

WATER ALLOCATION POLICY

Issue

The purpose of Water Allocation Policy CMD-P-3.0 is to provide a more holistic and simpler approach to managing the available amount of water capacity to new developments, and is provided to Council for consideration and approval.

Motion Proposed by Administration

That Water Allocation Policy CMD-P-3.0 be approved as presented.

Report, Analysis and Financial Implications

The Water Allocation System for Planning Approvals Policy (WASPA) was adopted by Council in 2011 to manage the limited licensed capacity the Town had to withdraw water from the Sheep River. With the 2006 moratorium on new water licenses on the Sheep River and the cost and complexity of transferring existing licenses to the Town, the WASPA was introduced to manage the amount of new development in relation to the availability of water under the Town's licensed capacity. The policy framework was established to manage new development until build-out of the finite growth boundaries were reached. In 2013, the Policy was revised to allow for sharing of developer facilitated water licenses between the developer that facilitated the license and the common availability at 60:40 as well as allow for new development areas that did not have previous planning approvals to progress forward.

In 2017, following the successful annexation of lands into the Town, additional guidelines were developed on how newly annexed lands would be managed under the Policy. The guidelines also dealt with changes to how water licenses were funded, as more of the upfront cost for license acquisition was distributed to developers. A rebate process was also introduced for the Water Supply Offsite Levy as the expectation at the time was that the water pipeline solution would not require additional water licenses and developers should not be paying for both additional water licenses and towards the cost of the water pipeline project. It is now known that the long-term water line solution requires additional water licenses to be held by the Town.

A comprehensive update to the policy is proposed as the need continues for the limited license water capacity to be carefully managed. The policy has grown more complex and difficult to navigate for staff and applicants, and there is new direction to incentivize industrial, commercial, institutional, or mixed-use development in the newly adopted Municipal Development Plan.

The draft Water Allocation Policy CMD-P-3.0 ('WAP') proposes to address these issues through the following means:

- The five different land classifications that were based on the extent of planning approvals for an area are reduced to three clear categories: assigned, non-assigned, and exempt regardless of where the land is in the overall planning process.

- A separate Water Verification and Assignment Process will occur in advance of all land use redesignation, subdivision, and development permits of significant intensification to allow for ease of tracking water and payment of costs.
- Industrial, commercial, and institutional (ICI) lands are incentivised through two different means: (a) redesignation of ICI lands can occur in advance of assignment and payment; and (b) queued ICI planning applications needing development capacity from the Common Capacity will be prioritized over residential applications.
- Detailed considerations on calculating expected water usage of new development and mapping of assigned capacity are established in separate Administrative Guidelines to allow for ease of update and adjustment over time.

The adoption of Water Allocation Policy CMD-P-3.0 ('WAP') would rescind the existing Water Allocation System for Planning Approvals ('WASPA') Policy 11-02.

Strategic Plan Goals

<input checked="" type="checkbox"/>	Manage Community Growth	<input type="checkbox"/>	Provide Strong Governance
<input checked="" type="checkbox"/>	Provide Quality Community Infrastructure	<input type="checkbox"/>	Healthy and Safe Community
<input type="checkbox"/>	Enhance Organizational Excellence	<input type="checkbox"/>	Foster Economic Vitality
		<input type="checkbox"/>	Promote Environmental Excellence

Governing Policies/Bylaws/Legislation or Agreements

- *Municipal Government Act* and the Subdivision and Development Regulations
- Municipal Development Plan
 - Growth Policy 1.3.1: Align development approvals with the Town's water license capacity
 - a) Ensure that approvals for development are granted in a fair and equitable manner in accordance with the Town's water allocation policy.
 - b) Prioritize water allocation for industrial, commercial, institutional or mixed-use developments.
- Land Use Bylaw
 - Section 9.37.0 [Water Servicing Capacity]:
 - 9.37.1 Assigned Water Capacity
In all districts, all developments must have sufficient water capacity to meet the needs of the development assigned pursuant to the Town of Okotoks Water Allocation Policy as adopted by Council from time to time.
 - 9.37.2 Exemption by Council
Section 9.37.1 does not apply if Council has passed a resolution exempting the subject development from the requirement to have sufficient water capacity assigned pursuant to the Town of Okotoks Water Allocation Policy

Public Participation Strategy

Proposed changes to how Development Capacity is tracked and allocated to new development was shared with the local development industry and BILD Calgary, along with draft policy. No formal comments have been received.

Alternatives for Consideration

n/a

CAO Comments

Water Allocation Policy CMD-P-3.0 is necessary as the Town must continue to manage its water supply to ensure it can effectively control the land use process until a long term supplemental water source is operational. This policy is incredibly complex and has had significant legal and stakeholder review to ensure it can be effectively operationalized. I support approval of this policy so the Town can effectively begin future land use designations which are now coming forward with the recent approval of the Municipal Development Plan.

Attachment(s)

1. Draft Water Allocation Policy CMD-P-3.0
2. Water Verification and Assignment Process
3. Water Allocation System for Planning Approvals P11-02
4. Summary of Current Capacity
5. Current Policy Map
6. Proposed Policy Map

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