ISC: Unrestricted

June 1, 2025

Established Area Growth Strategy – Storm Extension Pilot 2025 Phase Rules & Guidelines

The City of Calgary ("The City") is pleased to introduce the 2025 phase of a pilot program to provide up to \$1,000,000 per site towards eligible local-sized stormwater main extensions required for redevelopment in the Established Areas. This phase of the pilot starts Q2 2025 and is part of the Established Areas Growth Strategy.

As part of managing stormwater in an effective way, The City requires that housing developments with three or more primary homes be connected to the public stormwater main network. Where an existing stormwater main is not already present, this means building a stormwater main extension to the property from the nearest existing main. This infrastructure helps reduce the impact of flooding, ensure public safety, reduce damage to property and keep our rivers healthy. Building stormwater main extensions can be expensive, time consuming, and technically challenging, and can lead to delays and reductions in the delivery of homes and stormwater infrastructure.

The goal of the Storm Extension Pilot is to enable and accelerate the delivery of housing in existing communities by temporarily reducing these development cost barriers, while also supporting effective stormwater management in growing communities and testing updates to how we fund and deliver needed stormwater infrastructure.

This pilot complements other work supporting utility infrastructure, including:

- Plug & Play On-site Stormwater Designs
- Established Area Linear Levy Pilot
- Shallow Utility Relocation Program
- On-site Stormwater Funding Pilot

This pilot is funded by the Government of Canada's Housing Accelerator Fund and The City of Calgary's Storm Redevelopment Levy. The City will monitor uptake and results of the pilot to determine next steps for this initiative.

Pilot Inquiries and Funding Submissions:

The City of Calgary
Utilities Infrastructure Planning
Stormwater@Calgary.ca

For the latest pilot information including submission forms and any updates or adjustments: Storm Extension Pilot or Calgary.ca/SHIP.

Storm Extension Pilot 2025 Phase Details:

1) Parameters

- a) The 2025 phase of the pilot will be open to submissions starting Q2 2025, immediately replacing the 2024 phase of the pilot. The 2025 phase will close to submissions:
 - i) When available funds are exhausted;
 - ii) When concluded at the sole discretion of The City, whether for the purposes of adjustments and improvements to the program or for any other purpose;

- iii) Immediately upon the launch of a subsequent phase of the pilot; OR
- iv) On September 25, 2026.
- b) As of Q2 2025 developers can inquire about funding eligibility once a stormwater release rate requirement has been identified through their Development Permit application.

2) Eligibility

- a) Eligibility will be determined at the sole discretion of The City.
- b) Eligible projects include required local-sized stormwater main extensions in the <u>Established Area</u> built to meet release rate requirements triggered by residential or mixed-use development applications with 3 or more dwelling units. Stormwater main extensions which are optional but not required, or which are associated with non-residential development applications, may also be considered eligible at the discretion of The City and on the basis of public benefit.
- c) Housing Accelerator Fund funding is limited and only available for eligible developments under the Housing Accelerator Fund that require stormwater main extensions. Development permits that do not meet this criterion or provide incomplete or inaccurate information as part of this application will not qualify for Housing Accelerator Fund funding under this pilot, and any such funds provided must be immediately returned to The City.
- d) Servicing connections, private or on-site infrastructure, supply or sanitary infrastructure or masterplanned multi-site developments do not qualify for funding.
- e) For a project to be considered eligible, the developer must provide any additional information upon request from The City.
- f) The developer must comply with fair, open and transparent procurement practices complying with applicable law, trade agreement, or policy when seeking tenders for construction.
- g) Projects with Development Site Servicing Plans approved on or after Q2 2025, may be considered for funding pending an eligibility review. Projects with Development Site Servicing Plans issued before Q2 2025, for which pilot eligibility was discussed with The City before Q2 2025, may also be considered for funding at the sole discretion of The City. No projects with Development Site Servicing Plans approved before November 1, 2023, can be considered eligible

3) Additional Conditions

- Regardless of any approvals, construction, or reimbursements through this pilot, for current and future regulatory purposes, the costs and construction of stormwater main extensions for developments in Calgary remain the responsibility of the developer and are not transferred to The City.
- b) Funding commitments will be made on a first come first served basis, subject to annual availability of funds. Funding commitments for pre-approvals using funds from the Housing Accelerator Fund may be held for up to 2 years, but cannot be held beyond September 24, 2027. For any funding commitments whose conditions have not been met when the commitment period elapses, the committed funds may be reallocated at the sole discretion of The City.

4) Delivery and Reimbursement

- a) Eligibility review by The City will include a determination of delivery responsibility based on consideration of factors such as timing, developer capacity, City capacity, and risk.
- b) For projects where The City assumes responsibility for construction of the stormwater main extension triggered by a development permit application, funding and delivery commitment will be confirmed upon approval of the application form in the development permit approval stage.
- c) For projects where developers are determined to be responsible for construction of the stormwater main extension triggered by their development permit application:
 - i) As part of the development permit process, the developer will be required to enter into a reimbursement agreement along with an indemnification agreement with Development Commitments as part of the development permit process.
 - ii) Funding commitment will be confirmed upon approval of the indemnification and reimbursement agreements in the development permit approval stage.
 - iii) Funding reimbursement will be made following confirmation of eligibility and fund commitment, construction and final inspection of the required stormwater main extension, and confirmation of compliance with City requirements.
 - iv) To receive reimbursement, a developer must submit a reimbursement form, an itemized invoice with receipts, the approved Development Site Servicing Plan, the issuance of the Construction Completion Certificate (CCC) and any additional information upon request from The City.
- d) Reimbursement will be based on the actual invoice amount submitted by the developer, and will not exceed either that invoiced amount nor a maximum threshold of:
 - i. \$2,100 per linear metre of stormwater main extension constructed; AND
 - ii. \$1,000,000 per development permit application.
- e) Costs that exceed the maximum threshold for reimbursement are the obligation of the developer.

An application form and the latest information on the pilot including any updates or adjustments are available on the Stormwater & Housing Impacts Program webpage at Storm Extension Pilot or www.calgary.ca/SHIP.