

# OFF-SITE LEVIES

## PLANNING AND DEVELOPMENT DEPARTMENT

[www.vermilion-river.com](http://www.vermilion-river.com)

### WHAT IS AN OFF-SITE LEVY?

- Off-site levies provide a mechanism for municipalities to recover capital costs incurred for infrastructure improvements required for new development.
- Off-site levies may only be collected once in respect of lands subject to development or subdivision for those items outlined (transportation, drainage, water, sewer).
- The off-site levy rates are calculated by unit in order to ensure each development bears an equal share of costs associated with the needs of a specified area: "growth pays for growth".
- The Municipal Government Act of Alberta clearly outlines requirements for off-site levy financial reporting and tracking use of funds (for example: costs associated with an off-site levy cannot be used towards ongoing maintenance of infrastructure).

### WHAT IS THE PURPOSE OF THE OFF-SITE LEVY?

- It helps to pay for roads, municipal utility systems and community services (i.e. police, fire, recreation and library facilities) required outside or "off" the site of development or subdivision to serve that development.
- Projects funded include ROADS (\$16.1 million) and STORMWATER (\$1.3 million).

### WHY OFF-SITE LEVIES vs OTHER FORMS OF COST ALLOCATION?

- The administration of the program is less complicated.
- It creates a level playing field amongst developers (consistent, transparent, equitable outcome).
- It creates a detailed understanding of cost of growth
- If single Development Agreements were used instead of off-site levies, individual developers would be responsible for the full costs associated with necessary upgrades that others in the area would benefit from. That can drastically impact a project's feasibility.
- The municipality manages infrastructure projects (i.e. intersection upgrades or drainage ditch construction) which reduces the amount of work the developer would be required to do up front.

### QUICK FACTS:

*Alberta Municipal Affairs has provided municipalities with the authority, under the Municipal Government Act Section 648, to set and collect Off-Site Levies through the adoption of a Municipal Bylaw. The County of Vermilion River adopted Bylaw 12-04 for this purpose.*

### RELATED BYLAWS:

- Bylaw 12-04: Off-Site Levy Bylaw
- Policy AD-022: Off-Site Levy Policy
- Bylaw 19-02: Land Use Bylaw

### WEBSITE

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REVISION DATE: 2020-06-24

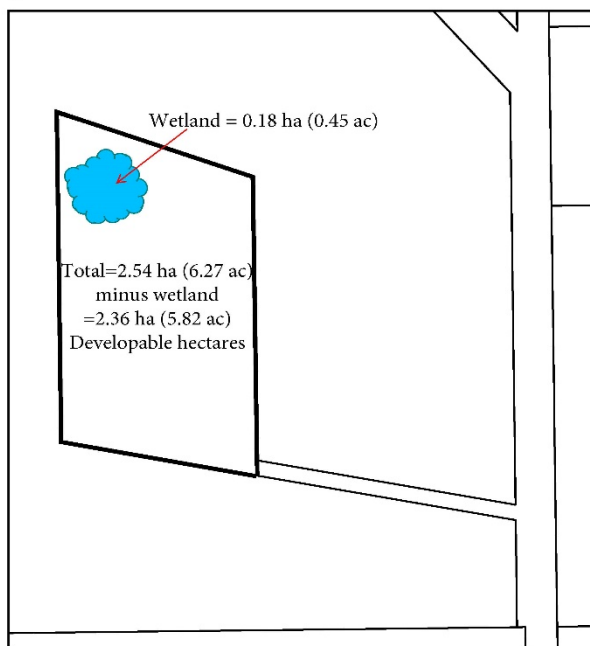
# OFF-SITE LEVIES

## WHO PAYS OFF-SITE LEVIES?

- Off-site levies are paid prior to starting the development or prior to CVR approval of a survey plan for subdivision registration at the land titles office. Payment arrangements can be made.
- Certain developments are exempt – contact the Planning & Development Department to find out if off-site levies are required for your development.
- See Bylaw 12-04 on the County website for map of the off-site levy area and charges per net developable hectare.

### RESIDENTIAL DEVELOPMENT EXAMPLE

**Subdivision Proposal:** To create a 2.54 hectare (6.27 acre) parcel out of a quarter section.

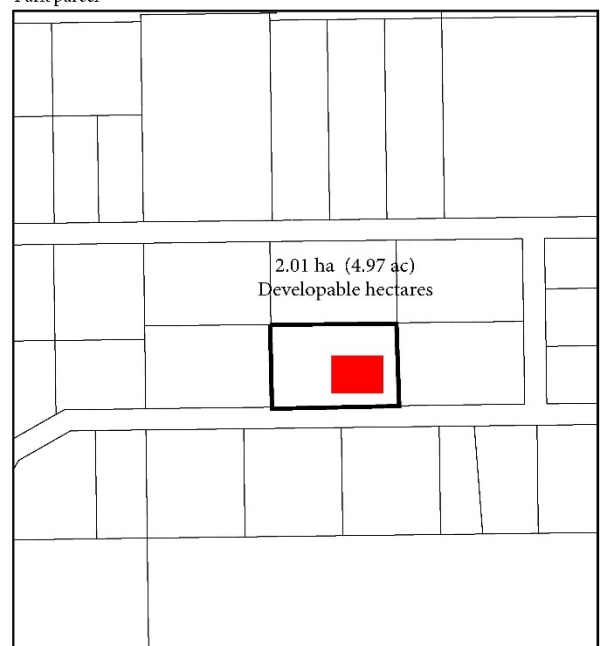


#### Development in the Northwest Basin

Transportation Levy	\$19,747/ ha
X 2.36 hectares	\$46,602.92
Stormwater Levy	\$2,197/ ha
X 2.36 hectares	\$5,184.92
<b>Total Levy Payable</b>	<b>\$51,787.84</b>

### INDUSTRIAL DEVELOPMENT EXAMPLE

**Development Proposal:** To construct a large building within an Industrial Park parcel



#### Development in the Blackfoot Basin

Transportation Levy	\$19,747/ ha
X 2.01 hectares	\$39,691.47 ha
Stormwater Levy	\$66/ ha
X 2.01 hectares	\$132.66/ ha
<b>Total Levy Payable</b>	<b>\$39,824.13</b>