

AUMA Symposium – January 27, 2016
Linear Assessment

- We can all agree: Linear assessment is a **necessary infrastructure**.
- It supports industry in our municipality, our neighbours, & industry to the north including Fort McMurray - all of which contribute heavily to the provincial economy.
- Revenue collected from this infrastructure, enables us to support infrastructure & services in our small hamlets across rural Strathcona County & support intermunicipal agreements & cost-sharing partnerships with neighbouring municipalities in our sub region.
- There are significant costs & additional resources needed.
- Pipelines do sterilize the land for most uses – You cannot build homes, put up churches or schools.
- We commit considerable dollars & resources to ensure that we are prepared for emergency assistance when a disaster strikes along these corridors.
- Any changes to these revenue streams will have unintended consequences locally & across the province
- I was asked to speak from Strathcona County’s unique perspective of being a specialized municipality but our situation parallels many counties with towns and villages within their borders.
- The difference is that while we have no other Mayors & Councils to enter into agreements with, we are a blend of opportunity and challenge of rural and urban entities.
- And, we have no less responsibility to support these residents, **actually more**.
- In 2015, the Government of Alberta received an additional \$2.3 million in education taxes, our libraries received \$300,000 and Heartland Housing Foundation, a joint partnership between Strathcona County and Ft Saskatchewan, benefitted with \$65,000 in revenue.
- Our linear assessment revenue in 2015 is \$6.5 million **but** we were not the only beneficiary.
- Our \$6.5 Million in revenue helps supports services for close to 100,000 residents throughout the urban service area of Sherwood Park, 7 other urban hamlets from Josephburg in the northeast to South Cooking Lake in the southeast and acreages, large & small farming operations, as well as vast environmentally protected areas like the Beaver Hills moraine.

- **We recognize** that we operate within a larger market area & take responsibility, like many other rural municipalities across Alberta, to reach beyond our municipal borders & support our neighbours.

Examples:

- Our municipality is part of an agreement to provide transit services to post-secondary students through UPass with 3 neighbouring municipalities. The revenue is shared based on a formula that recognized the level & amount of service provided. The costs are not shared. Transit is a heavily subsidized service – Upass increases the subsidization levels. We also pay to utilize some of Edmonton’s bus stops.
- We are a founder of Alberta’s Industrial Heartland & continue to be the largest contributor to its operations which brings economic prosperity to 5 municipalities including Edmonton, Ft Sask, Sturgeon & Lamont County.
- We financially supported Bruderheim in building their fire station.
- We pay 11% of the operational costs of the Ft Sask Recycle Station (for our northern rural residents to access the service).
- We provide dust control on border roads with Lamont County, weed inspections for Bruderheim & have mutual aid agreements with other fire departments in the region – **all without compensation.**
- Our municipality collaborates with 2 other neighbouring municipalities in a grant application & procurement for technologies to enhance services. The total cost is approximately \$42M and our municipality’s portion is approximately **\$5.3M.**
- Regional Services Commissions from which we purchase services from include EPCOR for water & wastewater services, Alberta Capital Region Wastewater Services Commission, Capital Region Northeast Water Services Commission, Highway 14 Water Commission, and the John S. Batiuk Water Services Commission.
- **And as one of the largest municipalities involved in four of these commissions we provide technical & management assistance.**
- These are just a few of the many collaborative initiatives we are involved in to support our neighbours using linear assessment revenue.
- **The numbers are clear- rural communities contribute funding based on their ability to do so – the more they have–the more they share**

- The more than \$160 million from rural municipalities is a significant contribution to regional sustainability.
- Linear infrastructure, hosted by the rural municipalities comes at a cost. This includes the cost to maintain extensive systems of essential roads, as well as bridges over waterways.
- There are very real environmental costs,
- also social costs to hosting heavy industry & pipeline, which goes beyond \$\$\$ - such as esthetics & stigma related to the perception of increased safety & health concerns.
- *(As stated by other speakers: Rural municipalities in Alberta are responsible for the maintenance of 72% of Alberta's roads & 59% of its bridges).*
- As a specialized municipality we also appreciate the challenges cities have.
- **However**, taking from one set of communities, especially if they're already supporting neighbouring urban communities – financially or otherwise – is a recipe for disaster.
- So, I ask you, why change a model that is working so well....**creating sustainability in rural Alberta** and flowing money into provincial coffers?????
- The reality is that there are already some rural communities struggling & the reduction or loss of linear assessment would be catastrophic.
- Many do not have the population to support the essential services they provide that help drive our provincial economy.
- Why would we jeopardize our current voluntary collaboration by making a change to linear assessment?
- For those who have excellent relationships & agreements in place, changing linear assessment could have extremely negative unintended consequences for both urban & rural partners.
- Wealth creation is not achieved by 'break and enter' into your neighbours or by mandatory rules. It's using political will & enhanced understanding to build opportunities and innovative solutions for all of us.