



URBAN DEVELOPMENT INSTITUTE - CALGARY

INFORMATION BULLETIN #6

Municipal Government Amendment Act, 2003 Principles and Criteria for Off-Site Levies Regulation May 2004

In late 2003, the Government of Alberta passed Bill 46, the Municipal Government Amendment Act, 2003, which among several items, amended Section 648 allowing municipalities to pass an off-site levy bylaw to pay for all or part of the capital cost of new or expanded roads required for or impacted by a subdivision or development. A copy of the applicable excerpt from the Amended Act is attached for your information.

On March 17, 2004 A.R. 48/2004, Principles and Criteria for Off-Site Levies Regulation came into force, providing that the calculation of an off-site levy must be determined in consultation with affected landowners and developers. A copy of A.R. 48/2004 is also attached to this bulletin.

Information on both of these items is attached here for your convenience, but in both cases, members should refer to the actual legislation available on the Government of Alberta's website at www.gov.ab.ca.

Attachments (2)

**Bill 46 - Amendments to the Municipal Government Act
Excerpts, re: Off-site levies - roads**

Off-site levy

648(1) For the purposes referred to in subsection (2), a council may by bylaw

(a) provide for the imposition and payment of a levy, to be known as an "off-site levy", in respect of land that is to be developed or subdivided, and

(b) authorize an agreement to be entered into in respect of the payment of the levy.

(2) An off-site levy may be used only to pay for all or part of the capital cost of any or all of the following:

(a) new or expanded facilities for the storage, transmission, treatment or supplying of water;

(b) new or expanded facilities for the treatment, movement or disposal of sanitary sewage;

(c) new or expanded storm sewer drainage facilities;

(c.1) new or expanded roads required for or impacted by a subdivision or development;

(d) land required for or in connection with any facilities described in clauses (a) to (c.1).

(3) On September 1, 1995 an off-site levy under the former Act continues as an off-site levy under this Part.

(4) An off-site levy imposed under this Part or the former Act may be collected only once in respect of land that is the subject of a development or a subdivision.

(5) An off-site levy collected under this section, and any interest earned from the investment of the levy,

(a) must be accounted for separately from other levies collected under this section, and

(b) must be used only for the specific purpose described in subsection (2)(a) to (c.1) for which it is collected or for the land required for or in connection with that purpose.

(6) A bylaw under subsection (1) must be advertised in accordance with section 606 unless

(a) the bylaw is passed before January 1, 2004, or

(b) the bylaw is passed on or after January 1, 2004 but at least one reading was given to the proposed bylaw before that date.

(7) Where after March 1, 1978 and before January 1, 2004 a fee or other charge was imposed on a developer by a municipality pursuant to a development agreement entered into by the developer and the municipality for the purpose described in subsection (2)(c.1), that fee or charge is deemed

(a) to have been imposed pursuant to a bylaw under this section, and

(b) to have been validly imposed and collected effective from the date the fee or charge was imposed.

Regulations

694(1) The Lieutenant Governor in Council may make regulations

- (a) respecting applications for the subdivision and development of land;
- (b) respecting subdivision and development standards and requirements;
- (c) respecting the information to be contained in a subdivision authority's notice of a decision;
- (d) respecting the additional municipal reserve, school reserve or municipal and school reserve that a subdivision authority may require to be provided under this Part;
- (e) respecting the records to be kept by a subdivision authority and a development authority;
- (f) prescribing the conditions that a subdivision authority and a development authority are permitted to impose when granting subdivision or development approval in addition to those conditions permitted to be imposed under this Part;
- (g) conferring or imposing, with or without conditions, any power or duty under the regulations on the Minister, the Municipal Government Board, a subdivision authority or a development authority;
- (h) setting out distances for the purpose of section

678(2)(a);

- (i) authorizing the Minister or the Minister's delegate to order, either generally or specifically, that all or part of the regulations under this subsection do not apply to all or part of Alberta.

(2) A regulation under subsection (1)

- (a) may be called a subdivision and development regulation,
- (b) may apply generally or specifically in Alberta, and
- (c) operates despite any other regulation or bylaw pursuant to this Part.

(3) The Regulations Act does not apply to orders under subsection (1)(i).

(4) The Lieutenant Governor in Council may make regulations

- (a) governing the maximum amount that a municipality may establish or impose and collect as a redevelopment levy or an off-site levy, either generally or specifically;
- (b) governing the principles and criteria that must be applied by a municipality when establishing an off-site levy.

O.C. 103/2004

Attachment 2

A.R. 48/2004

March 17, 2004

The Lieutenant Governor in Council makes the Principles and Criteria for Off-site Levies Regulation set out in the attached Appendix.

For Information only

Recommended by: Minister of Municipal Affairs

Authority: Municipal Government Act
(section 694)

APPENDIX

Municipal Government Act

PRINCIPLES AND CRITERIA FOR OFF-SITE LEVIES REGULATION

Definition

1 In this Regulation, "levy" means an off-site levy referred to in section 2.

Application generally

2 A municipality, in establishing an off-site levy for the purposes of Division 6 of Part 17 of the Act, shall apply the principles and criteria specified in section 3.

Principles and criteria specifically

3(1) In determining the levy costs, the municipality is to retain the flexibility to negotiate the levy in good faith and in a manner that recognizes the unique or special circumstances of the municipality.

(2) There is to be full and open disclosure of all levy costs and payments.

(3) There is a shared responsibility between the municipality and developers for addressing and defining existing and future infrastructure requirements and all beneficiaries of development are to be given the opportunity to participate in the cost of providing and installing infrastructure in the municipality on an equitable basis related to the degree of benefit.

(4) Where necessary and practicable, the municipality is to coordinate infrastructure provisions and services with neighbouring municipalities.

(5) There is to be a correlation between the levy and the impacts of new development.

- (6) The methodology for determining the levy is to be consistent across the municipality, while recognizing variations among infrastructure types.
- (7) The method of calculation for the levy is to be clear.
- (8) The information used to calculate the levy is to be kept current.
- (9) The calculation of the levy is to include, but is not limited to,
 - (a) a description of the specific infrastructure facilities,
 - (b) a description of the benefiting areas,
 - (c) supporting technical data and analysis, and
 - (d) estimated costs and mechanisms to address cost increases over time.
- (10) Calculation of the levy is to be determined in consultation with affected landowners and developers.
- (11) The levy is subject to annual reporting requirements.

Expiry

4 For the purpose of ensuring that this Regulation is reviewed for ongoing relevancy and necessity, with the option that it may be repassed in its present or an amended form following a review, this Regulation expires on March 31, 2011.