has these 15 buses ordered in spring of each future budget year following overall budget approval. As there is a long lead time from order to delivery, the earlier these purchases can be planned allows for quicker implementation.

Authorization is sought to fast track the purchase of all 15 buses in order to address the potential future issues raised in this report. If the 15 buses are purchased now, all remaining high floor and used 'Charlotte'<sup>1</sup> buses will be retired. This makes the conventional transit fleet 100 per cent low floor accessible by the first quarter of 2014. This also allows the entire aged high floor and used Charlotte buses to be decommissioned, mitigating their extremely high maintenance costs and excessive downtime.

### BACKGROUND

Fleet Services assumed responsibility for the buses used by the Transit Department as part of the City's structure reorganization and implementation of the Fleet Centralization Plan in 2012. Currently there are 108 buses utilized by the conventional transit system which are owned and maintained by the Fleet Services Department. As a result, an agreement between the Fleet and Transit Departments exists to set out service levels between them. Of the current fleet the oldest, high floor non-accessible buses are between 19 and 36 years of age and are demanding a disproportionate amount of maintenance time and budget to maintain.

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<sup>1</sup> The 800 series buses are Nova buses that were purchased used in 2010 from Charlotte, N.C. and are often referred to as "Charlottes".

Additionally, the bus fleet consists of several unreliable Charlotte buses (which were purchased used in 2010), one of which was recently decommissioned two years ahead of schedule, due to major maintenance concerns. It is anticipated that the removal of the remaining used Charlottes will reduce maintenance costs significantly.

A review of maintenance costs for the 18 month period from January 2012 to June 2013 for the used Charlotte buses was recently conducted. The results indicate that the costs on the remaining Charlotte buses average \$3.58 per kilometre. The same review was conducted on comparable aged Nova buses with results indicating an average cost of \$0.93 per kilometre. This equates to a cost of approximately 3.8 times more to maintain the Charlotte buses compared to even the oldest Nova buses in the fleet. In 2012, the overall fleet average cost was \$0.56 per kilometre (including the above buses). Accumulated annual mileages for the same buses were also reviewed with the results indicating that the Charlotte buses travelled half the mileage (49 per cent) due to considerable repair downtime as compared to the other Nova buses during the same period. The ongoing downtime of buses was a direct factor in the need to temporarily take routes out of service in 2013.

Moreover, Fleet Services has faced challenges when trying to recruit and retain qualified maintenance staff with the spectrum of knowledge needed to work on older high floor buses, the used Charlotte buses<sup>2</sup> and newer Nova buses alike. Service levels are often placed in jeopardy when the maintenance staff are consistently concentrating the majority of their efforts on aged and out of date apparatus. When the 15 buses ordered through the 2014 and 2015 capital budget arrive, the oldest buses and all Charlotte buses in the current fleet will be decommissioned. Replacing these 15 buses will eliminate the maintenance defects associated with the old high floor buses and equate to an approximate 12 per cent reduction in downtime.

In 2010, Council approved a long-term fleet plan that provided a long-term funding plan to allow the fire and transit fleets to be upgraded and maintained based on industry standards. This plan included the allocation of a .63% mill rate increase and the allocation of federal gas tax grants to bridge the fleet reserve until it has a sustainable ongoing funding mechanism. This plan has effectively upgraded much of the fleet, and by 2015 the funding plan will be complete and funding the current fleet requirements on an ongoing basis.

## DISCUSSION

In February 2013, the Fleet and Transit Departments had to temporarily cancel services on which the community depends due to a high number of buses out of service for maintenance. Any efforts the City makes to ensure its transit system is both reliable and dependable will pay dividends in attracting new riders and maintaining the existing customer base by ensuring acceptable service levels expected by the community.

The City of Regina transit system provides service to their customers on every day of the week. Peak situations are Monday to Friday between 6 a.m. and 9 a.m. and 3 p.m. to 6 p.m. when a minimum of 81 buses are required. This number does not include the school extras or charters that are scheduled over and above regular service. In order to handle a fleet demand of this size, the total number of buses required has been determined to be 108. This fleet size includes the new small bus added earlier this year for the Harbour Landing route, as well as the replacement of one large bus with two small buses as recommended by the Transit Investment Plan. This number is also required to handle preventive and regular maintenance work, and accident damage claims.

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<sup>2</sup> The used Charlottes are equipped with uncommon engines, transmissions and differentials.

Based on the recommendations in this report, the following chart illustrates the outcomes of an immediate conversion to a low floor fleet:

Jan 2009 - 46 low floors or 40 per cent of the conventional transit fleet.  
Jan 2010 - 56 low floors or 46 per cent of the conventional transit fleet.  
Jan 2011 - 75 low floors or 59 per cent of the conventional transit fleet.  
Jan 2012 - 79 low floors or 72 per cent of the conventional transit fleet.  
Jan 2013 - 83 low floors or 80 per cent of the conventional transit fleet.  
May 2013 - 92 low floors or 85 per cent of the conventional transit fleet.  
Feb 2014 - 108 low floors or 100 per cent of the conventional transit fleet.

Further, the Saskatchewan Human Rights Commission (SHRC) filed a report in June 2013, as a result of the SHRC receiving intake inquiries and their desire to address inequity through systemic advocacy. The report was prepared as a stakeholder engagement tool reacting to concerns people with disabilities have with the public transportation system. As a result, the report calls upon the City of Regina's Transit Department to take the lead in ensuring its community's basic accessibility needs are met, including assurances that an equivalent, comparable, accessible and dependable conventional transit system is in place.

The SHRC report further highlights exactly that which the Transit Department is trying to achieve: the desirability of an all low floor bus fleet with reliable, scheduled routes. Following approval of the recommendations contained in this report, the old high floor buses will be replaced with new buses that are dependable, efficient and ergonomically compatible to operators and passengers alike. With 100 per cent of the working fleet having low floor accessibility, Transit will have the capacity to accommodate citizens with mobility concerns and potentially reduce Paratransit's work load demands. This will be seen as positive movement in regards to approaching concerns set out in the SHRC report, and the concerns identified in the SGI Audit.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

Based on current figures and purchase agreements, the new cost of a Nova bus is \$500,000 . The total cost for the 15 buses is \$7,500,000.

<b>2014 Advance Purchase</b>	
2014 Transit Bus Purchase (9)	4,500,000
2015 Transit Bus Purchase (6)	3,000,000
<b>Total Advanced Approval</b>	<b><u>7,500,000</u></b>
 <b>Funding Approval Required</b>	
Fleet Replacement Reserve	1,000,000
Asset Revitalization Reserve to be repaid by 2017	6,500,000
<b>Total Advanced Funding Approval</b>	<b><u>7,500,000</u></b>

The funds needed to complete the advance purchase of the buses would come from the Fleet Replacement Reserve with the balance being borrowed from the Asset Revitalization Reserve fund. There is no increase to total number of buses planned to be purchased over the next five years, so planned future contributions to the Transit Fleet Replacement Reserve will be transferred to the Asset Revitalization Reserve fund to fully replace the borrowed funds. The first repayment of \$3.3 M will be made in 2014 with the balance of \$3.2 M being repaid in 2017.

The Fleet Equipment Replacement Reserve and Asset Revitalization Reserve both have sufficient funds to accommodate the recommendations in this report.

#### Environmental Implications

Efforts taken to increase ridership by having a more dependable and accessible conventional transit fleet will reduce the amount of emissions into our air. In addition, newer buses have improved emission systems that reduce the amount of green house gases generated by the fleet.

#### Policy and/or Strategic Implications

Any steps the City takes to make its conventional transit system more accessible are steps toward making Regina more inclusive and attractive. Furthermore, the City can boast that the entire conventional transit fleet is low floor accessible models which would address some of the concerns raised in the SHRC June 2013 report.

#### Other Implications

None with respect to this report.

#### Accessibility Implications

One of Transit and Fleet Departments' goals, further emphasized by the SHRC report, was to have the entire conventional transit system contain all low floor units by 2016. With the approval of this report, the City will have completed this goal by the first quarter of 2014.

#### COMMUNICATIONS

This report, and its acceptance by City Council, will be shared with the SHRC.

#### DELEGATED AUTHORITY

The recommendations in this report require the approval of City Council.

Respectfully submitted,



Kari Koivisto, Director  
Fleet Services Department

Respectfully submitted,



Brent Sjoberg, Deputy City Manager & CFO  
Corporate Services Division

July 17, 2013

To: Members,  
Executive Committee

Re: Three-Year Contract with Crown Enterprises for Off-Site Storage

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RECOMMENDATION

1. That City Council authorize the City Clerk, or his or her designate to negotiate and approve the terms of an agreement with Crown Enterprises Ltd. for off-site storage for the period of February 1, 2013 and ending February 29, 2016.
2. That the City Clerk be authorized to execute the agreement with Crown Enterprises Ltd. after review and approval by the City Solicitor.
3. That this report be forwarded to the July 29, 2013 meeting of City Council for approval.

CONCLUSION

The current contract with Crown Enterprises Ltd. was a sole source acquisition authorized by the City Manager in 2005 pursuant to Part IV of Bylaw 2003-69, the Regina Administration Bylaw (the "Administration Bylaw") in accordance with provisions of the Purchasing Policy. The Administration requires City Council's approval to enter into another sole source agreement with the same vendor, which Council may approve pursuant to section 50 of Part IV of the Administration Bylaw.

BACKGROUND

Crown Enterprises Ltd. has provided services for the storage and retrieval of the City's off-site records since the early 1980's. The contract is valued at approximately \$156,300 for 2013. In 2012 Crown Enterprises Ltd. stored 23,535 paper storage boxes as well as numerous cartridges, tapes, microfilm/microfiche and other media; 1,464 new boxes were sent to Crown and there were 2,292 record retrievals.

Recognizing the need to also start disposing of records, the Clerk's Office began a project in 2011/2012 to destroy records that have met their retention. In total 7,087 boxes of records met the retention schedule, were further reviewed and shredded where appropriate.

The services provided by Crown Enterprises Ltd. include security of inactive records and the physical protection of records through environmentally controlled storage (humidity and temperature) for paper records, cartridges, tapes, microfilm, CD's and tapes; and gas, fire protection (as opposed to water). They also provide services for the delivery of records twice a day or on a rush retrieval basis if required. Crown Enterprises Ltd. has provided excellent service. The storage facility has been effective in the care and protection of the City's records, the staff members are courteous and helpful and the facility is located within close proximity so response times are more than adequate.

## DISCUSSION

There is no other competition in Regina, or close to Regina, that has the capability of providing the same records storage and retrieval services. No consideration has been given to storing the records on-site, given the space requirements and specialized environment.

The storage of records constitutes approximately 80 per cent of the cost of the agreement. This cost has remained unchanged in the new agreement. The remaining 20 per cent of the agreement costs include supplies and service fees, which have increased an average of 10 per cent. This increase has been included in the 2014 budget.

## RECOMMENDATION IMPLICATIONS

### Financial Implications

Funding has been included in the 2014 budget for continuation of this service.

### Environmental Implications

The specialized environmental requirements for records storage are addressed at the suggested facility.

### Strategic Implications

Ensuring the safe storage and retrieval of corporate documents ensures organizational capacity and effectiveness and provides excellent customer service.

### Other Implications

Storage of records in a secure facility ensures the City meets legislative requirements with respect to records retention and destruction.

### Accessibility Implications

The records are readily accessible through either standard daily delivery or rush deliveries as required.

## COMMUNICATIONS

A copy of this report will be provided to Crown Enterprises Ltd. and the Administration will be notified that Crown continues to be the service provider.



DELEGATED AUTHORITY

City Council authorization is required.

Respectfully submitted,

Handwritten signature of Joni Swidnicki in cursive script.

Joni Swidnicki,  
City Clerk

Respectfully submitted,

Handwritten signature of Jim Nicol in cursive script.

Jim Nicol, Executive Director  
Governance & Strategy

LU

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# INFORMATION STORAGE AGREEMENT

*Dated for Reference on Friday, February 1, 2013*

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Between:

**THE CITY OF REGINA**, a city continued under *The Cities Act* ("City"),

And

**CROWN ENTERPRISES LTD.**, an active corporation incorporated under the law of Saskatchewan ("Service Provider")

THE CITY THE SERVICE PROVIDER AGREE AS FOLLOWS:

## INTERPRETATION

1(1) In this Agreement:

**"business hours"** means 8:00 am to 4:45 pm from Monday to Friday except for statutory holidays observed by the City;

**"Confidential Information"** means any information:

- (a) of which the City advises the Service Provider that it considers confidential;
- (b) that is considered confidential under any statute, regulation or other law related to privacy or the disclosure of information to which the City must adhere;
- (c) that is secret or proprietary to the City; or
- (d) that the City may claim is privileged;

and includes, without limitation, any industrial or commercial designs, data used or generated in the performance of the Services, technical processes, methods of manufacture, trade "know-how", programs, procedures, opinions, information about any user of any person's (including the City) services or goods (such as user lists, names, addresses, e-mail, telephone numbers, fax numbers, requirements or characteristics), any information about any person's (including the City's) costs, sales, income, profit, profitability, pricing, salaries, wages, marketing programs or plans, business opportunities, technology, and the results of any of the Services that contain or are based on Confidential Information;

**"Services"** means the storage of electronic and paper media and the destruction of sensitive materials, including Confidential Information, as is more particularly described in Schedule 1.

(2) In this Agreement, any reference to a subsection or clause that does not also reference a section, is a reference to a subsection or clause of the section in which the reference appears.

**ENGAGEMENT AND TERM**

**2(1)** The City engages the professional services of the Service Provider to perform the Services.

(2) The term of this Agreement is for 3 years beginning on February 1, 2013 and ending February 29, 2016.

**PAYMENT**

**3(1)** The City will pay the Service Provider consideration for the performance of the Services in accordance with Schedule 2.

(2) Any amount of consideration or reimbursement over the amounts payable according to subsection (1) must receive the formal written approval of the City before the City will become liable to pay the amount to the Service Provider.

**COVENANTS OF THE SERVICE PROVIDER**

**4** The Service Provider will:

(a) perform the Services with the degree of care, skill and diligence normally used in the performance of services of a similar nature, given the time during which and place at which the Services are rendered; and

(b) not engage the services of any third party for the performance of any part of the Services, except those identified in the Service Provider's Proposal, without the City's prior written consent.

**COVENANTS OF THE CITY**

**5(1)** The City will:

(a) upon the Service Provider's request, make available the relevant information or data that is necessary for the Service Provider to perform the Services and that is within the City's control;

(b) give prompt consideration to all preliminary reports and other documents relating to the Services presented to it by the Service Provider and, whenever prompt action is necessary, inform the Service Provider of its decisions in such reasonable time so as not to delay the Services; and

(c) arrange and make provision for the Service Provider's entry and ready access to property as is necessary to enable the Service Provider to perform the Services.

(2) The provision of information or data according to clause (1)(a) is not a guarantee of the accuracy and completeness of the information or data.

#### **CHANGE ORDERS**

6(1) If, during the progress of the Services, the City wants the Service Provider to change the Services or perform additional services other than the Services, then the City will detail the changes or additional services in a written change order.

(2) For requested additional services or a change to the Services that will affect the cost of providing the Services, the Service Provider will provide the City with a draft addendum to Schedule 2 that details the Service Provider's suggested changes or additions to costs.

(3) If the Service Provider and the City accept all the additions and changes to the Services, including the costs, then the parties must formally execute a Change Order to this agreement before the changes or additions come into force.

(4) Unless stated otherwise in a Change Order, the terms of this Agreement will apply to the provision of any additional services.

#### **SERVICE PROVIDER'S EMPLOYEES**

7(1) In this section, "**employee**" includes any individual director, officer, partner, sub-contractor, agent, employee or other person entering onto or having access to City-controlled or City-owned property at the request of the Service Provider, whether to perform any of the Service Provider's covenants under this Agreement or not.

(2) During the period when any employee of the Service Provider is on or has access to City-controlled or City-owned property, the Service Provider must, at its own expense, ensure that the employee:

(a) is directed, supervised and, if necessary, disciplined by the Service Provider;

(b) conforms to the City's standards of employee conduct;

(c) complies with all on-site City safety and security requirements;

(d) obtains emergency treatment if the employee is injured; and

(e) is not accompanied by any acquaintance, family member or other person unless the person is an employee of the Service Provider and the person's attendance at the City's property is necessary for the performance of this Agreement.

(3) The City may for any reason in its sole discretion require any employee of the Service Provider to submit to and pass a security check, including a criminal record check, a local

indices check and any other inquiry that the City's requires, before being granted access to any information or locations controlled or operated by the City.

(4) Every employee or other person that may obtain access to any of the City's property while it is in the Service Provider's possession must be bonded.

(5) The City may, for any reason, review, approve, or require a change of any of the Service Provider's employees who perform covenants under this Agreement on or in connection with City-controlled or City-owned property.

(6) No employee of the Service Provider may receive any benefit from this Agreement.

### **INDEPENDENT CONTRACTORS**

8(1) The Service Provider and the City are independent contractors and each of them will not state, imply or knowingly permit anyone to infer that any other relationship exists between the any of them without the other Parties' prior written consent.

(2) The Service Provider and its employees are not and will not ever be considered employees of the City within the meaning of *The Labour Standards Act* of Saskatchewan (or any other statute, regulation or law) or entitled to any of the benefits of an employee of the as a result of their performance of any part of the covenants of this Agreement.

(3) Neither the City nor the Service Provider will offer employment to an employee of the other during the term of this Agreement and for a period of 6 months immediately after the end or other termination of this Agreement.

(4) Subsection (3) will survive the end or other termination of this Agreement.

### **WORKER'S COMPENSATION**

9(1) The Service Provider must comply with *The Workers' Compensation Act, 1979* of Saskatchewan.

(2) Upon request, the Service Provider will provide either a copy of a certificate from the Workers' Compensation Board showing that the Service Provider is registered and is in good standing with the Board or proof that the Service Provider is excluded from the provisions of *The Workers' Compensation Act, 1979*.

(3) The Service Provider will indemnify and save the City harmless if the City is required to pay any Workers' Compensation charges arising from the Service Provider's provision of the Services, the provision of the Services by a subcontractor of the Service Provider or if the City is held liable for any damages or injury to any employee, partner, or subcontractor of the Service Provider while on City-controlled or City-owned property.

**OCCUPATIONAL HEALTH AND SAFETY**

**10(1)** The Service Provider is solely responsible for:

- (a) the safety of all people working for or at the request of Service Provider to supply any of the Services; and
- (b) meeting the requirements of all federal, provincial and local legislation, regulations and bylaws that govern safety, particularly *The Occupational Health and Safety Act, 1993*.

(2) At the City's request, the Service Provider must provide the City with a certificate of compliance from the Saskatchewan Worker's Compensation Board.

(3) If the Service Provider does not provide the City with satisfactory evidence of its workers' compensation insurance requirements, the City may withhold all payments due to the Service Provider until the City has received satisfactory evidence of compliance.

**PERMITS, NOTICES, LAWS, RULES AND POLICIES**

**11(1)** The Service Provider must, at its sole expense:

- (a) obtain all necessary permits, or licenses required for the provision of the Services;
- (b) comply with all bylaws, laws, rules and regulations when performing the Services; and
- (c) ensure that any persons for whom the Service Provider is responsible in law, such as employees, agents and subcontractors, comply with all bylaws, laws, rules, regulations and City policies when performing the Services.

(2) Regardless of any other term of this Agreement, the City may terminate this Agreement, immediately, without notice and without penalty, if the Service Provider willfully or persistently breaches subsection (1) or subsection **13(1)**.

**FACILITY AUDITS**

**12(1)** The City may at all reasonable times conduct spot audits of the Service Provider's storage facilities as deemed necessary by the City.

(2) At the time of each audit, the Service Provider must identify, demonstrate, review and validate the operating procedures and related documentation associated with the operation, maintenance, backup, data storage, changes and validation of the following:

- (a) Fire/sprinkler system
- (b) Physical security alarm system

- (c) Emergency power
- (d) Pest control
- (e) Documented evidence of daily temperature and humidity monitoring of the vault
- (f) All relevant computer systems
- (g) Cleaning program

### **CONFIDENTIALITY**

#### **13(1) The Service Provider will:**

- (a) keep strictly confidential any Confidential Information of the City of which the Service Provider (including the Service Provider's individual partners, employees, contractors, and agents) obtains knowledge or to which it has access; and
- (b) ensure that its individual partners, employees, contractors, and agents:
  - (i) only have access to the City's Confidential Information or other information as is strictly necessary for the performance of their particular role in performing the Service Provider's covenants under this Agreement; and
  - (ii) are aware of and comply with clause (a).

(2) Subject to *The Cities Act*, *The Local Authority Freedom of Information and Protection of Privacy Act*, and any other applicable law, regulation or rule related to the protection of privacy or the release of information that the City must follow, the City will keep strictly confidential any Confidential Information of the Service Provider of which the City (including the City's employees, contractors, and agents) obtains knowledge or to which it has access.

### **OWNERSHIP AND USE OF DOCUMENTS AND CONCEPTS**

**14(1)** All materials relating to the business and affairs of the City, whether containing Confidential Information or not, including, without limitation, all data used by the Service Provider to perform the Services, manuals, documents, microfilm, tapes, reports, equipment, working material and lists of customers prepared by the City or by the Service Provider are for the sole benefit of the City will remain the sole property of the City.

(2) At any time upon the City's written demand, and upon the termination this Agreement whether or not the City makes a written demand, the Service Provider will immediately surrender and deliver up to the City or its delegate, any of the materials mentioned in subsection (1).

(3) Any concept, process or know-how developed by the Service Provider in the provision of the Services will remain the property of the Service Provider.

(4) The City will have a worldwide, perpetual, royalty-free, non-exclusive, non-transferable license to use any property mentioned in subsection (3).

#### **INSURANCE**

**15(1)** During the term of this Agreement, the Service Provider must have and maintain policies of insurance, each in a form acceptable to the City's Risk Manager, that insure the Service Provider (and anyone who performs any of the Service Provider's obligations under this Agreement) against:

(a) Comprehensive General Liability in an amount of no less than \$5,000,000 per occurrence;

(b) Automobile Liability insurance for all owned, non-owned and hired vehicles in an amount of no less than \$2,000,000 per occurrence;

(c) Warehouseman's Liability Insurance in an amount not less than \$1,000,000 per occurrence;

(d) Professional Liability/Errors and Omissions Insurance in an amount not less than \$5,000,000 per occurrence;

(e) Transportation Insurance with a limit not less than \$50,000 per occurrence; and

(f) Comprehensive "3D" Crime Insurance in an amount not less than \$10,000 per occurrence.

(2) The Service Provider must provide the City with proof of the insurance in subsection (1) and that the insurance policies contain a cross-liability clause.

(3) The Service Provider must provide the City with at least 15 calendar days' written notice of any cancellation or change in any policy.

(4) The Service Provider will not materially alter, cancel or allow to lapse any insurance during the term of this Agreement.

(5) The Service Provider is solely responsible for determining what additional insurance coverage, if any, is necessary and advisable for its own protection or to fulfill its obligations under this Agreement, which will be maintained by the Service Provider at its own expense.

(6) The Service Provider warrants to the City that the Service Provider has or will not do anything that will cause the insurance carried by the Service Provider to be suspended, impaired, cancelled or otherwise adversely affected.



(7) If proceeding, claim or demand is brought or made against a party that involves the other party, the party will notify the other party as soon as reasonably possible.

#### **INDEMNITY**

**16(1)** In this section, "**City**" includes the City, the City Council, and the City's officers, directors, agents, employees, affiliates and any other person for whom the City may be responsible for at law.

(2) In granting this indemnity, the Service Provider acknowledges that the information contained in the City's records is far more valuable than the tapes, disks, paper and other media on which it is stored.

(3) The Service Provider will fully indemnify the City and hold the City harmless from and against any and all claims, demands, suits, causes of action, losses, damages, liabilities and costs (including legal fees and disbursements) relating to, arising out of, or connected to, directly or indirectly, with the Service Provider's activities under this Agreement, whether based in negligence, any other tort, breach of contract, criminal activity, the breach of any statutory or regulatory duty or any other head of liability, including without limitation and no matter when asserted, claims relating to:

(a) the injury (whether physical, psychological or both) or death of any person; and

(b) damages to or loss of any, data, information, other property or of any other right (including pure economic losses).

(4) The indemnity in subsection (2) does not apply to the extent that any claim results from an act or omission directly caused by the City's negligence, breach of contract, legal or wilful misconduct or non-compliance with a statute, rule or regulation.

#### **TERMINATION**

**17(1)** Without prejudicing any other right or remedy the City has, the City may terminate this Agreement by written notice to the Service Provider, if the Service Provider:

(a) does not meet any obligation under this Agreement and the obligation is not met within 30 days after the City gives the Service Provider notice that the obligation is not met;

(b) becomes bankrupt or insolvent or is so adjudged;

(c) makes a general assignment for the benefit of creditors;

(d) has its property liable to seizure by any secured party or lien holder;

- (e) has its property subject to any valid writ of execution; or
  - (f) becomes the subject of any law respecting liquidation or winding-up.
- (2) If the City terminates this Agreement according to clause (1)(a), then the termination is effective immediately at the end of the notice period.
- (3) If the City terminates this Agreement pursuant to clauses (1)(b) through (1)(f), then the termination is effective immediately upon the termination notice being given to the Service Provider.
- (4) If the City gives a notice of termination according to clause (1)(a), then the Service Provider will perform no further Services after delivery of the notice without the City's written consent.
- (5) The Service Provider may, without prejudicing any other right or remedy it has, terminate this Agreement upon 30 days' written notice to the City, if the City:
- (a) does not meet an obligation under this Agreement; and
  - (b) the obligation is not met within the notice period.
- (6) Neither the City nor the Service Provider will withhold its consent to a written request to an extension of the notice period given according to clause (1)(a) or subsection (5) as long as:
- (a) the Party whose consent is required is reasonably satisfied that the other Party is making a diligent effort to meet all the obligations that have been breached; and
  - (b) it is not reasonably possible to meet the obligation within the original notice period.
- (7) Regardless of the other terms of this Agreement, in the second and subsequent years of the Term of this Agreement, the City may, by giving the Service Provider 60 calendar days written notice, terminate this Agreement for convenience without cause and without incurring any liability for any losses that the Service Provider suffers as a result of the termination if:
- (a) funding for the City to meet its obligations under this Agreement is not approved by City Council; or
  - (b) in the City's sole discretion, acting reasonably, the performance of the Service Provider in providing the Services fails to be of an acceptable level.
- (8) This section does not limit the City or the Service Provider from resorting to any one or combination of remedies whether available in this Agreement, at law or in equity.
- (9) If this Agreement is terminated according to this section, then:

- (a) the City will pay the Service Provider its verifiable fees for the Services provided as of the date of termination;
- (b) regardless of the operation of clause (a), the total liability of the City is strictly limited to the consideration payable to the Service Provider under this Agreement whether or not it was the City's actions, inaction or breach of this Agreement that precipitated the termination; and
- (c) the Service Provider will co-operate and assist the City in the transfer of all relevant material and information to a third party or into the City's possession on a timely basis.

#### **ASSIGNMENT AND SUBCONTRACTING**

**18(1)** The Service Provider may not assign this Agreement for any reason without the written consent of the City.

(2) The Service Provider may not, without the written consent of the City, contract out the performance of any part of its obligations under this Agreement and, even if the City consents, the Service Provider will not be relieved from any of its obligations under this Agreement or be free to impose any liability on the City for the benefit of the subcontractor.

#### **DISPUTE RESOLUTION**

**19(1)** If the City and the Service Provider disagree about any of the covenants, the operation or the interpretation of this Agreement, then either Party may submit the disagreement for settlement to a single arbitrator jointly appointed by the parties.

(2) The arbitration will be governed by *The Arbitration Act, 1992* of Saskatchewan, except that the parties will share equally in the total fees and disbursements of the arbitrator in any event of the cause.

(3) If the parties cannot agree to the joint appointment of an arbitrator, the arbitrator will be appointed by reference to a judge of the Queen's Bench Court of Saskatchewan on the application of either Party.

(4) All proceedings of the arbitration will take place in Regina, Saskatchewan.

(5) The decision of the arbitrator must be rendered within 60 days of the last proceeding in the arbitration unless the parties otherwise agree in writing.

(6) The Arbitrator will award costs [except those mentioned in subsection (2)], to the party who was substantially successful in the arbitration, including reasonable legal fees, as if the matter had been adjudicated by the Court of Queen's Bench for Saskatchewan.

(7) The decision of the arbitrator will be final and binding upon the parties with no right of appeal to any court.

**NOTICES**

**20(1)** Any notice or other formal communication given to one Party by another according to this Agreement must be in writing and must be delivered in person, sent by prepaid registered or certified mail, or via facsimile, addressed as follows:

To the City at:

City of Regina — City Clerk's Office  
2476 Victoria Avenue  
P.O. Box 1790  
Regina SK S4P 3C8

Facsimile: (306)777-6809

Attention: City Clerk

To the Service Provider at:

Crown Enterprises Ltd.  
332 Industrial Drive  
P.O. Box 1850  
Regina SK S4P 3E1

Facsimile: (306)543-1677

Attention: James E. Moser

or to any alternate address of which a Party may advise another Party by notice.

(2) If a notice is posted according to subsection (1), then it is deemed given 3 business days after the date it was posted.

(3) If a notice is sent via facsimile according to subsection (1), then it is deemed given as of the date and time recorded on the delivery verification record or sheet generated by the sender's facsimile equipment when the notice was transmitted.

(4) If the postal service is substantially delayed, then all notices must be delivered in person or via facsimile.

**GENERAL**

**21(1)** No delay, neglect or forbearance by the City or the Service Provider in enforcing any term of this Agreement will be or be deemed to be a waiver or in any way prejudice any right of the Party not in breach from exercising its rights under this Agreement, and any waiver of any term or breach of this Agreement must be in writing to be effective.

(2) Unless the clause in which a right or remedy is provided states specifically otherwise, the rights and remedies provided under this Agreement are cumulative and in addition to any rights or remedies provided or available at law or in equity.

(3) This Agreement and its schedules constitute the entire and exclusive agreement between the parties relating to the Services and supersedes all prior agreements, undertakings, representations and understandings, whether written or oral, between the parties or their representatives.

(4) If any provision in this Agreement is held to be invalid or unenforceable, the provision is severed from this Agreement and its invalidity or unenforceability will not invalidate or

impair the remaining provisions and this Agreement, which will be construed as if the provision had never been part of this Agreement.

(5) The headings used in this Agreement are for convenience only and have no legal effect.

(6) This Agreement will enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, successors and permitted assigns.

(7) Time is of the essence for this Agreement.

(8) The law in force in Saskatchewan governs the Agreement.

IN WITNESS WHEREOF, each Party has executed this Agreement on the date indicated below.

**The City of Regina**

Per: \_\_\_\_\_ {seal} Date: \_\_\_\_\_  
The City Clerk DD-MMM-YYYY

**Crown Enterprises Ltd.**

Per: \_\_\_\_\_ {seal} Date: \_\_\_\_\_  
Authorized Signing Officer\* DD-MMM-YYYY

\* If the Corporate Seal is not affixed, then the Authorized Signing Officer must complete the Affidavit of Signing Authority that is attached to this Agreement and sign it in front of a Commissioner for Oaths or a Notary Public.

# AFFIDAVIT OF SIGNING AUTHORITY

I, \_\_\_\_\_  
Print full name of Authorized Signing Authority Print Official Title

of: \_\_\_\_\_,  
City/Town Province/State

## MAKE OATH/AFFIRM AS FOLLOWS

I am a Director, Officer or employee of Crown Enterprises Ltd. (“Company”) named in the Information Storage Agreement (“Contract”) to which this Affidavit is attached.

I am authorized by the Company to execute the Contract without affixing the Company's corporate seal.

Sworn before me at:

\_\_\_\_\_,  
City/Town Province /State (SK, AB, etc)

on \_\_\_\_\_, \_\_\_\_\_,  
Month Date Year

A Commissioner for Oaths or a Notary Public in and for the:

Province of \_\_\_\_\_  
Province/State

Being a lawyer —or—

My appointment expires: \_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Signing Authority

# **SCHEDULE 1**

## **The Services**

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### **INTERPRETATION**

**1(1)** In this Schedule:

**"Facility"** means the Service Provider's property and buildings located at either 320 or 332 Industrial Drive in Regina, Saskatchewan.

**"Film"** means any black and white or color microfilm, microfiche or negatives;

**"Magnetic/Micro Form"** includes tapes, diskettes, Compact Discs (CD) and Digital Video Discs (DVD);

**"media"** means Film, Magnetic/Micro Form and Paper;

**"Paper"** means documents, publications and reference material.

(2) All the definitions and rules of interpretation in the Agreement to which this Schedule applies also apply to this Schedule unless this Schedule specifically states otherwise.

### **GENERAL SERVICE DESCRIPTION**

**2** Generally, the Service Provider will provide the City with media storage services, including retrieval, transport and confidential destruction of media.

### **ENVIRONMENTAL AND STORAGE CONTROL REQUIREMENTS**

**3** The Service Provider must comply with the following environmental and storage control requirements:

(a) Ensure that the Facility where media is stored meets all municipal, provincial and federal codes.

(b) Monitor every storage area within the Facility for temperature and humidity.

(c) Install and maintain alarms for smoke, fire and unauthorized access to every storage area within the Facility and ensure they are operating properly every day, 24 hours per day.

(d) In addition to the requirements in subsection (c), have all monitoring and alarm equipment inspected annually by a certified firm including calibrating all the relevant monitoring, controlling and alarming systems to the then current standards as set out by the National Institute of Standards & Technology, the National Research Council or an equivalent. A copy of the most recent inspection report must be given to the City annually.

(e) Ensure that temperatures within all storage vault areas in the Facility are maintained within the appropriate temperature range of 15 to 25 degrees Celsius.

(f) Ensure that the humidity within all storage vault areas in the Facility are maintained within the appropriate humidity range of 20% to 50%.

- (g) Have in place a disaster recovery plan for all the storage areas of the Facility including:
  - (i) having the necessary numbers and types of fire extinguishers and sprinklers; and
  - (ii) Ensuring access to and the protection of the media.
- (h) Provide a fire-retardant vault (minimum 4 hours, with the exception of the vault door for which a minimum 1.5 hours will be acceptable) for ensuring secure and safe storage.
- (i) Provide a proper access authorization policy to restrict unnecessary access to the vault.
- (j) Provide adequate measures for pest control.
- (k) Provide all storage on metal shelving.
- (l) At the City's request, allow the City to enter the Facility to perform an audit of the Facility to ensure that the Service Provider is meeting all of the requirements of this Schedule and of the Agreement.

#### **PICK-UP/RETRIEVAL REQUIREMENTS**

**4(1)** The Service Provider must comply with the following pick-up and retrieval requirements:

- (a) The Service Provider must provide transportation for the records in a covered vehicle so that the records are protected from the weather.
- (b) Pickup and Delivery Points - The Service Provider must pick up and deliver media containers at the points in each City Division being serviced as designated by the City Clerk or a designate of the City Clerk.
- (c) Retrievals and Delivery (Regular) - The Service Provider will deliver all regular retrievals of boxes or files during business hours within 4 hours from the time of any request as follows:
  - (i) If the box or file is ordered after 8 a.m., but by 11:30 a.m., then it will be delivered during the afternoon on the same day before 4:45 p.m.
  - (ii) If the box or file is ordered after 11:30 a.m., but by 4:45 p.m., then it will be delivered during the following morning before 12 noon.
- (d) Retrievals and Delivery (Rush) - The Service Provider will make rush deliveries during business hours within 1 hour of a request from an authorized City employee.
- (e) Emergency Delivery - The Provider will make emergency deliveries outside of business hours as soon as possible but in any event within 1.5 hours of a request from an authorized



City employee, whom the Service Provider must advise of the estimated time of delivery at the time of the request.

(2) When the City makes requests for emergency deliveries outside of business hours, the requests must be made directly to the Service Provider personnel numbers listed below in the order that they appear for the respective time of day until person answers:

#### **Weekends and Holidays**

---

1 Pager Number.....	(306) 781-3521
2 Jim Moser.....	(306) 585-1441
3 Mark Hopkins.....	(306) 596-8894
4 Summer Residence.....	(306) 725-4303

#### **Weekday Evenings**

---

1 Jim Moser.....	(306) 596-8895 or (306) 585-1441
2 Mark Hopkins .....	(306) 596-8894
3 Pager Number.....	(306) 781-3521
4 George Moser.....	(306) 596-0612
5 Jay Robinson.....	(306) 596-8992

(3) The City may deliver and retrieve any media to and from the Facility.

#### **CONTAINERS**

5(1) Media must be transmitted in media containers provided by the City as follows:

(a) Standard Records Centre Box — Dimensions: 15 ¼" x 12" x 10 ½" — Total Volume: 1.2 cu. ft. — Content Volume: 1 cu. ft. of paper records — Or as decided by the Service Provider.

(b) Microfilm Box — Dimensions: 14" x 14" x 5" — Content Volume: 1500 sheets of computer output microfiche *or* 34 rolls of 16 mm film *or* 18 rolls of 35 mm film — Or as decided by the Service Provider.

(c) Standard Plan Boxes — Either (1) Dimensions: 12" x 10" x 24 ½" or (2) Dimensions: 12" x 10" x 36.5".— Used for drawings, maps and plans — Or as decided by the Service Provider.

(d) Data Cartridge Carrying Cases —

(A) For ½" Data Cartridges — Turtle by Perm-A-Store DLT20 DLT/TK Cartridge • 20 Capacity Dimensions: 17.5" x 13.25" x 6" Colour: Red (Or as decided by the City);

(B) For 1 inch Data Cartridges — Turtle by Perm-A-Store LT05 Ultrium LTO Data Cartridge• 5 Capacity Dimensions: 11.25" x 8.25" x 5.5" Color: Blue (Or as decided by the City).

**DESTRUCTION REQUIREMENTS**

**6(1)** The Service Provider must comply with the following requirements for the destruction of the City's media:

- (a) Degauss or destroy Magnetic/Micro Form as designated and when authorized by the City.
  - (b) Destroy Film or Paper as designated and authorized by the City.
  - (c) Certify the destruction of any media upon completion.
  - (d) The destruction of media will be done confidentially and only at the Facility.
- (2) The City may have a pre-authorized employee representative to witness any destruction process.
- (3) Regardless of section 4, the pick-up and transportation of media from any City location for destruction purposes will occur according to an agreed schedule following a request from the City or according to a schedule established with each City location from which media will be picked up.

**AUTHORIZED ACCESS ONLY**

**7(1)** In this section, "**authorized person**" means a person who is specifically designated in writing by the City Clerk (or a designate of the City Clerk) as being authorized to do one or more of the following:

- (a) access media;
  - (b) retrieve media; and
  - (c) order the destruction or degaussing of media.
- (2) The Service Provider will provide only authorized persons with access to the media.
- (3) The Service Provider may require that any authorized person to undergo a reasonable security check before allowing the authorized person to have access to the Facility.

**FACILITY**

**8(1)** The Service Provider agrees that anything stored or destroyed for the City will be at the Facility.

- (2) The Service Provider will provide a reference area at the Facility in which authorized persons may view media.

(3) the Service Provider will ensure that the reference area mentioned in subsection (2) has an operating photocopier and facsimile machine for authorized persons to use for a reasonable fee.

**INVENTORY TRACKING AND REPORTING**

**9(1)** The Service Provider shall maintain an accurate, reliable computer-based inventory and tracking system capable of documenting all activities related to the City's records.

(2) At year end, the Service Provider shall provide a complete inventory report to the City for audit purposes.

## SCHEDULE 2

### Rates

#### INTERPRETATION

**1** All the definitions and rules of interpretation in the Agreement to which this Schedule applies also apply to this Schedule unless this Schedule specifically states otherwise.

#### RATE SCHEDULE

**2(1)** The City will pay the Service Provider according to the following rate schedule:

ITEM DESCRIPTION		UNIT	RATE (CDN \$)
Use of Service Provider's electronic order system		N/A	Free
Photocopying (8.5" x 11")		1 page	.30
Facsimile (within Regina)		1 <sup>st</sup> page	3.00
		Each subsequent page	.30
<b>Supplies:</b>			
Record Storage Boxes (with preprinted labels):			
15.5 x 10.5 x 12.5" Boxes	(1 to 20)	1	3.35
	(21 to 99)	1	3.05
	(100 to 499)	1	2.85
	(500+)	1	Per Quote
12 x 10 x 24.5" Boxes		1	3.65
12 x 10 x 36.5"		1	3.95
13 x 7 x 4.5" (Microfiche)		1	1.50
Record Storage Labels	(4 per page)	1 page	.85
<b>Records Centre Service Fees for Paper:</b>			
Storage of Records per month	1000 cu ft. or more	1 cu. ft.	.29
Delivery or Pickup	One way	Up to 5 boxes	12.00
	Additional boxes	1	.75
	Additional locations	1	4.00
Delivery and Pickup – Round Trip	Each way	Up to 5 boxes	16.00
	Additional boxes	1	.75
	Additional locations	1	4.00
Delivery or Pickup - Rush	Up to 5 boxes	1	25.00
	Additional boxes	1	.75
	Additional locations	1	4.00
Initial Box Entry	Manual	1	2.00
	Electronic	1	1.60
Box Retrieval/Refills	Regular	1 Box	2.20
	Rush	1 Box	4.50
	Oversize (over 2 cu ft)	1 Box	3.90
	Common Pallet	1 Box	2.20
File Retrieval/Refill	Regular	1 File	2.60
	Rush	1 File	4.50
Document Searches	Basic	1 Search	5.50
	Extended	1 Hour	50.00
Shredding	From Records System	1 cu. ft.	3.95
	Bulk	1 pound	.15
Permanent Removal	Per Box	1 Box	4.00

ITEM DESCRIPTION		UNIT	RATE (CDN \$)
<b>Records Centre Fees for Computer Data:</b>			
Tapes (Reels)	1 - 200	1 tape	.68
	201-1000	1 tape	.55
Tapes (3480/90, 3590, 4mm, 8mm and 1/4")	1-200	1 cartridge	.40
	201-1000	1 cartridge	.35
CD/DVD	1 - 29	1 disc	.58
	30-69	1 disc	.46
	70 and over	1 disc	.37
Digital Linear Tapes (per tape)	1 - 29	1 tape	.68
	30 - 69	1 tape	.55
	70 and over	1 tape	.44
	1000+ (City)	1 tape	.43
Diskettes	3.5 or 5.25"	1 box	.85
	9"	1 box	1.50
Microfilm	Individual	1 film	.075
	Boxed (less than 30 cu. ft.)	1 cu. ft.	3.25
	Boxed (30 cu. ft. or more)	1 cu. ft.	2.65
	Boxed (60 cu. ft. or more)	1 cu. ft.	2.10
Microfiche	Boxed	1 cu. ft.	3.25
<b>Retrieval or Refile (Scheduled):</b>			
Tapes, Cartridges, DLT's, Compact Disks	1 - 5	1	1.15
	6-25	1	.60
	26-100	1	.36
	101 and over	1	.31
Diskettes, Optical Discs, Boxed Media, Reports	1 - 5	1	2.20
	6 and over	1	1.65
Microfilm or fiche (Individual)	1 - 5	1	1.15
	6- 50	1	.60
	51 and over	1	.36
<b>Retrieval of Refiles (Unscheduled):</b>		Scheduled Rates multiplied by 1.5	
<b>Delivery or Pickup (Scheduled):</b>	One-way	1 location	12.00
	Round-trip	1 location	16.00
<b>Delivery or Pickup (Unscheduled):</b>	One-way	1 location	25.00
<b>Emergency Service Surcharge:</b>			80.00

(2) All amounts paid under this Schedule are subject to Goods and Service Tax under the *Excise Tax Act* (Canada), which will be added to each invoice.

(3) Amounts paid for supplies are subject to the Provincial Sales Tax under *The Provincial Sales Tax Act*, which will be added to the invoice if applicable.

## REMITTANCES

**3** The Service Provider will pay or remit, as the case may be, all amounts required to be paid or remitted under any statute, regulation or bylaw that are related to the Service Provider receiving any fees according to this Schedule, such as GST and income tax.

**INVOICING AND REPORTING**

**4** The Service Provider must provide the City with a detailed, monthly invoice for the Facility as defined in Schedule 1 that includes the following minimum information:

- (a) a description of Services rendered;
- (b) Itemized charges for each of the Services;
- (c) Any other information that the City may reasonably request; and
- (d) reference to the City Purchase Order to which the Agreement relates.

**5** Each month, the Service Provider will provide to the City a billing and activity report that identifies the name of the person that has ordered or requested each Service.

**PAYMENT**

**6** The City will pay the Service Provider the amount of an invoice within 30 calendar days of receiving the invoice.

**CLAIMS**

**7(1)** The City will make all claims for compensation for lost, damaged or unauthorized destruction of media to the Service Provider in writing before taking any other action.

(2) The City may withhold payment of any part of any invoice that is a reasonable estimate of the value of a claim made according to subsection (1).

(3) The City may set off any amounts it may owe the Service Provider under the Agreement or any other agreement against the amount of proven claims made in accordance with subsection (1).

July 17, 2013

To: Members,  
Executive Committee

Re: 2013 Elected Official Appointments to the Mayor's Housing Commission

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RECOMMENDATION

1. That Executive Committee nominate three members of Council to sit on the Mayor's Housing Commission for a term effective September 1, 2013 to December 31, 2014.
2. That members appointed continue to hold office for the term indicated or until their successors are appointed.
3. That this report be forwarded to the July 29, 2013 City Council meeting.

CONCLUSION

On June 10, 2013, City Council established the Mayor's Housing Commission as a main committee of City Council. As follow up to this decision, City Council is required to appoint three members of Council to serve on the Commission in addition to the Mayor who will serve as chair during his term of office.

BACKGROUND

Elected official appointments are required annually to fill vacancies on various committees. The purpose of this report is to facilitate appointments required for the newly established Mayor's Housing Commission.

Given the commission will only meet for the first time this fall and generally elected officials are only appointed for a one year term on an annual basis, it's recommended that members of Council be appointed until the end of 2014.

DISCUSSION

The Mayor's Housing Commission will guide the City's affordable housing initiatives and implementation of the City's Comprehensive Housing Strategy. The Commission will also identify and recommend practical solutions for affordable and attainable housing in Regina.

The purpose of the Commission is to distill information gathered at the Housing Summit and to develop practical solutions to inform the City in addressing pressing housing needs. Additional responsibilities will include identification of constraints to housing growth and recommendations for practical ways to alleviate housing issues, from rental, affordable housing to social and market housing.

The Commission will also review best practices, determine priorities, shape and enhance policy and set goals, such as vacancy rates and targets.

On June 10, 2013, City Council formally established the Mayor's Housing Commission through Bylaw No. 2009-40 being The Committee Bylaw. The next step in the process is to appoint members to the Commission.

#### RECOMMENDATION IMPLICATIONS

##### **Financial Implications**

None with respect to the recommendations of this report.

##### **Environmental Implications**

None with respect to the recommendations of this report.

##### **Policy and/or Strategic Implications**

Elected Official participation in various boards, committees and commissions is required to facilitate the decision making process of the City. It also ensures the Vision for Regina is articulated from the top level and works to foster inclusiveness and harmony in the community.

##### **Accessibility Implications**

None with respect to the recommendations of this report.

##### **Other Implications**

Section 65(c) of *The Cities Act* requires elected officials to participate in council committee meetings and meetings of other bodies to which they are appointed by Council.

#### COMMUNICATION PLAN

After the appointments are approved by City Council, a list of committee members will be communicated to all departments, the media, and other interested parties.

#### DELEGATED AUTHORITY

City Council approval is required to appoint elected officials to various boards, committees and commissions.

Respectfully submitted,



Joni Swidnicki,  
City Clerk

Respectfully submitted,



Jim Nicol, Executive Director  
Governance & Strategy