

Subject: Flood Mitigation and Community Resiliency Update - Ptarmigan Court**APPROVALS:****Jamie Doyle**_____
Director_____
Chief Administrative Officer**Recommended Motion:**

THAT the Flood Mitigation and Community Resiliency Update - Ptarmigan Court report be accepted as information.

Summary:

On December 15, 2020, Council directed Administration to "proceed with offering a voluntary buyout until May 31, 2021 to all property owners in Ptarmigan Court at the 2020 assessed value and also that the option to raise homes to 250.9m, be offered until May 31, 2021."

On February 9, 2021, Council further directed that "\$15 million be allocated from the Emerging Issues Reserve for the voluntary buyout payments and raising homes for Ptarmigan Court."

This following report and presentation are provided as an update on these resolutions.

Background:**Engagement with Property Owners**

Administration has thus far been in contact with 65 of 69 property owners in Ptarmigan Court through various means of outreach. Despite these efforts, Administration has been unable to connect with the remaining four property owners, however, registered letters have been sent.

A summary of the feedback from property owners is provided below. Property owners who have not been reached are included in the "Undecided" category.

Preference	Developed	Vacant	Total
Interested in Buyout	21	16	37
Interested in Raising	2	0	2
Undecided	25	4	29
Interested in maintaining status quo	1	0	1
Total	49	20	69

Of particular note are those who remain “undecided.” Many of these owners have indicated that they are either:

1. waiting for more information about the potential program to raise structures;
2. working with their mortgage lenders;
3. waiting until closer to the May 31, 2021 deadline; or
4. weighing all potential options for relocating their families.

Once further details are publicly shared regarding the proposed program to raise homes in Ptarmigan Court, it is anticipated that “Undecided” property owners may have the information they require to make a decision. This may result in an increase to the number of buyouts, raised structures, new structures being built on vacant land, or structures remaining as-is.

Changes to the Provincial Disaster Recovery Program

In releasing the 2021 provincial budget, the Government of Alberta announced changes to the way the Disaster Recovery Program (DRP) will be offered going forward. The provincial DRP has historically provided financial assistance to residents, small businesses, agricultural operators, and provincial and municipal governments when an extraordinary and widespread event occurs, and when insurance is not reasonably or readily available.

DRP is funded primarily through the Federal Government’s Disaster Funding Assistance Arrangements (DFAA), which assists provinces and territories in dealing with disaster recovery costs that would otherwise place a burden on the provincial economy, and would exceed what they might reasonably be expected to bear on their own. As has been noted previously, annual disaster recovery costs throughout Canada have been steadily increasing, with Alberta being the single largest recipient overall in DFAA funding (\$2.3 billion between 1970 and 2014).

It's important to note that while the Province has made changes to DRP, the Federal Government has not yet publicly announced any changes. A summary of the DRP changes is as follows:

Local Authority and private sector applicants (including homeowners)

- The Province is implementing a 90:10 cost sharing arrangement.
- DRP assistance is limited to 90 per cent of eligible disaster expenses, instead of 100 per cent.
- The remaining 10 per cent of eligible assistance will be subtracted from the amount payable to the applicant. No payment to the program will be required.

Homeowners only

- The Province is implementing a funding limit of up to \$500,000 per homeowner application and a limit on assistance to one time per property.
- For disaster events that occur in 2021 onward, qualifying homeowner applicants will only be able to access DRP assistance once per property address. Financial assistance from the program will not be provided to future applicants who own property at the same physical location.
- The one-time funding limit is not cumulative. For example, if an applicant has received \$100,000 worth of assistance under the new policy, they would not qualify for any funding in the future.
- This change will not be applied retroactively. If a homeowner has received assistance before 2021, this does not count as meeting the one-time assistance limit.
- Homeowner addresses that receive DRP assistance will be posted online to the Government of Alberta website to provide transparency about DRP funding limits and up-to-date information for prospective homeowners, developers, and real estate professionals. The funding received stays with the property; therefore, a new homeowner would not be able to access disaster recovery funding for that same property in the future.

Land Use Bylaw Flood Provisions

Administration is developing an enhanced set of Land Use Bylaw (LUB) provisions for development in the flood hazard area. These new provisions may only apply to certain parts of the flood hazard area depending on what kind of development is expected to take place. These provisions are still in draft form and will focus on different ways to influence development whereby more than one provision may be applied to a given part

of the flood hazard area.

The new LUB provisions are not expected to be retro-active and should apply to new development only. As these provisions are an important aspect of the LUB, they will be brought forward separately from the re-write that is currently underway. This will ensure that there is an opportunity for the community to provide feedback on this important work.

The proposed approach for flood provisions includes identifying categories, which are established based on potential flood impacts. Each category would be guided by policy statements that set the tone and would be integrated into the planning framework. This may include policies in the Municipal Development Plan, Area Redevelopment Plan and Area Structure Plans.

Based on policy direction, new LUB provisions would be created. These provisions would inform the approach to develop in each of the flood-susceptible areas. These can all be combined as necessary. The proposed categories are:

1. Status Quo – Additional provisions are not likely to be proposed for areas that are within the flood plain but that are deemed to be above the impacted area.
2. Limiting Density – This is intended to address the social implications of a flood by limiting the number of people who may be impacted by a future flood. This may include new maximums on the number of dwelling units allowed on a property, or upper limits on the total size of a building (commonly measured through "gross floor area").
3. Limiting Land Use – Provisions may be proposed which limit the presence of sensitive uses such as basement suites and storage of hazardous materials in commercial and/or industrial properties.
4. Flood Mitigation – Provisions proposed in this category would capture structural elements and employing materials that are resistant to flooding. There is an opportunity for this to be extended beyond the Land Use Bylaw to providing policy guidance to owners (i.e. recommending installation of spray insulation and water-resistant wiring).
5. Natural Area – For areas that are not protected by structural flood mitigation, these may benefit from having passive uses or be left in a natural state. This is envisioned to include areas on the side of the berm that are susceptible to flooding.

Budget/Financial Implications:

On February 9, 2021, \$15 million was allocated by Council Resolution. This funding is sufficient to proceed with voluntary buyouts for all properties at the Council approved

valuation, should property owners select this option. As the anticipated costs to raise a home would be less than the cost of a buyout of the same property at the 2020 assessed value, there are sufficient funds to pursue the more expensive "full buyout" option of all properties in Ptarmigan Court.

The Municipality will be liable for all acquired land in Ptarmigan Court, including site remediation. Costs associated with site remediation include, but are not limited to, mitigating hazards, utility service capping, removal of pilings, and other similar actions.

Strategic Priorities:

Responsible Government

Attachments:

Flood Mitigation and Community Resiliency Update - Ptarmigan Court Presentation