

Off-site Levies Explained

Off-site levies are an important tool for funding growth, supporting economic resilience, and enabling Calgary’s competitiveness. Levies are paid by developers for their share of off-site infrastructure, such as water treatment and distribution, storm drainage, wastewater collection and treatment, mobility options like roads and pathways, and other infrastructure. These pieces of infrastructure benefit a development but are generally outside or “off” the site.

The City of Calgary collects levies in accordance with the Municipal Government Act and uses the amounts collected to fund the delivery of priority infrastructure and services that supports growth. Levy balances for each infrastructure type are allocated through The City’s capital prioritization as part of the Service Plans and Budgets process and are used to fund projects that align with Council priorities. In accordance with legislation, levies must be used towards the infrastructure they were specifically collected for (i.e., levies collected for transportation infrastructure cannot be used to build new water distribution systems).

Levies represent one funding source to support growth infrastructure for new and existing communities. Other funding sources are City responsibility and can include tax dollars, utility rates or cost sharing with other orders of government. The City is also responsible for maintenance and operating costs of infrastructure, which are largely funded through property taxes and utility rates.

In Calgary’s citywide off-site levy program, the same levy rate is applied to new developments in the Greenfield Area regardless of the location of the development. And there is also a development-specific levy that is applied in the Established Area to account for new or growth infrastructure needs. The table below summarizes the infrastructure types and where the levies are applied.

Area	Infrastructure Type
Greenfield Area	Emergency response stations Police district offices Public libraries Recreation centres Stormwater drainage Transit buses Transportation Water distribution & wastewater collection
Greenfield Area and Established Area	Water and wastewater treatment

Off-site levy rates in the city’s Greenfield Area are applied per hectare for all development types and for all infrastructure types.

This infrastructure type is not levied in the Established Area, as these areas already have this infrastructure.

In both the Established and Greenfield Areas, the water and wastewater treatment levies are applied as both areas benefit from this infrastructure.

The Off-site Levy is a tool that allows the cost of growth infrastructure to be shared, providing financial certainty and reduced risk to the development industry. It engages developers to equitably contribute towards building a great city in alignment with City policies and strategies. These investments offer residents choice to live in communities that meet their needs and ensure growth and development by having the right infrastructure in place at the needed time.