

Calgarians for Sensible Growth Submission on Off-Site Levies

Thanks to City staff for helping us understand the off-site levies program. What we say here is not a criticism of their work in calculating the next set of levies.

Council has a more serious problem than approving the next set of levies. **The off-site levy program is broken.**

We ask you to direct Administration to:

1. Publicly release all data, analyses, and other information related to the off-site levies program and do a full, historical forensic audit of the program.
2. Develop a method of paying costs not covered by off-site levies that does not include City funding.

In that way, Council can resolve four issues that threaten the effectiveness and sustainability of the program.

Off-Site Levies

An off-site levy is paid by developers. The levy helps with capital costs of infrastructure. For new subdivisions, the money collected from a developer is calculated based on benefit to the subdivision. The infrastructure includes:

- water and wastewater pipes
- transportation (roads, interchanges, pathways, bikeways, etc.)
- stormwater pipes
- emergency response stations
- transit buses
- police stations
- recreation centres
- libraries
- water and wastewater

The City currently pays the remainder of the capital costs. The revenue sources used can include taxes, utility rates, debt, reserves, and funds from the provincial and federal governments.

Issue #1: The City Auditor found that management of levies was not effective because of, among other things, inadequate financial reconciliations ([link](#)). The 2021 Deloitte study did not resolve the issue. What is needed to balance the books?

Issue #2: Council was told last year that off-site levies are over-subscribed – an impossibility if the program had been properly designed and funded. The solution is not throwing more taxpayer funds at the problem. How will the funding gap be closed?

Issue #3: Off-site levies do not contribute their fair share. For example, currently major interchanges, LRT, shuttle buses, and articulated buses get no funding from levies. How will this be stopped from happening?

Issue #4: The most serious issue is that costs not covered by off-site levies are funded from City coffers. This is a misguided, counterproductive use of fiscal resources:

- It is a wealth transfer from the residents and communities we already have – both established and Greenfield.
- It ignores the fact that the suburban market does not need taxpayer subsidies.
- It does not recover costs from outlying municipalities for benefits they receive.
- It perpetuates the car-centric myth that the best way for existing residents to access services is in new subdivisions rather than in their own communities.
- It assumes incorrectly – and certainly without asking – that the residents and communities we already have want money used that way.

Why hasn't a better way been found instead of draining our city's wealth?

CITY OF CALGARY
RECEIVED
IN COUNCIL CHAMBER

DEC 13 2023

ITEM: 7.3 1P2023-1204

Distrib-Document 1P2023-1204

CITY CLERK'S DEPARTMENT