

February 26, 2021

My fellow residents:

Last April, I sent a letter to Village of Hythe residents on behalf of Council advising of our decision to start the Viability Review process with the Government of Alberta through the Department of Municipal Affairs. In that letter I discussed Council's view of the reality we faced. The largest problem facing us was an estimated \$10.4 million infrastructure deficit.

#### **An Infrastructure Audit**

As part of the Viability Review, Council was able to obtain an Alberta government grant to help assess a more accurate estimate of our infrastructure position. With that grant, Council contracted Bearisto & Associates engineering firm to complete an infrastructure (asset) audit. The completed audit identified a \$14.2 million infrastructure deficit that requires large capital dollars be spent for the next 10-year period (2021-2030). The audit also identified a backlog of infrastructure repairs estimated at \$8,450,000 to be scheduled for 2031-2040. The full infrastructure audit report is posted on the Village of Hythe website at [www.hythe.ca](http://www.hythe.ca).

#### ***What does this mean to Hythe Citizens?***

To address capital needs and infrastructure repairs, Council will need to increase revenue by approximately 150%. When calculating this increase all other revenue sources including government grants have been considered. That leaves Council with only one option: to increase taxes 150%. The table below shows examples of the estimated impact of a 150% increase to property taxes.

Table: Estimated Tax Increase Impact:

Sample Assessment Value of Residential Property	Municipal Tax Amount Paid - 2020 Actual on mill-rate of 8.239	Municipal Tax to be Paid estimate with 150% Increase
\$100,000	\$823.90	\$2,059.75
\$200,000	\$1,647.80	\$4,119.50
\$300,000	\$2,471.70	\$6,179.25

*It is important that residents understand that if Hythe votes to remain its own entity, Council will be mandated by the provincial government to implement recommendations from the Viability Review, including funding the 10-year capital plan. Council does not believe that a 150% tax increase is best for our community or for our residents. Council also does not believe such a tax increase is sustainable. The Viability Review may also recommend the development of an Infrastructure Reserve Fund; if that happens, taxes would have to increase even more than 150%.*

### **The Viability Review Status**

It is our understanding that the Viability Review report should be available to the residents of Hythe in the next few weeks. An information session will be set up after that, and then followed by a vote around the end of March to early April. The report will include recommendations to reach viability. Read them carefully and understand their impacts. As information becomes available in the coming weeks, we will post it on our website and Facebook.

The options for the vote will look similar to the following:

Option 1. Remain the Village of Hythe and adopt the government recommendations.

Option 2. Dissolve the Village of Hythe and become a hamlet in the County of Grande Prairie No.1.

We recognize that this information may bring apprehension. This, too, is difficult information for Council: Hythe is our home and community. It is because we care about our community that we **recommend** voting for **Option 2: Dissolve the Village of Hythe and become a hamlet in the County of Grande Prairie No. 1.**

While this would mean change, remember that regardless of our municipal structure, our community spirit will always be at the heart of Hythe and its people. We look around and see many great things happening in our community: events like the Ag Fair and Tree Drop Festival, a new community brand, sidewalk stenciling, fiber optics, crokicurl, new spray park, and the list goes on. All of these are because of you, the people of the Hythe area who make this great community! Our community spirit and fun innovative ways will continue to be the real strength of Hythe. Change is sometimes difficult, but our spirit will always rise above any adjustments we may face as a community.

Respectfully, on behalf of Village of Hythe Council,



Mayor Brian Peterson  
Village of Hythe

**IMPORTANT:** You can find a digital copy of the Infrastructure Report available to read on the Village website at [www.hythe.ca](http://www.hythe.ca). I also encourage you to contact me, or any member of Council, if you have questions or want to talk further. I can be reached at **780.228.0034** or email [mayor@hythe.ca](mailto:mayor@hythe.ca). Or contact the Village Office at 780.356.3888 or email [info@hythe.ca](mailto:info@hythe.ca).