

Off-site Levies

ABmunis Initial **Draft Submission** to Municipal Affairs – August 5, 2025

The following submission was developed by ABmunis administration following the meeting on Off-site Levies on July 22, 2025 as part of Municipal Affairs Enabling Growth and Housing Affordability Initiative. ABmunis is seeking broader input from members as well as review and approval of our Board at their August 22 meeting after which any updates to this submission will be shared with members and the Ministry.

Off-site Levies Enable Growth

- The province, municipalities and the development community deserve collective credit for Alberta “leading the country in housing starts in 2025, building 30 per cent more than last year’s record-setting pace.” (GoA News release – July 21, 2025)
- Coupled with that record pace, Alberta municipalities provide some of the most affordable places to own or rent a home compared to provinces like British Columbia and Ontario.
- This shows that the efforts of municipalities to streamline the development and promote housing affordability are working, and that legislative and fiscal foundation in the province is strong.
- In many communities across Alberta, especially high growth towns, cities and surrounding communities, off-site levies play an essential role in enabling growth by equitably distributing the cost of new infrastructure between those who benefit from it.
- Offsite levels have ensured that growth pays for growth, rather than burdening the existing tax payers with the costs of development.

Enable local decision making that meets community needs

- Over the last decade several updates have been made to the legislation and regulation governing off-site levies and recent decisions by the Land and Property Rights Tribunal (LPRT) and courts provide additional clarity around requirements for consultation, reporting and transparency.
- ABmunis appreciate that there have been some rub points between developers and municipalities in certain situations.
- In some cases, these are being resolved by LPRT rulings, and in others, honest mistakes have come to light and been worked through.
- Further legislative and regulatory changes that add more red tape are unlikely to resolve issues around communication or mistakes and have the potential to hurt municipalities ability to differentiated themselves in the attraction and promotion of development
- Additionally, we understand that there is debate about what costs should be included in off-site levies (e.g. Architectural design).
- Caution should be exercised in setting out rules that are too specific as to exactly what should and should not be included.
- Given the breadth and diversity of Alberta’s communities, levels of service are best determined locally by municipalities in consultation with the community, including developers.
- Putting in place strict rules could detract from the desirability of communities and developments in some cases while setting an unnecessary standard in others. This has the potential to stunt municipal growth.

- Overall, most municipalities have a strong relationship with the development community and there are processes in place to handle situations where there is conflict.
- There is a risk that amending legislation and regulation in response to a couple of outlying issues or developer industry lobbying could risk adding unnecessary cost and complexity to a regime that is otherwise working well.
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Share best practices and lessons learned

- There is an opportunity to update existing resources such as: “Off-site Levies: A Municipality’s Manual for Capital Cost Recovery Due to New Development” which could be updated with lessons learned from LPRT decisions and best practices.
- Sharing guidance and best practices provides a balance between promoting practices that benefit both developers and municipalities while still enabling decisions that reflect local context.
- For example, cities such as Airdrie and Spruce Grove have recently updated their offsite levies bylaws and received support from developers.
- Canmore will share lessons learned from a recent LPRT decision that could help strengthen the transparency of offsite levies calculations in many municipalities.