

Background and Previous Council Direction

Previous Council Direction

On 2024 January 16 Council approved the 2024 Off-site Levies Bylaw (IP2023-1264, Bylaw 1H2024). Off-site levies are the most effective funding mechanism available to build essential infrastructure. Calgarians count on 10 home and business essentials to support their day-to-day living and enable a high quality of life. The 2024 program and bylaw offers updates and improvements to an existing tool (off-site levies) to fund the infrastructure enabling these essentials for residents and businesses of new communities. Benefits include advancing infrastructure that will enable growth; offering equitable and sustainable infrastructure cost sharing between developers and The City; and delivering excellent value to future homeowners and businesses.

The current levies bylaw is robust, well-supported by both industry and Administration, and meets The City's legislative obligations. In the absence of levies, the full cost of growth would be shifted to The City of Calgary, resulting either in increased taxes and utility rates, reduced service, an inability to fund growth-related projects, or a combination of all three.

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
1/16/2024	IP2023-1264	<p>10 Home and Business Essentials: Improved Off-site Levies Program and Bylaw</p> <p>Council approved the Off-site Levies Bylaw 1H2024.</p> <p>That with respect to Report IP2023-1264, the following amendment be adopted:</p> <p>That Council insert a new recommendation 2 as follows, and renumber the remaining recommendation accordingly:</p> <p>In consideration of the need to continue to improve the information available and used in developing an off-site levies bylaw, and maintain affordability for services provided through growth-enabling infrastructure, direct Administration to report back in 2024 Q2 to the Infrastructure & Planning Committee with a detailed implementation plan, including specifics on deliverables, scope of work, by whom the work will be undertaken, resourcing, and timing, with topics to be addressed to include:</p> <ol style="list-style-type: none"> a. An update to The City's Water Efficiency Plan including new water efficiency targets, policies, programs, and tools for achieving targets. b. Geographic analysis for measuring water usage (including maximum daily demand) and leakage, including new and established areas, and specifically progressing to a smart metering approach. c. Request data from the development industry that shows empirical evidence of which water saving measures are being leveraged in new community development and home construction, to inform the work on maximum water demand. d. Reporting on RouteAhead strategies and actions relating to transit service introduction and adjustments, including On Demand, in new and actively developing communities. e. Supplement annual off-site levy reporting for transit buses to include the new service implemented as buses are purchased using levy funds. f. Infrastructure plans and inputs including scale and cost, including rightsizing infrastructure in the updated and consolidated Municipal Development Plan and the Calgary Transportation Plan. g. Identify risks and costs of operating and maintenance issues arising from under-utilized infrastructure due to slower pace of growth. h. Alternative means, including developer-led and/or provincial government to fund new growth-related infrastructure in active Area Structure Plans outside currently Approved Area as opposed to passing the financial burden to the City of Calgary and existing taxpayers and utility rate payers.
1/16/2024	IGA2023-1366	<p>City Charter Update (Verbal)</p> <p>In consideration of the risk and uncertainty associated with proposed off-site levy charter legislation, and the imperative to provide essential services to a growing city, direct Administration to report back to the Intergovernmental Affairs Committee with an update in 2024 Q2 regarding:</p> <ol style="list-style-type: none"> a. Pursuit of an alternative model to the Off-site Levies Program and Bylaw <p style="text-align: right;">ISC: Unrestricted</p>

		<p>for community planning, infrastructure portfolio planning, funding, and financing of growth-related infrastructure, to:</p> <ul style="list-style-type: none"> i. Ensure cost, scale and design of infrastructure is financially sustainable and supports future growth, and ii. Mirror the balance of financial risk with responsibility within the existing bylaw, and thus is covered by either the development industry or the Government of Alberta as opposed to passing the financial burden to the City of Calgary and existing taxpayers and utility rate payers.
1/12/2021	PFC2021-0035	<p>Off-Site Levy Update Council directed Administration to adopt the new off-site levy principles as a strategic foundation for a new off-site levy bylaw.</p>
11/2/2020	PFC2020-1140	<p>Water Utility Rates – Revised for 2021 and 2022 and Financial Plan Update Council directed Administration to examine potential corporate funding and financing sources to reduce the impact of Off-site Levy shortfalls on Water Utility rates and report back with the 2021 Off-site Levy Bylaw review.</p>
5/25/2020	PFC2020-0381	<p>Established Area Growth and Change Strategy 2020: Phase 1 Recommendations Council directed Administration to explore a new Established Area off-site levy for local-sized water and sanitary pipes, through consultation with stakeholders, and for Council's consideration, as part of the current Off-site Levy Bylaw review.</p>
10/21/2019	PFC2019-1123	<p>Development of Off-site Levies: Update and Bylaw Amendment Council adopted Administration's Recommendation to give three readings to the amending Charter Bylaw 2H2019, to include the Community Service Charges as an off-site levy, in alignment with the City of Calgary Charter Regulation.</p>
11/12/2018	PFC2018-0973	<p>Off-site Levy Bylaw Amendment Arising from New Community Growth Strategy 2018 Council approved the proposed bylaw amendment to the Off-site Levy Bylaw 2M2016 in Attachment 1, to enable Council's direction on the New Community Growth Strategy 2018.</p>
1/11/2016	C2016-0023	<p>Off-site Levy Bylaw Council adopted the Administration Recommendations to: 1. Give three readings to Bylaw 2M2016; 2. Adopt by resolution, the Community Services Charges; 3. Direct Administration to implement the key deliverables of the 2016 work plan to address issues that arose through this process; and 4. Direct Administration to create an Established Area Redevelopment Incentive Budget (EARIB) to offset reduced revenue resulting from the proposed density incentive program.</p>

Bylaws, Regulations, Council Policies

Bylaws, regulations, and Council policies together govern the City of Calgary off-site levies.

The Municipal Government Act (MGA), the Off-Site Levies Regulation (Alta Reg 187/2017), The City of Calgary Charter, and 2018 Regulation (Alta Reg 40/2018) together govern the off-site levies and the Off-site Levies Bylaw. Off-site levies are financial tools that enable development in Calgary by providing certainty of costs to the land development industry, while providing The City with funds to pay for all or part of the capital cost of new or expanded infrastructure, supporting the economic stability of The City.

The City places off-site levy charges on development to fund major off-site growth-related capital infrastructure such as: water/wastewater treatment and pipes, storm water infrastructure, major interchanges/expressways, fire stations, recreation facilities and libraries. The Municipal Development Plan (MDP) and Calgary Transportation Plan (CTP) guide growth-related capital infrastructure investments.

The Municipal Government Act outlines consultation requirements for off-site levy bylaws. The City of Calgary's Engage Policy guides consultation with interested parties.

The Engage Policy provides guidelines for the development and implementation of engagement processes for interested parties, both external and internal to achieve alignment, support, consistent and clear practices, and enhancement of The City of Calgary's reputation. Administration adheres to the Engage Administration Framework, within The City's ability to finance and resource.