

Principles for a New Off-site Levy

Building upon the 2016 Off-site Levy Principles, City staff worked with industry partners to develop principles for the new off-site levy. On 2021 January 12, Council approved the following principles (PFC2021-0035) as a strategic foundation for developing the new Off-site Levies Bylaw:

- 1. Sustainable and resilient:** The off-site levy should be structured and monitored in a way that supports long-term sustainability of levies and associated service and infrastructure for Calgary, on the premise that growth pays for its share of growth. At the same time, it should allow the ability to withstand and be nimble in response to changing environments in the near and mid-term:
 - Supports the ability to forecast and predict future cash flow, infrastructure investment and cost related to city growth.
 - Stable and predictable regulatory environment within which development occurs.
 - Easy to understand and administer.
- 2. Shared cost, shared benefit, shared risk:** The off-site levy should reflect equitable sharing, among interested parties, of cost, benefit and risk related to off-site infrastructure:
 - Off-site infrastructure supported by levies may benefit growth, existing residents, regional customers and/or municipal governments and support intergenerational equity.
 - Cost of off-site infrastructure should be allocated to, and shared by, those who benefit.
 - Risk should be equitably shared between The City and Industry, to allow long-term sustainability and viability of Calgary.
- 3. Competitive:** As a component of the overall cost of development, and value for money within Calgary, the off-site levy should be positioned to deliver infrastructure and services, within a competitive and stable environment, that help attract residential, commercial, and industrial development and investment within the Calgary Region:
 - Contributes to Calgary's ability to be cost-competitive in order to attract development and investment.
 - Provides certainty that the timing of infrastructure and service delivery will match the pace of growth and associated development.
- 4. Collaborative and consultative:** The off-site levy (process, methodology and calculation) should be developed through a collaborative and consultative approach with interested parties:
 - Growth and development are enabled by citizens, Industry, The City, and the region among others; these partnerships require collaboration to achieve shared outcomes.
 - Collaboration requires clarity and transparency to allow a common understanding and robust outcomes.
- 5. Transparent and accountable:** The off-site levy (process, methodology and calculation) shall be clear and transparent. The off-site levy should be governed according to the Off-site Levy Principles, with oversight, stewardship and ongoing monitoring and reporting.
 - Clear governance and stewardship of the off-site levy will be established and maintained.
 - Off-site levy funds, transactions, projections and reporting will be accurate and credible and reviewed regularly, in addition to annual reporting.
- 6. Aligned and compliant:** The off-site levy shall be aligned to The City's growth and funding strategies, be compliant with governing legislation, and seek changes in the legislation that help advance towards the Off-site Levy Principles.

The off-site levy should not be used as part of a regulatory strategy to influence market demand.