



Staff Report to Council

1100 Patricia Blvd. | Prince George, BC, Canada, V2L 3V9 | PrinceGeorge.ca

Date: November 12, 2024

To: **Mayor and Council.**

Name and title: Blake McIntosh, Director Civic Operations

Subject: Fox Drive Road Paving Local Area Service (LAS)

Attachment(s): Fox Drive Paving LAS Map

Recommendation(s):

That Council authorizes staff to facilitate a formal petition for the proposed Fox Drive Road Paving Local Area Service.

Purpose:

This report outlines the terms of the proposed Fox Drive Road Paving Local Area Service (LAS) and requests authorization to move forward with a formal petition.

Discussion:

Fox Drive is classified as a gravel road. In the past, recycled asphalt millings were placed on the surface to temporarily improve surface conditions and mitigate dust. Although the surface reconstitutes to a surface resembling pavement, the life expectancy is not the same as commercial asphalt and maintenance becomes difficult. In 2023, the conditions of Fox Drive necessitated pulverization to aid in summer maintenance activities.

This LAS project was initiated at the request of the homeowners for installation of an asphalt surface treatment of Fox Drive. The City's Road Rehabilitation Reserve Bylaw only allows for rehabilitation of existing paved roadways and does not allow for new or upgraded infrastructure, such as the conversion of gravel roads to asphalt surfaces. Upgrades from gravel to asphalt are undertaken as local area service (LAS) agreements, which are improvement projects that benefit a particular area and are paid for by the benefiting property owners.

The proposed local service area includes 29 properties situated along Fox Drive as shown on the attached map. An expression of interest was received by the City from residents of Fox Drive. To assist in developing an estimate to pave Fox Drive, a geotechnical investigation was conducted to assist in determining the scope of works required. The results indicated that the subgrade is suitable for asphalt paving.

Should this LAS project be approved, the City will proceed with paving Fox Drive in 2025.

Policy:

Division 5 of Part 7 of the Community Charter gives municipalities the authority to provide a local area service within part of the municipality. It sets out the legal framework for the establishment of a local service area and for any borrowing in relation to a local area service.

Section 212 of the Community Charter outlines the requirements for a petition for a local area service. In order to be certified as sufficient and valid, the petition must be signed by the owners of at least 50% of the parcels in the proposed LAS. These parcels must represent at least 50% of the total assessed value of land and improvements that would be subject to the local service tax.

Section 216 of the Community Charter provides authority for a municipality to levy a parcel tax to recover all of the costs of a service provided within a local service area.

Section 217 of the Community Charter states that “if all of the costs of borrowing for the purposes of a local area service are to be recovered by a local service tax, the loan authorization bylaw does not require the approval of the electors under section 180 [elector approval required for some loan authorization bylaws], but it may only be adopted if the borrowing has been proposed by petition in accordance with section 212.”

Strategic Priorities:

This initiative supports City priorities of Sustainable Fiscal Management and Sustainable Infrastructure.

Financial Considerations:

The cost for the Fox Drive Paving Local Area Service is estimated to be \$215,000 with the City borrowing funds from the Municipal Finance Authority (MFA) to fund the paving project. The amount represents the probable costs derived from rates used within the City's current capital paving program. The estimate includes a contingency to account for challenging weather or unforeseen circumstances.

At the completion of the paving work, the actual cost would be paid by the homeowners. The total cost of the paving project will be divided equally amongst the benefiting properties with charges applied through a parcel tax levy. The parcel tax levy would be administered in equal instalments of blended principal and interest over a twenty-year period. The proposed interest rate would be an estimate of what the City's borrowing costs would be with the MFA over the twenty years in order to make the project as cost neutral as possible. Individual property owners can elect to make a one-time payment to pay their outstanding portion of the debt in its entirety at any point during the twenty-year repayment period if they choose to finance their share of the project through their own means. The estimated cost per lot is \$7,415 plus interest.

Summary and conclusion:

Administration is requesting authorization to facilitate a formal petition for the Fox Drive Paving Local Area Service. Should property owners successfully petition for the LAS, construction would occur within the 2025 paving season. The estimated cost for the project is \$215,000. The costs are split equally amongst the 29 properties benefiting from this project. Cost recovery will be administered through a parcel tax over a twenty-year period.

Respectfully submitted:

Blake McIntosh, Director Civic Operations

Prepared by B. McIntosh

Approved:

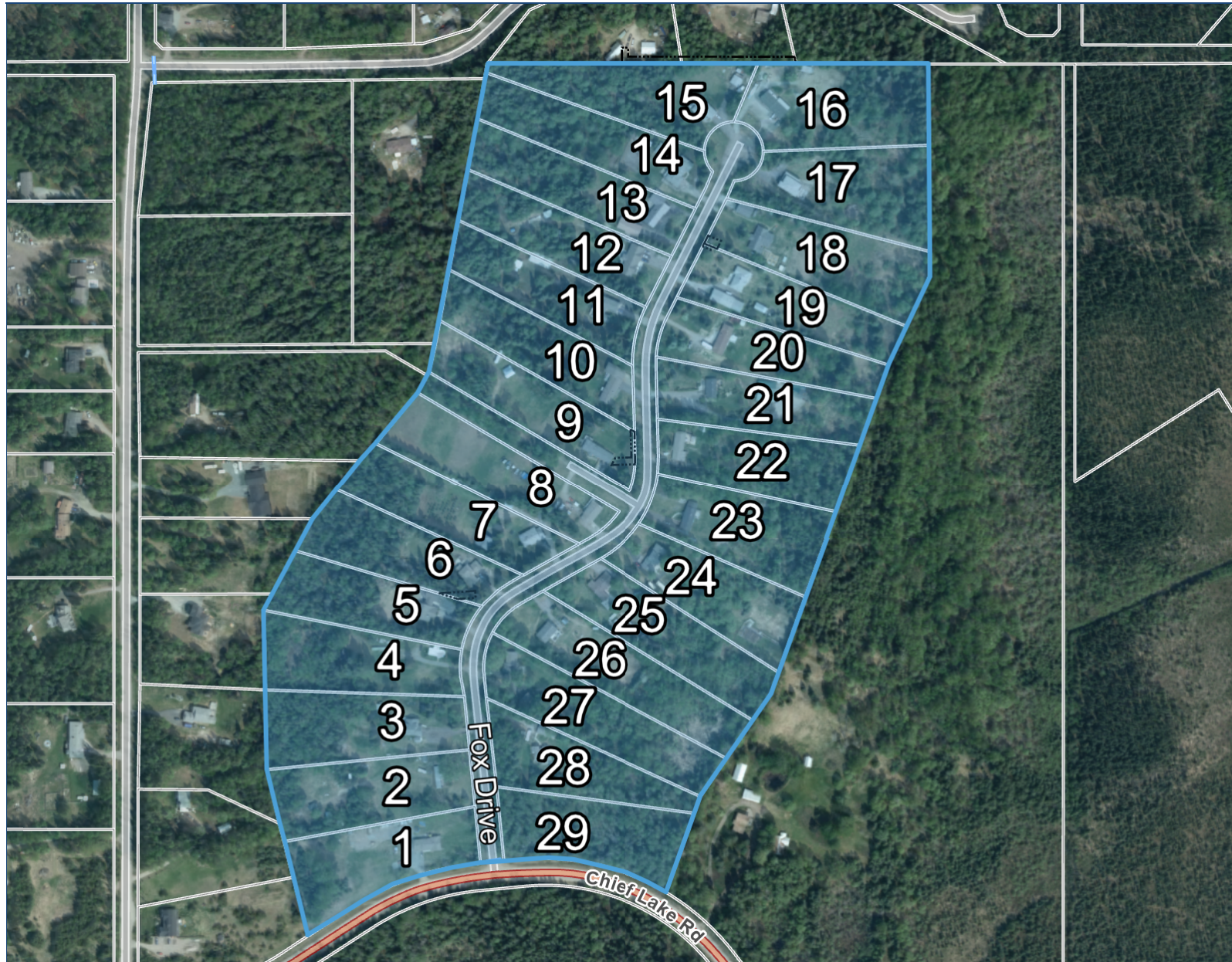
Walter Babicz, City Manager

Meeting date: 2024/12/02

Fox Drive LAS



CITY OF
PRINCE GEORGE



Storm Infrastructure

Storm Manhole



Storm Gravity Main



Sanitary Infrastructure

Sanitary Manhole



Cadastre

Encumbrance Public View



Parcel Public View

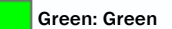


Transportation Infrastructure

Roads



2020 Orthophotography



This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. This map should not be used for: navigation, a plan of survey, routes, nor locations.

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Notes:

