



# STANDARD DEVELOPMENT AGREEMENT



## AT A GLANCE



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### WHAT IS IT?

The Standard Development Agreement (SDA) is an industry term used for the agreement between The City of Calgary and developers detailing offsite levies and associated documents that prescribe the development environment.

The revised SDA, created collaboratively and approved in 2016, ensures those who benefit from growth pay for it.

The outcome? A better funding model for a smarter city.



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### COST SAVINGS IN THE WORKS

The SDA incorporates a new Work Plan to reduce growth costs. Industry and The City created an approved collaborative process, overseen by the Planning and Development GM.

**Goals include:**

- Scrutiny of all levies and fees for reduction
- Shorter approval times
- Policies to expedite development and building processes
- Increased flexibility for visionary development
- Innovative funding and financing models

## WHAT'S NEW FOR GREENFIELD DEVELOPMENT?

The new funding structure creates more predictability for developers and financial stability for The City.

Here are the highlights:

**1-STEP** levy calculation at permit stage for predictability

**40%** average levy increase

**3-YEAR** levy payment structure

**5-YEAR** term, with provision to reopen it sooner

# SDA 2016



**DEVELOPERS COVER 100%** of the cost inside new communities



Developers and The City of Calgary seek stable ways to fund new growth.

Our new SDA means that all those who benefit pay their proportionate share.

### NEW COMMUNITIES

Levies for brand-new communities cover all costs, including water and wastewater treatment, connections to existing facilities, land and roads required around the community, emergency response stations and recreational facilities.

## 🏠 WHAT ABOUT REDEVELOPMENT?

For the first time, developers in established areas will pay a set levy on a per-unit basis for sanitary and water treatment.

This helps create budgetary certainty, for both industry partners and The City.

- Levies calculated at the permit stage to cover the servicing costs to water and sanitary treatment plants
- Payable at occupancy stage

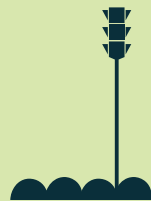
A Density Incentive is part of the new levies. It helps remove barriers to necessary growth.

- Levies capped at 285 EP/hectare
- Property taxes from a portion of development beyond 285 EP/hectare cover the rest

The transition to full redevelopment levies will take two years.

## 🏠 IT'S A WIN-WIN

What's the upside for The City – and taxpayers? Increased housing density means efficient use of existing infrastructure, and more City revenue from the new units' property taxes. The guaranteed revenue is still much higher than it was when single-family homes dominated the community.



# THE DENSITY INCENTIVE FOR REDEVELOPMENT

The Municipal Development Plan (MDP) encourages density, calling for a minimum number of units per hectare. To align with the MDP, the SDA carefully addresses prohibitive costs for building more housing in an established area with a Density Incentive.

285 EP/hectare, or equivalent people per hectare, means that after the project creates space for 285 people and/or jobs, the levies are capped.

Learn more at [calgary.ca](http://calgary.ca)



A Smarter Growth Initiative Publication  
[smartergrowth.ca](http://smartergrowth.ca)