



Off-Site Levy Program Guide

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1 INTRODUCTION & PROGRAM OVERVIEW

This guide is intended to assist in understanding the City of Beaumont’s Off-Site Levy program. It should be read in conjunction with the Off-Site Levy Bylaw and its attached schedule. This guide explains what an Off-Site Levy (OSL) is, provides a step-by-step outline on considerations and expectations for how they are assessed and collected in the City of Beaumont, and provides guidance for detailed program elements. The guide also addresses the applicability of the Off-Site Levy Bylaw, levy assessment and payment, and cost recovery for Off-Site Levy Infrastructure front-ended by the City or Applicants.

1.1 WHAT IS AN OFF-SITE LEVY?

Growth via development requires costly expansions to municipal infrastructure systems to ensure new development is adequately serviced. An OSL is a charge or fee applied to new development that ensures development pays for its fair share of the capital costs for required new or expanded servicing infrastructure that it will benefit from. Infrastructure types included in the Off-Site Levy program are outlined in the Off-Site Levy Bylaw. Off-Site Levies are calculated on a per hectare basis with rates that vary in different areas of the City.

1.2 THE CITY OF BEAUMONT’S OFF-SITE LEVY BYLAW

The City adopted the current Off-Site Levy Bylaw 1086-25 under the *Municipal Government Act* in August 2025. It is an Applicant’s responsibility to review the OSL Bylaw, as it sets out critical and statutory information in addition to this guide. The OSL Bylaw includes a Background Report as an appendix with key contextual and detailed information about the City’s OSL program as a whole, including applicable infrastructure categories, specific projects, levy calculation methodology, allocation of benefit and applicable levy rates.

This guide is intended as a reference for the implementation of the Bylaw to all Developers undertaking applicable subdivision and/or development activities in Beaumont. The City’s bylaws and the *Municipal Government Act* will prevail if there are any inconsistencies with this guide.

1.3 WHEN IS AN OFF-SITE LEVY REQUIRED?

An Off-Site Levy is required for **all** new subdivisions or developments that increase the burden on municipal services and/or infrastructure, with a few noted exceptions.

Potential Exceptions:

- Subdivision of an agricultural parcel into one or more agricultural parcels where land use and servicing requirements do not change.
- Subdivision of a single residential parcel when it is the first non-agricultural parcel subdivided from an agricultural property, and there are no changes to servicing requirements.

- Development that constitutes improvements to a property that do not impact the servicing requirements and/or increase the burden on municipal infrastructure. This may apply to one or more of the eligible Off-Site Levy infrastructure categories.
- Lands that have previously paid an Off-Site Levy for a category of infrastructure will not be assessed an OSL for that same category a second time.
- Exemptions under section 648 of the *Municipal Government Act*.

1.4 ANNUAL SCHEDULE OF ACTIVITIES

In accordance with the Off-Site Levy Bylaw and Section 648 of the *Municipal Government Act*, the City is required to provide annual reports that transparently summarize Off-Site Levy collections and starting and closing reserve balances for each year.

The following is the City’s general schedule of activities each year as it relates to the OSL Program:

| Timeline | Activity |
|--------------------|--|
| January 1 | Levy rates escalate 2%, in accordance with Schedule B of the Bylaw |
| February/ March | Reconcile accounts from the prior year, and determine repayment amounts |
| April | Annual Report and audited financial statements for the prior year brought to Council |
| May | Once annually: Bulk distribution of available repayments from the prior year to Applicants who have front-ended eligible infrastructure (per Development Agreements) |
| August / September | Forecast remaining collections for current year, estimate potential amount available for repayments, and include in City budget/reporting |
| December 31 | Collections close for the calendar year |

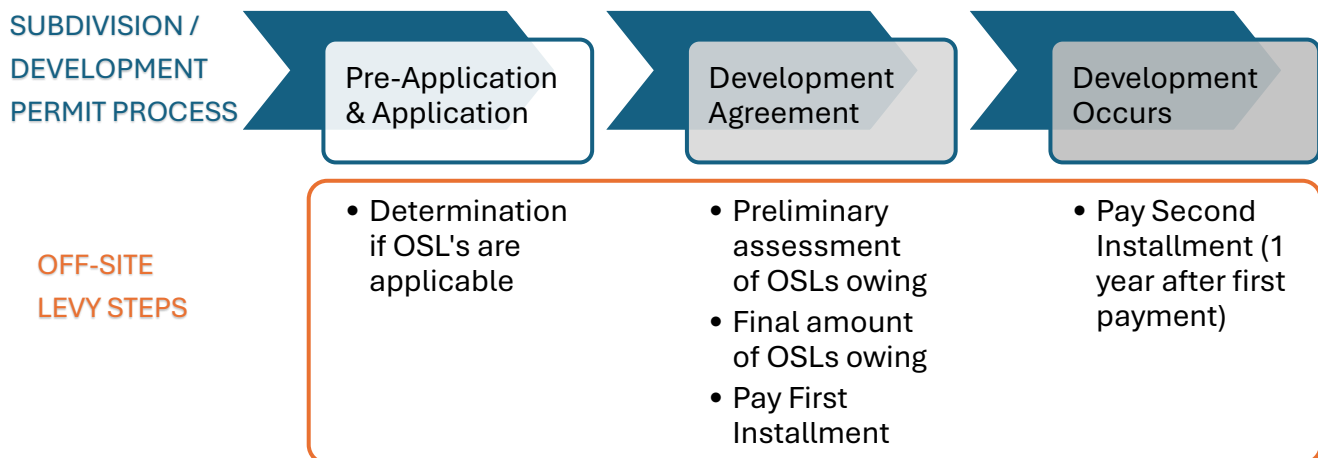
To keep the Off-Site Levy rates current, the City may elect to amend the OSL Bylaw to update the levy rates on a regular basis to reflect material changes such as refined capital project costs, new or updated agreements with regional partners that impact benefit allocations, or other similar context changes. The rates will also be adjusted if the City receives grant funding for a project that is identified in Schedule C of the Bylaw. Should the City not update the levy rates of the OSL Bylaw after 2027, then levy rates will escalate 2% annually. Rates will be published on the City’s website.

2 OFF-SITE LEVY PROCESS OVERVIEW

This section provides an overview of the Off-Site Levy program and main procedural steps. The identification, assessment and payment of OSLs is implemented through the City’s subdivision and development permit processes. There are responsibilities for both the City and Applicants throughout the process. Additional steps or variations may be required depending on the specifics of the development, but in general, the following steps occur:

- As a part of pre-application discussion and the initial application, the City determines if OSLs are applicable in accordance with the Bylaw and MGA.
- If they are, the details and terms of Off-Site Levy contributions and payments are outlined in a Development Agreement, including details on amounts owing, credits, payment terms and repayment schedules, as applicable.

The following diagram illustrates the major stages of the subdivision or development process, which relate to the OSL process:



This guide does not cover the details of the subdivision and development permit process, and only speaks to the elements of those processes that pertain directly to OSLs. Please see the City’s website for more detailed information on the subdivision and development permit process.

2.1 OFF-SITE LEVY IDENTIFICATION

The following steps are initiated through the review and approval process for a subdivision or development permit application.

1. An Applicant requests a pre-application meeting with the City (either required or optional depending on the application type).
 - An initial discussion regarding applicable OSLs may be held as part of a pre-application meeting, but confirmation of the OSL applicability and amount is provided as part of the Notice of Decision after the application is submitted and reviewed.
 - This is also when discussions on Off-Site Levy Projects and interests in front-ending should begin (eligibility, scope, schedule, responsibilities, process, etc.). An Off-Site Levy Project is a specific infrastructure project identified in the OSL Bylaw that will be required to support growth. See Section 3.3 for more information.
2. An Applicant submits a subdivision or development permit application.
 - The assigned file planner circulates the subdivision or development permit application, at which time preliminary comments are provided to the Applicant if an OSL is required.
 - When issuing an approval on a subdivision or development permit application, the City officially confirms if an OSL will be assessed or not.
 - Whenever possible, OSLs will be assessed as part of the subdivision approval process and will not be deferred to a subsequent development permit stage.
 - The City may assess OSLs at the development permitting stage when not previously assessed and collected at the subdivision stage. This may include OSLs for specific categories that were not previously assessed at the subdivision stage. In this case, the City will notify the Applicant whether Off-Site Levies are applicable as part of the development permit and will require that the Applicant enter into a Development Agreement that provides for the payment of OSLs.
3. If an OSL is required, this will be reflected in the Notice of Decision as a condition of approval.
4. Other OSL related conditions may be included on the application decision. Additional actions may be required of the Applicant as part of the Development Agreement, or before or after subdivision endorsement.

2.2 OFF-SITE LEVY ASSESSMENT & DEVELOPMENT AGREEMENT

There are two pathways in the development process for the assessment and payment of OSLs:

- At Subdivision, and;
- At Development Permit

Further details on the amounts and timing of payment in each scenario are outlined in the following Section 2.3.

Engineering Drawings

Following Subdivision Approval and prior to requesting a Development Agreement, Applicants must submit engineering drawings for review and approval. More detailed information on the Engineering Drawing Review Application can be found on the City's website.

Development Agreement Preparation

A Development Agreement is a legal agreement between the City of Beaumont and the Applicant in relation to an approved subdivision or development permit. The Development Agreement contains all the terms and conditions applicable to the planned development, including the OSL assessment, payment terms, and provision of applicable insurance and securities. More detailed information on the Development Agreement process can be found on the City's website. The following steps related to OSLs are initiated through the review and approval process for a Development Agreement application:

1. Submit an 'Application for Development Agreement' and applicable fees to the City.
2. The City confirms the amount the Applicant owes in Off-Site Levies in accordance with the OSL Bylaw:
 - Off-Site Levies are assessed on a per hectare basis using the rates in the OSL Bylaw.
 - The City will provide the applicant with tentative amounts owing for Off-Site Levies and securities (as outlined in the City's Financial Security Guidelines). The amounts provided are subject to change through the Development Agreement review process and will be considered official once the Development Agreement is executed.
 - Where an approved subdivision or development permit expires and OSLs have not been paid, the City will re-assess the Off-Site Levies in accordance with the OSL Bylaw and the rates currently in effect at the time of execution of a new Development Agreement following subdivision approval or issuance of a development permit.
 - If the Applicant is front-ending OSL infrastructure, then a Front-Ending Agreement will be included as a schedule of the Development Agreement.
3. Following engineering drawing approval, the Development Agreement is drafted by the City and once finalized, it is provided to the Applicant.
4. The Applicant will review the draft and provide written confirmation to the City that the Development Agreement can proceed to the next steps.

Development Agreement Execution

The Development Agreement process is generally outlined as follows:

1. The Applicant will sign and seal two originals prepared by the City and return them to the City for execution.
2. The Development Agreement is executed by the City and one original is provided to the Applicant.
3. At the Applicant's expense, the executed Development Agreement must be registered on the title of all applicable properties under application.
4. For construction to commence, the Applicant must provide the applicable securities, Certificate of Insurance, and meet any other conditions or requirements outlined in the

subdivision or development permit approval and Development Agreement. Additional information on securities is provided in Section 3.1.

Once complete, the Development Agreement will include the amount of the Off-Site Levy owed, when it must be paid, how it will be paid, and what occurs if it is not paid in full by the required date. Details on any credits and repayment terms for front-ended infrastructure will be included in a Front-Ending Agreement as a schedule to the Development Agreement.

2.3 LEVY PAYMENT

When assessed at subdivision application, the OSL may be paid in up to two instalments if the applicable security is provided and accepted by the City. When the OSL is owed as a condition of a subdivision approval, the initial 50% payment of the OSL is due and payable prior to the endorsement of the subdivision. The Applicant will be required to indicate whether they intend to provide payment in one or two instalments at the time of the Development Agreement.

When the OSL is assessed as a condition of a development permit approval, the initial payment of the OSL is due and payable prior to the execution of the Development Agreement.

In all cases, the total levy amount owing will remain as assessed at time of Development Agreement, even if the levy rate changes over the period installments are due. Any amount of an Off-Site Levy that is not paid when due is a debt owing to the City and will be subject to the accrual of interest as determined by the City's policies. In the event of non-payment, securities will be used to cover the amount owing.

The following steps will be followed for OSL payment:

1. The total amount or the first instalment payment is made by the Applicant.
 - a. For subdivision applications the initial levy payment of 50% is required before the subdivision is endorsed.
 - b. For development permit applications payment of the total levy amount is required before the Development Agreement is executed.
2. A record of the payment will be made by the City, including the amount owed, and the due date for the final payment.
3. For subdivision applications, the final levy payment of 50% is required within one year of the first payment.
4. The City will record the payment and confirm that all required OSLs have been paid.

The flow chart included in Schedule A outlines the Off-Site Levy process as it fits within the overall subdivision and development permit process.

3 PROGRAM ELEMENTS

This section includes additional information on specific elements of the Off-Site Levy program. This information should be considered in conjunction with the above. For clarity, “to fund” means to pay or commit to paying the cost, and “to finance” means to lend money or to pay on behalf of the funder, with the expectation of being paid back.

3.1 FINANCIAL SECURITIES

Securities for Applicant-Built Infrastructure

The City requires securities for on-site infrastructure constructed by the Applicant (which will ultimately be turned over to the City as Developer Contributed Assets). If an Applicant is front-ending and constructing off-site infrastructure in addition to the construction of on-site infrastructure, the total construction costs for both will be included in the calculation of the security. See the City’s website for the complete Guidelines for Establishing Security in Development Agreements, including developer categorization.

Securities for Off-Site Levies

If Applicants elect to pay levies in installments as outlined above, they will be required to provide a financial security or guarantee:

1. Before or with the first Off-Site Levy instalment, a financial security is required to be provided by the Applicant to the satisfaction of the City for the remaining levy amount owed. The amount of security will be established in the same manner as securities for capital infrastructure, and is dependent on the developer categorization.
2. If the Applicant fails to make their second Off-Site Levy payment, the City will claim the owed amount via the financial security.
3. Despite the payment schedule noted in Section 2.3, the Applicant may elect to pay the entire Off-Site Levy amount in a single instalment. In that case, no financial security for the levy is required. The Applicant will be required to advise at the time of Development Agreement whether they will be paying the OSL in a single instalment or two instalments.

The applicable financial securities are listed below. It is the City’s discretion which type of financial security will be accepted.

| Category | Security Type | Basis for Calculation |
|---|--|---|
| On-site infrastructure | Letter of Credit / Bond / Cheque / Bank Draft | Prescribed percentage of the total construction costs and landscaping cost, per City’s Guidelines for Establishing Security |
| Off-site infrastructure | Agreement-specific, tied to delivery and acceptance stages | |
| Off-Site Levy amounts owing (2 nd installment) | Payment condition or potential Letter of Credit / Bond | Prescribed percentage of the assessed levy amount per bylaw and outlined in Development Agreement. |

3.2 GRANTS

The City seeks to apply for project-specific grants where applicable to support funding the cost of Off-Site Levy Projects. The treatment of any received grants is addressed in the OSL Bylaw. If the City receives a grant for an Off-Site Levy Project, it offsets the project cost, and the levy rates will be adjusted accordingly. OSL rates are unchanged through each calendar year, except for when a project specific grant is received. When levy rates are adjusted, the City will publicly publish the new rates.

Changes in the levy rates (up or down) do not change the amount that an Applicant owes as per an executed Development Agreement.

Similarly, if an Applicant applies for and receives project-specific grant funding for any off-site infrastructure they are front-ending, this must be disclosed to the City.

3.3 OFF-SITE LEVY PROJECTS

Off-Site Levy Projects are the specific infrastructure projects included in the City's OSL program, which are identified in the City's OSL Bylaw. Each listed project includes a project description, estimated start/end dates, and costs. The list of OSL Projects is subject to change. Not all OSL Projects are included in the City's Capital Plan because many OSL Projects fall outside of the City's Capital Plan horizon.

The City will endeavor to align its capital planning and budgets with required OSL Projects as development progresses. The City will also continue to engage with developers on opportunities for shared delivery of off-site infrastructure.

Where an Applicant is seeking to proactively front-end and construct an OSL Project that is not in the City's Capital Plan, or development will trigger the need for an OSL Project to be constructed, the proposed off-site infrastructure must first be approved by Council. Applicants are not eligible for repayment on front-ended off-site infrastructure works that are not OSL Projects.

The City's Capital Plan uses a 5-year window to forecast planned infrastructure projects, including Off-Site Levy Projects. OSL Projects for the upcoming year are approved by Council in the fall of the prior year. Budget preparations begin in the first quarter of each year.

Where an Applicant proposes a new development that triggers an Off-Site Levy Project, and where any of the following conditions apply:

- the OSL Project has a benefit allocation to existing development, requiring a portion of the project to be funded by the City outside of the Off-Site Levy fund account;
- sufficient Off-Site Levy funds are not available in the applicable Off-Site Levy fund account, requiring the City to front-end the OSL Project through debt financing;

and the required off-site infrastructure is within the 5-year window in both the most recent Capital Plan and the Off-Site Levy Bylaw,

then the OSL Project and any related City funding must first be approved by Council as part of the Annual Budget, prior to final approval being granted to the development.

The OSL Project may be approved in principle as part of the Development Agreement, subject to approval by Council and any other required municipal and regulatory approvals.

Off-Site Levy Projects that are not aligned with the sequencing and logical staging of servicing as outlined in the Off-Site Levy Bylaw are not eligible to be included in the Capital Plan, regardless of the source of funding or financing.

3.4 FRONT-ENDING

The City and Developers both play a critical role in the buildout of municipal infrastructure systems to support growth. In some instances, an Applicant may finance and/or build a piece of public infrastructure to facilitate their development goals. When an Applicant finances off-site infrastructure that benefits developments beyond their own, this is called ‘applicant front-ending’. If the infrastructure advanced is identified within the Off-Site Levy Bylaw the City may allow offsetting the front-ended costs against the total Off-Site Levy amount an Applicant may owe for the same infrastructure category.

City

The City may front-end Off-Site Levy Projects when:

- The OSL Project is in alignment with planned growth, in alignment with the OSL Bylaw background report and the growth staging is logical, and;
- The proposed infrastructure is identified within the City’s 5-year Capital Plan, as approved in the Annual Budget, and;
- The cost of the infrastructure is feasible to finance considering the City’s municipal debt limit and borrowing costs, in relation to expected debt demand for other municipal needs, and;
- The implications to current operations have been considered and are acceptable to the City.

When borrowing funds to finance an Off-Site Levy Project, the City will clearly delineate borrowed funds for the City’s contribution versus the development community’s contribution. City decisions need to align with the City’s policies on capital financing.

Applicants

An Applicant may propose to front-end an Off-Site Levy Project and seek repayment from the appropriate Off-Site Levy fund as payments are collected over time. Off-Site Levy Projects will be considered eligible for Applicant front-ending, credits, and repayment given the following:

- It is included within the 5-year window in both the most recent Capital Plan and the Off-Site Levy Bylaw, and;
- The Applicant provides the City with a detailed submission on the project parameters, including alignment with the Off-Site Levy Bylaw, capital cost estimate, project schedule,

financing costs, land costs, and operational and maintenance costs, and any additional information requested by the City.

In-kind contributions from Applicants (e.g. in the form of land) that are considered part of the allowable cost of an OSL Project per the Bylaw and MGA, are also eligible forms of Applicant front-ending.

If approved, the City may also provide Off-Site Levy credits to Applicants who front-end an Off-Site Levy Project given:

- Applicants request in writing to the City, and receive written approval, and;
- The request includes a detailed capital cost estimate for the project acceptable to the City.

All determinations regarding eligibility for Off-Site Levy credits are at the City's sole discretion. Credits will only offset the levy imposed as per the Development Agreement for the same category of infrastructure that is front-ended. Applicants must provide actual project costs following construction, and the City reserves the right to adjust credits provided or applied to any remaining Off-Site Levy payments owing.

3.5 REPAYMENT OR CREDITS FOR APPLICANT FRONT-ENDED INFRASTRUCTURE

If credits exceed the levy imposed per the Development Agreement for the same category of infrastructure, the Applicant will be eligible to receive repayment of the excess amount only if:

- The infrastructure is included within the 5 year window in both the most recent Capital Plan and the Off-Site Levy Bylaw, and
- the City has issued a Final Acceptance Certificate for the completed work.
- Repayment terms will be negotiated and outlined as part of the Development Agreement, including repayment of any City-owned contributions to Off-Site Levy infrastructure that benefits existing development.
- The City will pay Applicants the eligible repayment amounts owing over time, as levies are collected.
- Repayment to Applicants is scheduled to occur once per year as part of the Off-Site Levy Annual Reporting and updating of account balances. Repayment will be determined as follows for each Off-Site Levy infrastructure type:
 - Up to 50% of levy revenue collected in a year may be allocated to the Off-Site Levy account.
 - The remainder of levy revenue collected in a year will generally be paid back to Applicants that are owed eligible amounts on a first come, first served basis with consideration of total amounts owing to all Applicants. The City reserves the right to also allocate any additional portion of the levy revenue to Applicant repayments as they see fit.

4 GLOSSARY

- “**Applicant**” means the individual, group, or organization who is submitting or who has submitted a subdivision or development permit application to the City of Beaumont.
- “**Administration**” means individuals that are employed by the City of Beaumont.
- “**Annual Budget**” means the most recent municipal annual budget approved by City of Beaumont Council.
- “**Capital Plan**” means a plan referred to in Section 283.1(3) of the *Municipal Government Act*.
- “**City**” means the municipal corporation of the City of Beaumont.
- “**Construction Completion Certificate**” means a certificate issued by the City, confirming that the work is complete and operational, that all deficiencies have been resolved, and that the Warranty Period for the work has commenced.
- “**Council**” means the elected governing body of the City.
- “**Chief Administrative Officer**” means a person appointed to a position under Section 205 of the *Municipal Government Act*.
- “**Developer**” means the owner(s) of land being developed or subdivided, including any individuals, corporations, representatives, or successors associated with the owner(s).
- “**Development Agreement**” means a legal agreement between the City of Beaumont and the Applicant in relation to an approved development permit or subdivision.
- “**Development Authority**” means a development authority established pursuant to Division 3 of the *Municipal Government Act*.
- “(to) **Finance**” means to plan, source, allocate and manage capital costs required to design and build Off-Site Levy Projects, with the expectation of being paid back the amount the financier is not responsible to fund.
- “(to) **Fund**” means to pay or commit to paying the capital costs required to design and build Off-Site Levy Projects.
- “**Off-Site Levy**” means an Off-Site Levy imposed pursuant to the Off-Site Levy Bylaw, the *Municipal Government Act*, and the Off-Site Levies Regulation.
- “**Off-Site Levy Bylaw**” means the City of Beaumont’s current adopted Off-Site Levy Bylaw pursuant to Section 648(1) of the *Municipal Government Act*.
- “**Off-Site Levy Projects**” means the specific infrastructure projects identified in the current Off-Site Levy Bylaw.
- “**Subdivision Authority**” means a subdivision authority established pursuant to Division 3 of the *Municipal Government Act*.

Schedule A: Off-Site Levy Process Flow Chart

