

# Development Levy Bylaw Sample

2025

**[City, Town, Village, Rural Municipality, etc.] of \_\_\_\_\_**

**Bylaw XXXX - Year**

Being a bylaw of the [City Town, Village, Rural Municipality, etc.] of \_\_\_\_\_, in the Province of Saskatchewan, for the purpose of establishing a development levy for lands that are to be developed or redeveloped within the [City Town, Village, Rural Municipality, etc.] of \_\_\_\_\_.

**WHEREAS** Section 169 of *The Planning and Development Act, 2007* (the "Act") provides that the council of a municipality may pass a bylaw establishing a development levy;

**WHEREAS** certain lands within the [City, Town, Village, Rural Municipality, etc.] of \_\_\_\_\_ are proposed for future development;

**WHEREAS** council for the [City Town, Village, Rural Municipality, etc.] of \_\_\_\_\_ gave notice by advertising in a local weekly newspaper on [Day, Month, Year and Day, Month, Year] and a public hearing was held on [Day, Month, Year], in regards to the proposed bylaw, in accordance with Section 207 of the Act;

**WHEREAS** the council for the [City Town, Village, Rural Municipality, etc.] of \_\_\_\_\_ deems it desirable to establish a development levy for the purposes of recovering all or a part of the capital costs of providing services and facilities directly or indirectly associated with a proposed development in regards to: sewage, water, and drainage works; roadways and related infrastructure; parks; and recreational facilities;

**WHEREAS** the council has received a study [*or studies*], regarding the estimated capital costs of providing municipal servicing and recreational requirements, which sets out a fair and equitable calculation of the development levies in accordance with the Act;

**WHEREAS** the council has considered the future land use patterns and development and phasing of public works to help determine a fair and equitable calculation of the development levies in accordance with the Act; and

**WHEREAS** the council wishes to enact a bylaw: to impose and provide for the payment of development levies; to authorize agreements to be entered into in respect of payment of development levies; to set out the conditions upon which the levy will be applied to specify land uses, classes of development, zoning districts or defined areas; and to indicate how the amount of the levy was determined.

**NOW THEREFORE** the council of the [*City, Town, Village, Rural Municipality, etc.*] of \_\_\_\_\_, enacts as follows:

SAMPLE

## 1. SHORT TITLE

This bylaw may be cited as the “Development Levy Bylaw.”

## 2. PURPOSE AND INTENT

This bylaw is intended to:

- (a) Impose and provide for the payment of development levies
- (b) Authorize agreements to be entered into in respect of payment of development levies
- (c) Set out the conditions upon which the levy will be applied to specific land uses, classes of development, zoning districts or defined areas
- (d) Indicate how the amount of the levy was determined.

## 3. DEFINITIONS

In this bylaw:

- (a) “**Act**” shall mean the *Planning and Development Act, 2007*.
- (b) “**Development**” means the carrying out of any building, engineering, mining or other operations in, on or over land or the making of any material change in the use or intensity of the use of any building or land.
- (c) “**Development lands**” means those lands (or any part thereof) within the [*City Town, Village, Rural Municipality, etc.*] of \_\_\_\_\_, where no previous servicing agreement has been entered into for the specific proposed development and, in the opinion of Council, the Municipality will incur additional capital costs as a result of the proposed development.
- (d) “**Proposed development**” means a permitted or discretionary use within the municipality of \_\_\_\_\_ Zoning Bylaw, for which a person or corporation has made an application for a development permit.
- (e) “**Municipality**” means the [*City, Town, Village, Rural Municipality, etc.*] of \_\_\_\_\_.
- (f) “**Development levy**” means the levy imposed and created by this bylaw pursuant to the Act.
- (g) “**Capital costs**” means the municipality’s estimated cost of providing, altering, expanding or upgrading the following services and facilities associated, directly or indirectly, with a proposed development:
  - i. Sewage, water or drainage works
  - ii. Roadways and related infrastructure
  - iii. Parks
  - iv. Recreational facilities
- (h) “**Development officer**” shall mean the development officer appointed by the municipality.

- (i) **“Servicing agreement”** has the meaning ascribed to this term by the Act within Section 172.
- (j) **“Development levy agreement”** has the meaning ascribed to this term by the Act within Section 171.

#### **4. ADMINISTRATION AND ENFORCEMENT**

The development officer shall enforce and administer this bylaw, including administering the development levy, and development levy agreements. Only council has the authority to enter into a development levy agreement

#### **5. APPLICATION**

This bylaw applies to development lands that benefit or will benefit from municipal services installed or to be installed by or on behalf of the municipality. The development levy imposed by this bylaw is intended recover all or a part of the capital costs incurred by the municipality as a result of a proposed development, as set out in Schedule “A” attached to and forming part of this bylaw.

Pursuant to Section 169(3), the development levy will only be applied if: the specific proposed development was not previously subject to a servicing agreement; and, in the opinion of council, additional capital costs will be incurred by the municipality.

#### **6. IMPOSITION OF LEVY**

There is hereby imposed on the development lands a development levy in the amounts set out in Schedule “A” attached to and forming part of this bylaw. Schedule “A” shall be updated to reflect changes in infrastructure costs, as required. Any revisions to Schedule “A” shall apply only to development permit applications accepted by the municipality after the date the revision is adopted.

#### **7. AUTHORITY TO ENTER INTO AGREEMENT**

Any development levy agreement and the obligation to pay the applicable development levy shall be binding on successors in title to the original owner or owners, regardless of whether an interest in respect of the development levy agreement is registered by the municipality against the development lands. The amount of the development levies payable shall be the amount under Schedule “A.”

Nothing in this bylaw prevents the municipality from imposing additional or new development levies on any portion of the development lands where the municipality has not previously collected the development levy or entered into a development levy agreement or servicing agreement.

#### **8. PAYMENT**

The development levy provided in this bylaw shall be paid, either:

- (a) 100 per cent prior to issuance of a development permit.

- (b) In a manner and timeline deemed appropriate by the municipality and applicant within a development levy agreement, pursuant to section 171 of the Act.

In the event that any development levy payment imposed by this bylaw payable under a development levy agreement is not paid at the time or times specified within the agreement and without limiting the remedies of the municipality, the municipality may collect the fees pursuant to 173 (c) of the Act and the development levy agreement.

**9. PURPOSE AND USE OF THE LEVY**

The development levy is intended to reimburse the municipality for the capital costs associated directly or indirectly with the proposed development including the construction, alteration, expansion or upgrading of the following:

- (a) Sewage, water or drainage works
- (b) Roadways and related infrastructure
- (c) Parks
- (d) Recreational facilities

The development levy may be utilized to pay a debt incurred by the municipality as a result of expenditure listed above or to reimburse an owner described in clause 173(d) of The Act.

**10. CALCULATION OF LEVY**

The development levy adopted in this bylaw was determined on the basis set out in Schedule “B” annexed hereto and forming part of this bylaw.

**11. SEVERABILITY**

In the event that any provision of this bylaw is found to be null or void or contrary to law by any court of competent jurisdiction, then such provision shall be severed from this bylaw and the remainder of this bylaw shall continue to be of full force and effect.

**12. THAT** any previous Development Levy Bylaw and all amendments thereto are hereby repealed.

**13. ENACTMENT**

This bylaw shall take effect and come into force upon the date of approval by the minister [or adoption by council. *(if council is an approving authority)*]

READ A FIRST TIME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, A.D. 20\_\_

READ A SECOND TIME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, A.D. 20\_\_

READ A THIRD AND FINAL TIME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, A.D. 20\_\_

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[REEVE/MAYOR]

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ADMINISTRATOR

SAMPLE

## Schedule "A"

Schedule "A" should contain the amount of the levy, or the list of levies broken down by individual capital cost and the different criteria of the levy, such as land use, different classes of development or the number of lots within a development. If a levy amount is to apply to only a defined area or areas, other than a map delineating that area within the municipality, should be included with Schedule "A".

The amount and analysis of the estimated capital costs will be as determined in Schedule "B". A municipality may choose to collect all or part of the capital costs associated with a development. A municipality may not collect more than the capital costs to the municipality to provide the service, however, they may reduce the amount or application of certain levies based on the criteria.

Levies may vary or be exempted from specific land uses, e.g. levies related to recreation would not be taken from industrial development, as those capital costs are not directly or indirectly related to that specific development classification.

Below is an example of a Schedule "A" for this template.

## Schedule “A” to Bylaw 20XX- XXXX

*Fig. 1: Schedule of Criteria for application of Development Levy Bylaw 20XX-XXXX*

| <b>Classification<br/>Capital<br/>Cost</b>          | <b>Full Capital<br/>Costs to the<br/>Municipality<br/>Per Acre<br/>(CC/A)</b> | <b>Residential<br/>Single<br/>Family<br/>(RSF)</b> | <b>Residential<br/>Multi –<br/>Family<br/>(RMF)</b> | <b>Light<br/>Commercial<br/>/ Industrial<br/>(LCI) (&lt;500<br/>m<sup>2</sup>)</b> | <b>Light<br/>Commercial<br/>/Industrial<br/>(LCI) (&gt;500<br/>m<sup>2</sup>)</b> | <b>Heavy<br/>Commercial<br/>/Industrial<br/>(HCI) (&lt;500<br/>m<sup>2</sup>)</b> | <b>Heavy<br/>Commercial<br/>/Industrial<br/>(HCI) (&gt;500<br/>m<sup>2</sup>)</b> | <b>Institutional<br/>(I)</b> | <b>Specific<br/>Development<br/>Area (SDA)</b> |
|---|---|--|---|--|---|---|---|------------------------------|--|
| <b>Water,<br/>Sewage and<br/>Drainage<br/>works</b> |   |  |   |  |   |   |   |                              |  |
| <b>Roadways and<br/>Related<br/>Infrastructure</b>  |   |  |   |  |   |   |   |                              |  |
| <b>Parks</b>  |   |  |   |  |   |   |   |                              |  |
| <b>Recreational<br/>Facilities</b>                  |   |  |   |  |   |   |   |                              |  |

The above values have been determined by a Capital Costs Assessment attached to this Bylaw as Schedule “B” and the following modifications by decision of Municipal Council:

1. The full capital costs to the municipality per acre of development is as determined in Schedule “B.”
2. Council has determined that, in regard to the applicable capital costs associated with Residential Single Family (RSF) development, only XX per cent of the full capital costs need to be borne by the developer.
3. Council has determined that, in regard to the applicable capital costs associated with Residential Multi-Family (RMF) development, only XX per cent of the capital costs need be borne by the developer.
4. Council has determined that, in regard to the applicable capital costs associated with Light Commercial/Industrial (LCI) (<5000 sq. ft) development, only XX per cent of the capital costs need to be borne by the developer.
5. Council has determined that, in regard to the applicable capital costs associated with Light Commercial/Industrial (LCI) (>5000 sq. ft) development, only XX per cent of the capital costs need to be borne by the developer.

6. Council has determined that, in regard to the applicable capital costs associated with Heavy Commercial/Industrial (HCI) (<5000 sq. ft) development, only XX per cent of the capital costs need be borne by the developer.
7. Council has determined that, with regard to the applicable capital costs associated with Heavy Commercial/Industrial (HCI) (>5000 sq. ft) development, all capital costs are to be borne by the developer.
8. Council has determined that, with regard to the applicable capital cost associated with Institutional (I) development, all capital costs are to be waived as the development is contributing to the community.
9. Council has determined that, in regard to the applicable capital costs associated with the Specific Development Area (SDA), XX per cent of the capital costs need to be borne by the developer due to the distance of the development from adjacent serviced development.

\*\* In the event that a previous servicing agreement or development levy agreement has already provided for a capital cost, or there is no additional capital cost to the municipality, a levy related to that service shall not be applied.

## Schedule “B”

Schedule “B” should contain the analysis of the capital costs and provide an estimate on the cost of providing that service. Typically, this would be broken down by a per hectare fee, however it can be applied via a per permit fee or a per lot fee. A municipality may choose to collect all or part of the capital costs associated with a development. A municipality may not collect more than the capital costs to the municipality to provide services to that specific development.

A municipality may not collect levies that are not required to service a development (e.g. cannot collect a water or sewer levy if the development is not serviced by a piped system and cannot require recreation or park levies on industrial/commercial development as these services are not used by that classification of development). However, a municipality may vary the application of certain levies based on criteria such as providing roads and piped water or sewer service to a specified area, set out in the bylaw, which is being developed a substantial distance from existing services. This is intended to compensate for extra capital costs to the municipality and the study must show how those costs have been determined.

No specific example is being provided for Schedule “B” as format and findings will differ between municipalities. It is recommended that this study be undertaken by a professional engineer to lessen the likelihood of the bylaw being contested by a developer.

## Schedule "C"

It is best practice to include an additional Schedule "C" with the bylaw. This schedule should feature a map that clearly delineates the boundaries where the outlined levies apply. This visual aid offers developers and applicants a clear understanding of the areas affected by each levy.

No specific example is being provided for Schedule "C" as the format will differ between municipalities

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