

TOWN GROWTH AND THE MUNICIPAL DEVELOPMENT PLAN PROJECT - HOW DOES GROWTH IMPACT ME?



FORGING OUR PATH TOGETHER

The Town of Diamond Valley is creating its first Municipal Development Plan (MDP) to guide growth and development for the next 20+ years.

MANAGING GROWTH WITH THE MDP

The MDP will include policies and prioritized actions that affect landowners, residents, and business owners by guiding the pace and location of growth. Key actions include:



Finding areas for new development (residential, industrial, commercial, institutional)



Planning future investments in facilities and amenities (e.g., recreation centers, libraries)



Creating new planning documents (e.g., open space, heritage planning)



Supporting new and existing businesses

We aim for thoughtful, fiscally responsible growth that respects the town's character, a blend of historical charm and modern amenities and maintains the Diamond Valley lifestyle.

BENEFITS OF BUILDING UP

How compact we build affects our municipality fiscally. We understand the concern you have around density and the changes it brings to a community but building the way we always have comes at a significant cost to the Town and its residents. While developers initially cover infrastructure costs, the Town eventually takes over maintenance. In future years, the developer will not pay for the upgrades or replacement of your pipes, roads and sidewalks, the Town (using your tax dollars) will pay. Taking a gentle density approach, such as integrating duplexes, triplexes, or fourplexes offers a contextually appropriate way to add housing that spreads the future costs associated with aging infrastructure across more people.

BENEFITS OF BUILDING IN, NOT OUT

Infill development uses existing infrastructure (pipes, roads, libraries, etc.), sharing maintenance and replacement costs with existing neighbours making it more cost-effective than developing new areas, where all new infrastructure is needed.

THE IMPORTANCE OF NON-RESIDENTIAL DEVELOPMENT

An important consideration in the discussion of property taxes, municipal services, and growth is the ratio of non-residential to residential taxes in the town. Non-residential development (commercial and industrial) pays a higher tax rate than residential development (see table below) and often has less demand on the infrastructure services.

2024 DIAMOND VALLEY TAX RATES	
Non-Residential	Residential/Farmland
0.001214344	0.00839909

This means that for the same assessed value, the non-residential use contributes more in tax revenue.

Example of Assessed Value

\$500,000
Commercial
Building



Pays **6,071.72** in taxes

\$500,000
Residential
Building



Pays **4,199.54** in taxes

Amount Paid in Taxes

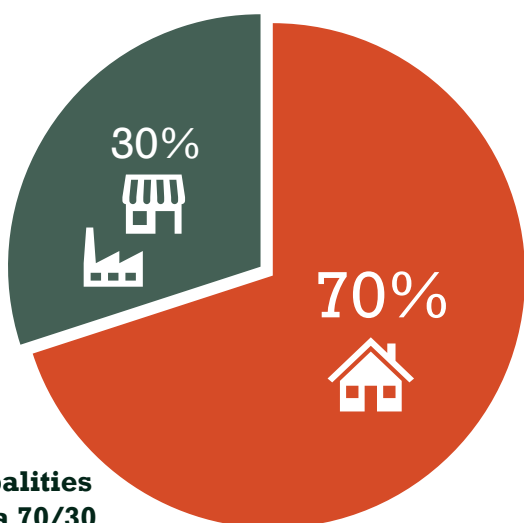
The commercial property of the same assessed value pays \$1,872.18 more in taxes.

THE IMPORTANCE OF NON-RESIDENTIAL DEVELOPMENT - CONTINUED

To maximize revenue from the higher tax rate brought in by non-residential development, most municipalities aim for a 70/30 tax base ratio – 70% residential and 30% non-residential.

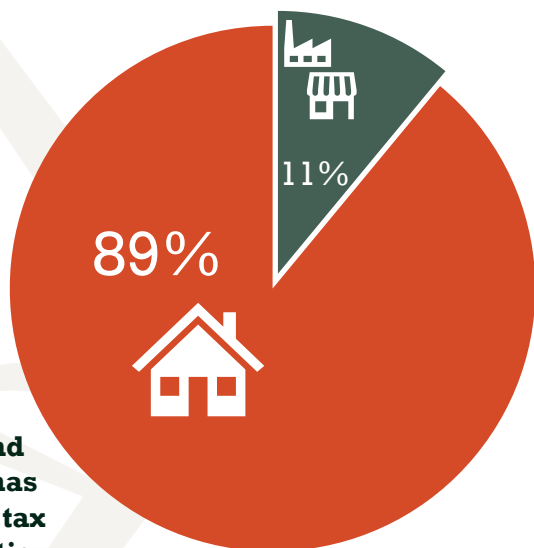
However, in Diamond Valley, the town has experienced a disproportionate amount of residential development, so the ratio of residential taxes is significantly higher.

Most municipalities aim for a 70/30 tax base ratio



■ Non-Residential ■ Residential

Diamond Valley has a 11/89 tax base ratio



■ Non-Residential ■ Residential

HOW DOES THIS IMPACT ME?

A higher residential tax ratio means that the town's residential properties pay for most of the town's services and amenities that are critical to the well-being of the town. Maintaining residential will require ongoing increases in property taxes to manage our infrastructure.

Diamond Valley's tax ratio is tipping the other way



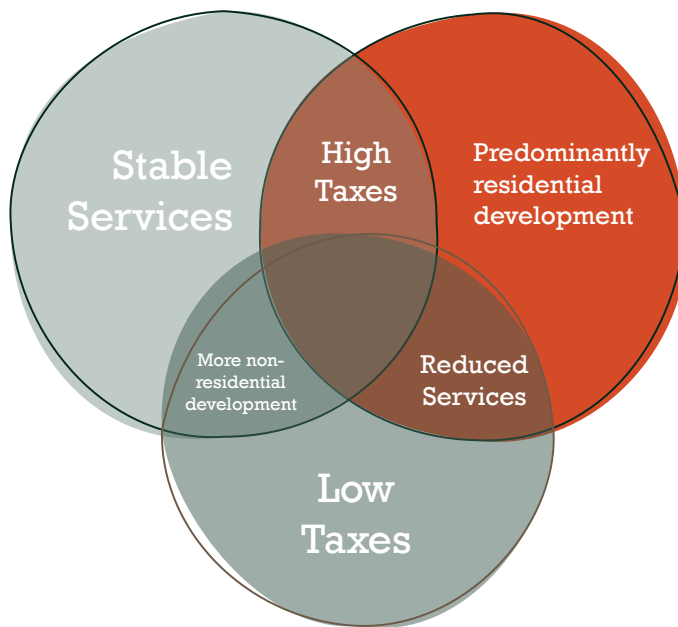
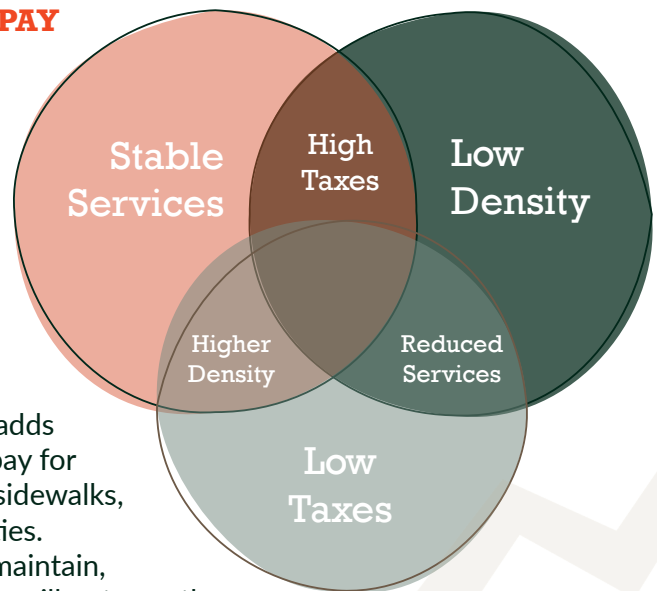
WHAT MUNICIPAL SERVICES DO MY TAXES PAY FOR?

	16%	Recreation & Culture Parks, recreation, library etc.
	17%	Administration/Council Town departments and services
	15%	Public Safety Fire, emergency, enforcement
	14%	Infrastructure Services Roads, lanes, sidewalks
	30%	Civic Operations Water, sewer, waste
	3%	Community Services Special Events, communications etc.

WHAT MUNICIPAL SERVICES DO MY TAXES PAY FOR?- CONTINUED

Your property taxes pay for any changes to municipal services and contribute to funding upgrades or maintenance through the town's operational budget. As a result, when costs of services or operations go up, so must the property tax rate, unless it is balanced by new development.

In summary, new development utilizing the existing infrastructure, and development that contributes more to the tax base (compact housing, non-residential uses) adds money to the town's property tax base needed to help pay for the things that make Diamond Valley run. Roads, pipes, sidewalks, paths, libraries, sports fields and other important amenities. Without this revenue, over time, the money needed to maintain, upgrade or expand infrastructure, services and amenities will outpace the amount brought in from the town's existing tax base. What happens then? Your local library could close its doors, your pipes could burst, and the Town will need to take on debt to fix it, and, you guessed it - your property taxes will continue to rise.



There is always a trade-off.

These are important conversations to have as we plan for the future. Your thoughts on how to manage town growth and development, prioritize community services and amenities, and address impacts on property taxes are important to influencing land use policy written in our MDP.

FOR QUESTIONS, QUERIES, OR TO SHARE YOUR THOUGHTS, PLEASE REACH OUT TO:

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Email: planning@diamondvalley.town

For more information about the MDP project, visit: <https://www.diamondvalley.town/783/Municipal-Development-Plan-MDP>

For more information on property tax from the town, visit: <https://www.diamondvalley.town/154/Property-Taxes>

OR

Scan for information
on the MDP project



Scan for information
on property tax

