



AGENDA

INTERGOVERNMENTAL AFFAIRS COMMITTEE

June 17, 2021, 9:30 AM

Members

Mayor N. Nenshi, Chair
Councillor G-C. Carra, Vice-Chair
Councillor G. Chahal
Councillor P. Demong
Councillor J. Farkas
Councillor J. Gondek
Councillor E. Woolley

SPECIAL NOTES:

Public are encouraged to follow Council and Committee meetings using the live stream [Calgary.ca/WatchLive](https://calgary.ca/WatchLive)

Members may be participating remotely.

1. CALL TO ORDER
2. OPENING REMARKS
3. CONFIRMATION OF AGENDA
4. CONFIRMATION OF MINUTES
 - 4.1. Minutes of the Regular Meeting of the Intergovernmental Affairs Committee, 2021 May 13
5. CONSENT AGENDA
 - 5.1. DEFERRALS AND PROCEDURAL REQUESTS
None
 - 5.2. BRIEFINGS
 - 5.2.1. Alberta Urban Municipalities Association (AUMA) Update – June 2021, IGA2021-0938
 - 5.2.2. Calgary Metropolitan Region Board – May 2021 Board Meeting Update, IGA2021-0795

5.2.3. Calgary Metropolitan Region Board – May 2021 Governance Committee Meeting Update, IGA2021-0816

5.2.4. City of Calgary - Rocky View County Intermunicipal Committee - May 2021 Meeting Update, IGA2021-0884

6. POSTPONED REPORTS
(including related/supplemental reports)

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1. FCM Update - June 17 (Verbal), IGA2021-0931

7.2. Calgary-Chestermere Regional Transit Project Heads of Agreement, IGA2021-0813

7.3. Fiscal Framework Vote on a Question - Update, IGA2021-0932

7.4. City of Calgary Corporate Approach to Property Tax Incentives Pursuant to Bill 7, IGA2021-0823

7.5. Resolution for AUMA Fall 2021 Convention – Improved Municipal-Provincial Emergency Collaboration, IGA2021-0865

7.6. Resolution for AUMA Fall 2021 Convention – Advocacy on Financial Measures, IGA2021-0883

8. ITEMS DIRECTLY TO COMMITTEE

8.1. REFERRED REPORTS
None

8.2. NOTICE(S) OF MOTION
None

9. URGENT BUSINESS

10. CONFIDENTIAL ITEMS

10.1. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1. Calgary Metropolitan Region Board – Interim Regional Evaluation Framework Challenge Decisions, IGA2021-0925
Cover Report and Attachment 1 held confidential pursuant to Section 21 (disclosure harmful to intergovernmental relations) of the *Freedom of Information and Protection of Privacy Act*.
Review By: 2031 June 17

10.2. URGENT BUSINESS

11. ADJOURNMENT



MINUTES

INTERGOVERNMENTAL AFFAIRS COMMITTEE

**May 13, 2021, 9:30 AM
IN THE COUNCIL CHAMBER**

PRESENT: Mayor N. Nenshi, Chair (Remote Participation)
Councillor G-C. Carra, Vice-Chair (Remote Participation)
Councillor G. Chahal (Remote Participation)
Councillor P. Demong (Remote Participation)
Councillor J. Farkas (Remote Participation)
Councillor J. Gondek (Remote Participation)
Councillor E. Woolley (Remote Participation)

ALSO PRESENT: A/General Manager C. Arthurs (Remote Participation)
Legislative Advisor L. Gibb
Legislative Advisor D. Williams

1. **CALL TO ORDER**

Vice-Chair Carra called the Meeting to order at 9:30 a.m.

2. **OPENING REMARKS**

Vice-Chair Carra provided opening remarks and a traditional land acknowledgement.

ROLL CALL:

Councillor Carra, Councillor Chahal, Councillor Demong, Councillor Farkas, and Councillor Gondek

Absent at Roll Call: Councillor Woolley (joined Remote Meeting at 9:34 a.m.) and Mayor Nenshi

Following nomination procedures, Councillor Demong was elected as Acting Vice-Chair for today's meeting, by acclamation.

3. **CONFIRMATION OF AGENDA**

Moved by Councillor Demong

That the Agenda for the 2021 May 13 Intergovernmental Affairs Committee be confirmed, **after amendment, by postponing Item 7.1, IGA2021-0294 to be heard immediately following Item 7.3, IGA2021-0616.**

MOTION CARRIED

4. CONFIRMATION OF MINUTES

4.1 Minutes of the Regular Meeting of the Intergovernmental Affairs Committee, 2021 April 15

Moved by Councillor Demong

That the Minutes of the 2021 April 15 Regular Meeting of the Intergovernmental Affairs Committee be confirmed.

MOTION CARRIED

5. CONSENT AGENDA

Moved by Councillor Demong

That the Consent Agenda be approved, as follows:

5.1 DEFERRALS AND PROCEDURAL REQUESTS

None

5.2 BRIEFINGS

5.2.1 Federation of Canadian Municipalities Update – May 2021, IGA2021-0710

5.2.2 Alberta Urban Municipalities Association (AUMA) Update – May 2021, IGA2021-0692

A clerical correction was noted on

5.2.3 Calgary Metropolitan Region Board – April and May 2021 Board Meeting Updates, IGA2021-0653

5.2.4 Calgary Metropolitan Region Board - April 2021 Land Use and Servicing Committee Update No. 2, IGA2021-0601

For: (6): Councillor Carra, Councillor Chahal, Councillor Demong, Councillor Farkas, Councillor Gondek, and Councillor Woolley

MOTION CARRIED

6. POSTPONED REPORTS

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1 Affordable Housing Intergovernmental Affairs Update, IGA2021-0294

This Item was dealt with following Item 7.3.

Mayor Nenshi assumed the Chair remotely at 10:33 a.m. and Vice-Chair Carra returned to his regular seat on Committee remotely.

Councillor Gondek left the Remote Meeting at 10:34 a.m.

A presentation entitled "Affordable Housing Advocacy Goals - UPDATE Intergovernmental Affairs Committee 2021 May 13" was distributed with respect to Report IGA2021-0294.

Moved by Councillor Carra

That with respect to Report IGA2021-0294, the following be approved:

That the Intergovernmental Affairs Committee affirm the Affordable Housing Advocacy Goals and endorse the related 2021-2022 Priorities set out in Attachment 1.

For: (6): Mayor Nenshi, Councillor Carra, Councillor Chahal, Councillor Demong, Councillor Farkas, and Councillor Woolley

MOTION CARRIED

7.2 Financial Task Force Recommendations - Provincial Engagement Plan, IGA2021-0615

A presentation entitled "Provincial Engagement Plan re Financial Task Force Recommendations Intergovernmental Affairs Committee, May 13" was distributed with respect to Report IGA2021-0615.

Moved by Councillor Gondek

That with respect to Report IGA2021-0615 the following be approved:

That the Intergovernmental Affairs Committee:

1. Endorse the engagement plan laid out in this report and attachments to support the 2021 Q2 Semi-Annual Financial Task Force Implementation Update report to the Priorities and Finance Committee; and
2. Direct Administration to report back to the Intergovernmental Affairs Committee with a progress update by Q1 2022.

For: (4): Councillor Carra, Councillor Chahal, Councillor Gondek, and Councillor Woolley

Against: (2): Councillor Demong, and Councillor Farkas

MOTION CARRIED

7.3 Fiscal Framework Vote on a Question - Update, IGA2021-0616

Mayor Nenshi joined the Remote Meeting at 10:05 a.m.

A presentation entitled "Follow-up re Fiscal Framework Vote on a Question: Intergovernmental Affairs Committee, May 13" was distributed with respect to Report IGA2021-0616.

Moved by Mayor Nenshi

That with respect to Report IGA2021-0616 the following be approved:

That the Intergovernmental Affairs Committee recommends that Council:

1. Receive this report for the Corporate Record.
2. Approve in principle the addition of this question to the ballot and direct administration to work on questions based on option 4, returning to the next Intergovernmental Affairs Committee.
3. Direct Attachment 2 remain confidential pursuant to Section 21 of the *Freedom of Information and Protection of Privacy Act*, to be reviewed by 2021 December 31.

For: (6): Mayor Nenshi, Councillor Carra, Councillor Chahal, Councillor Demong, Councillor Gondek, and Councillor Woolley

Against: (1): Councillor Farkas

MOTION CARRIED

Committee then dealt with Item 7.1.

8. ITEMS DIRECTLY TO COMMITTEE

8.1 REFERRED REPORTS

None

8.2 NOTICE(S) OF MOTION

None

9. URGENT BUSINESS

None

10. CONFIDENTIAL ITEMS

Moved by Councillor Carra

That pursuant to Sections 21 (Disclosure harmful to intergovernmental relations) and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*, Committee now move into Closed Meeting at 10:57 a.m., in the Council Boardroom, to discuss confidential matters with respect to the following Item:

- 10.1.1 Update on the Final Drafts of the Calgary Metropolitan Region Growth and Servicing Plans (Verbal), IGA2021-0675

And further, that the Intergovernmental Affairs Committee add Item 10.2.1 Federal Government (Verbal Update) - IGA2021-0794 as Confidential Urgent Business.

MOTION CARRIED

Councillor Gondek rejoined the Remote Meeting at 11:48 a.m.

Committee reconvened in Public Meeting at 12:06 p.m. with Mayor Nenshi in the Chair.

Moved by Councillor Chahal

That Committee rise and report.

MOTION CARRIED

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1 Update on the Final Drafts of the Calgary Metropolitan Region Growth and Servicing Plans (Verbal), IGA2021-0675

Administration in attendance during the Closed Meeting discussions with respect to Confidential Verbal Report IGA2021-0675:

Clerks: L. Gibb and D. Williams. Law: H. Oh, Advice: K. Black, N. Kuzmak, D. Shearer, C. Blaschuk, J. Zukowski, M. Van ham, M. Atkinson, I. Campbell, C. Ferguson, M. Rac, N. Younger, C. Arthurs, K. Cote, A. McIntyre, D. Corbin, M. Hulsker, J. Clarke, V. Veenstra, F. Snyders and M. Surgenor-Sands.

Moved by Councillor Chahal

That with respect to Report IGA2021-0675 the following be approved:

That the Intergovernmental Committee recommends:

1. That Mayor Nenshi be encouraged to consider the deliberations of Intergovernmental Affairs during the Board discussions and final vote of the Growth and Servicing Plans.
2. That the Intergovernmental Affairs Committee direct that the confidential presentation and Closed Meeting discussions be held confidential pursuant to Section 21 (Disclosure harmful to intergovernmental relations) of the *Freedom of Information and Protection of Privacy Act* until reviewed by 2031 May 13.

MOTION CARRIED

ROLL CALL:

Councillor Carra, Councillor Chahal, Councillor Demong, Councillor Farkas, Councillor Gondek and Mayor Nenshi

Absent at Roll Call: Councillor Woolley

10.2 URGENT BUSINESS

10.2.1 Federal Government (Verbal Update) - IGA2021-0794

Administration in attendance during the Closed Meeting discussions with respect to Confidential Verbal Report IGA2021-0794:

Clerks: L. Gibb and D. Williams. Law: H. Oh, Advice: N. Kuzmak, D. Shearer, C. Blaschuk, J. Zukowski, M. Van ham, M. Atkinson, I. Campbell, C. Ferguson, M. Rac, N. Younger, C. Arthurs, K. Cote, A. McIntyre, D. Corbin, M. Hulsker, J. Clarke, V. Veenstra, F. Snyders and M. Surgenor-Sands.

Moved by Councillor Chahal

That with respect to Verbal Report IGA2021-0794 the following be approved:

That the Intergovernmental Affairs Committee recommend:

That the Closed Meeting discussions confidential pursuant to Section 24 (Advice from Officials) of the *Freedom of Information and Protection of Privacy Act*.

For: (6): Mayor Nenshi, Councillor Carra, Councillor Chahal, Councillor Demong, Councillor Farkas, and Councillor Gondek

MOTION CARRIED

Committee recognized the retirement of Diane Shearer thanked her for tremendous work and 21 years of service to The City of Calgary.

11. ADJOURNMENT

Moved by Councillor Carra

That this meeting adjourn at 12:16 p.m.

MOTION CARRIED

The following item has been forwarded on to the 2020 May 31 Combined Meeting of Council:

CONSENT

- Fiscal Framework Vote on a Question - Update, IGA2021-0616

The next Regular Meeting of the Intergovernmental Affairs Committee is scheduled to be held on 2021 June 17 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON

CHAIR

ACTING CITY CLERK

BRIEFING

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Item # 5.2.1

Deputy City Manager's Office Briefing to
Intergovernmental Affairs Committee
2021 June 17

ISC: UNRESTRICTED
IGA2021-0938

Alberta Urban Municipalities Association (AUMA) Update – June 2021

PURPOSE OF BRIEFING

The City of Calgary (The City) is an active member within the Alberta Urban Municipalities Association (AUMA) and this briefing memo is a monthly update to the Intergovernmental Affairs Committee (IGA) on their activities and The City's work within the AUMA on provincial issues.

SUPPORTING INFORMATION

AUMA Municipal Awards – Nominations Now Open

AUMA's Awards recognize individuals and teams who have made extraordinary contributions to their communities. There are opportunities to nominate municipal leader(s) within the Calgary community for a 2021 AUMA Award. The award categories are:

Award of Excellence

Recognizes past and present elected municipal officials with outstanding civic leadership who has held office for at least three years in Alberta.

Distinguished Service Award

Recognizes an elected official who has served 20 or more years in one or more Alberta municipalities.

Dedicated Chief Administrative Officer Award

Co-sponsored by the Society of Local Government Managers—this award recognizes long-term excellence and dedication to municipal government and chief administrative management.

Dedicated Senior Municipal Team Award

Co-sponsored by the Society of Local Government Managers —this award acknowledges an outstanding municipal team that demonstrated excellence and dedication to a municipal government.

New Municipal Environmental Award

The AUMA is launching a new award this year: The Municipal Environmental Award. This new award recognizes Alberta municipalities that have demonstrated excellence in environmental practices. Each year, the award will be presented to three AUMA Regular Members based on their population thresholds (2,500 or less, 2,500 to 10,000, 10,000 and above).

Award nominations deadline is 2021 July 9.

Summer Municipal Leaders' Caucus (MLC) Update

The AUMA Executive Committee are planning their annual summer meeting series with Alberta municipal council members: The Summer Municipal Leaders' Caucus. Five meetings over two weeks are scheduled across the province including a meeting between AUMA Executive Committee and Calgary's IGA Committee for the morning of Thursday, 2021 July 22. The other

BRIEFING

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four meetings are regional and local municipal council members are invited to attend. The schedule for the 2021 MLC tour:

Tuesday, July 20: Bow Island
Wednesday, July 21: High River
Thursday, July 22: Calgary
Wednesday, July 28: Redwater
Thursday, July 29: Wetaskiwin

AUMA Fall Convention Update

Planning continues for the 2021 AUMA Fall Convention and Annual General Meeting scheduled to be held in Edmonton from 2021 November 17 to 19. AUMA staff are working on plans for an in-person convention (as restrictions and circumstances allow) with a virtual component. Further details to will become available over the summer.

BRIEFING

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Item # 5.2.2

**Deputy City Manager's Office Briefing to
Intergovernmental Affairs Committee
2021 June 17**

**ISC: UNRESTRICTED
IGA2021-0795**

Calgary Metropolitan Region Board – May 2021 Board Meeting Update

PURPOSE OF BRIEFING

The purpose of the briefing is to update the Intergovernmental Affairs Committee on the work of the Calgary Metropolitan Region Board (CMRB) from their meetings on May 14, May 21 and 2021 May 28. The Mayor represented The City at all meetings.

SUPPORTING INFORMATION

Summary of the 2021 May 14 Board Meeting

The Board approved the Growth Plan Modelling Appendix. The appendix describes the modelling process to inform the scenario analysis and the ultimate preferred growth scenario.

The Board made decisions on a number of Growth Plan policies. Of note, the Board approved a policy to require the Board to build relationships with its First Nations neighbours, a definition for Regional Significant, and the ability of Foothills County to determine the locations of its three Hamlet Growth Areas without Board approval. The Board did not approve criteria for Small Employment Areas, and the ability to accommodate additional growth in existing Area Redevelopment Plans and Area Structure Plans outside of Preferred Growth Areas.

The Servicing Plan and Regional Evaluation Framework were discussed by the Board. However, the Board accepted them for information and deferred a decision on the documents until all member municipalities had the opportunity to discuss the documents at their municipal councils.

The Board approved the Dispute Resolution and Appeal Bylaw.

The Board voted to support a proposal from CMRB Administration on economic development workshops. Hatch, a consulting expert in economic development, will facilitate three workshops, which will take place during Board meetings in June, July and September.

The Board participated in a closed session discussion on the 2021 goals of the Chair and Chief Officer.

Summary of the 2021 May 21 Board Meeting

The Board approved the CMRB Regional Vision and CMRB Corporate Vision.

The Board deliberated on a series of policies on country residential development. After a number of minor amendments, the Board voted eight to two with The City and Cochrane in opposition to the country residential development.

The City of Calgary made a motion to reintegrate recreation policies that were approved by the Board in June 2020 into the Growth Plan. The motion passed.

The Board approved the Growth Plan, Servicing Plan and Regional Evaluation Framework (REF). Each vote was seven to three with the rural municipalities in opposition.

BRIEFING

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Item # 5.2.2

CMRB Administration will finalize the Growth and Servicing Plans and the REF, and submit to the Minister of Municipal Affairs for approval. The Assistant Deputy Minister told the Board during the May 6 Board meeting that he expects the Minister to make a decision after municipal elections in the fall.

The Board approved a draft letter on the Code of Practice for Composting Facilities. The letter will be submitted by the Chair of the Board to the Waste Policy Section of Alberta Environment and Parks.

The Board meeting on 2021 May 28 was cancelled.

BRIEFING

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Item # 5.2.3

Deputy City Manager's Office Briefing to
Intergovernmental Affairs Committee
2021 June 17

ISC: UNRESTRICTED
IGA2021-0816

Calgary Metropolitan Region Board – May 2021 Governance Committee Meeting Update

PURPOSE OF BRIEFING

The purpose of the briefing is to update the Intergovernmental Affairs Committee on the work of the Calgary Metropolitan Region Board (CMRB) Governance Committee from their meeting on 2021 May 13. The City of Calgary elected officials were unable to attend due to a concurrently scheduled meeting of the Intergovernmental Affairs Committee. Administration observed the meeting.

SUPPORTING INFORMATION

The Committee reviewed the Q1 2021 actuals for the Calgary Metropolitan Region Board and recommended them for approval by the Board.

The Committee reviewed the proposed “Policy on Closed Sessions” and recommended them for approval by the Board. The policy is intended to guide member representative participation in closed sessions that may be held by the Board.

The Committee also provided feedback to the Chair on how to deal with meetings that may need additional time to complete their agenda.

Finally, the Committee received for information a letter from Chair Greg Clark updating his concurrent roles per the Board Conflict of Interest Policy.

BRIEFING

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Item # 5.2.4

Deputy City Manager's Office Briefing to
Intergovernmental Affairs Committee
2021 June 17

ISC: UNRESTRICTED
IGA2021-0884

City of Calgary - Rocky View County Intermunicipal Committee - May 2021 Meeting Update

PURPOSE OF BRIEFING

The purpose of the briefing is to update the Intergovernmental Affairs Committee about the 2021 May 28 Rocky View County – City of Calgary Intermunicipal Committee. Councillor Chahal and Councillor Magliocca represented The City at the meeting. Councillor Chahal chaired the meeting.

SUPPORTING INFORMATION

City Administration presented their concerns regarding the timing of Rocky View County's circulation of statutory plans to The City for review. The City of Calgary expressed concerns that Rocky View County staff have not followed the agreed upon framework for circulations as described in the Rocky View County – City of Calgary Intermunicipal Development Plan. As a result, the timing of circulations has impacted the ability of City Administration to conduct a Corporate review of statutory plans and provide comments to Rocky View County in a timely manner. It was agreed that administration from Rocky View County and The City would work together to explore how to enhance collaboration and report back to the next Intermunicipal Committee on 2021 June 25.

To provide context on The City's concerns regarding the Rocky View County advancement of the Shepard Industrial ASP, City Administration provided a presentation on the history of the creation of The City's growth areas as per the Rocky View County – City of Calgary Intermunicipal Development Plan. Rocky View County staff have initiated a meeting with City Administration to discuss City concerns with the Shepard Industrial Area Structure Plan (ASP).

Rocky View County administration updated the Committee that Rocky View County has submitted a letter to City Administration such that Rocky View County has initiated discussions to acquire Blazer Water Systems Ltd., a water treatment facility, which is located within city boundaries.

Transportation Report to
Intergovernmental Affairs Committee
2021 June 17

ISC: UNRESTRICTED
IGA2021-0813
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Calgary-Chestermere Regional Transit Project Heads of Agreement

RECOMMENDATION(S):

That the Intergovernmental Affairs Committee recommend that Council:

1. Approve the Heads of Agreement (HOA) in Attachment 1; and
2. Direct Administration to enter into a Transit Service Agreement in accordance with the HOA.

HIGHLIGHTS

- Administrations from the Cities of Chestermere and Calgary collaboratively developed a Heads of Agreement (HOA) for The City of Calgary to extend transit service to The City of Chestermere. The HOA outlines the key terms for the proposed agreement between the municipalities, forming the basis of a formal Transit Service Agreement, which will be executed by Administration after receiving Council approval of the HOA.
- What does this mean to Calgarians? Calgary Transit (CT) extends limited service into Chestermere, supporting Calgarians' ability to move throughout the city and into Chestermere. The first two-and-half-year agreement is targeted to begin in fall 2021, providing weekday service with two trips in both the morning and afternoon peaks.
- Why does this matter: The extension of service helps build regional partnerships and fosters collaboration, provides access to the region for Calgarians, establishes Calgary Transit as a regional service provider, increases the Calgary Transit customer base, and improves mobility options in the region.
- Service to Chestermere is a small part of CT's overall service and will not affect other aspects of transit service within Calgary.
- The Municipal Development Plan (MDP), Calgary Transportation Plan (CTP), and RouteAhead support a transit service extension to Chestermere.
- The HOA was created on the principle of cost neutrality to Calgary Transit, with no subsidization from Calgary taxpayers.
- This initiative aligns with existing City of Calgary regional protocols and agreements, and ongoing regional work through the Calgary Metropolitan Regional Board (CMRB).
- Strategic Alignment to Council's Citizen Priorities: A city that moves
- Background and Previous Council Direction is included as Attachment 2.

DISCUSSION

Council first directed Administration to enter discussions with Chestermere regarding regional transit in 2019 February. Council has been provided with several updates throughout the course of the project, as outlined in Attachment 2.

On 2020 October 20, Chestermere City Council directed their Administration to proceed with next steps on a transit connection with The City of Calgary, with a focus on a MAX

Calgary-Chestermere Regional Transit Project Heads of Agreement

Purple extension service option with multiple stops in Chestermere, with only two trips during both the AM and PM peak periods. The decision was based on the Chestermere Calgary Transit Feasibility Study. City of Calgary Council carried a similar motion on 2020 December 14, directing Administration to proceed with negotiating a Transit Service Agreement with the City of Chestermere.

Following Chestermere's Council direction in 2020 October, the Mayor of Chestermere sent His Worship, Mayor Nenshi, and Calgary City Council a letter confirming The City of Chestermere's commitment to jointly work to advance negotiations. Mayor Nenshi's reciprocal letter of commitment can be seen in Attachment 3.

Key highlights of the HOA (Attachment 1) and transit service include:

- Two-and-a-half-year initial term with renewals for up to two additional years.
- Service start and end dates to align with Calgary Transit Booking Timetable to minimize operational impacts to CT and improve service efficiencies.
- CT standards and specifications used to ensure safe operations.
- Chestermere will be billed on a regular basis based on CT's hourly operating costs.
- Chestermere customers will use regular Calgary Transit fare products on the regional service and will not have access to specialized fares subsidized by Calgary taxpayers such as the Senior's annual pass.
- Clauses promoting data-sharing and open communications to the benefit of both municipalities.
- Each municipality is responsible for bus zone infrastructure within their jurisdiction.

Calgary and Chestermere Administration will continue to discuss and collaborate on intermunicipal transit service and corridor buildout following initial transit service launch.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

Calgary Administration have been working closely with Chestermere Administration and Chestermere's hired consultants by providing data, analysis, and operating information to create the Heads of Agreement.

IMPLICATIONS

The social, environmental, and economic implications are summarized in Attachment 4.

Calgary-Chestermere Regional Transit Project Heads of Agreement

Service and Financial Implications

No anticipated financial impact

Calgary Transit will provide transit service to Chestermere that is cost-neutral, with no negative impacts to City resources or Calgary Transit’s current or future transit service within Calgary.

RISK

There is risk in extending transit outside City of Calgary boundaries without policy guidance in place. In recognition of this, Calgary Transit is developing a process for providing transit outside the City and will be providing a report to the Intergovernmental Affairs Committee in 2022 Q1. The Chestermere transit extension project will be used as a test case, with lessons learned incorporated into the process for providing transit outside the City. The process for providing transit outside the City will consider a holistic and corporate perspective on regional transit. Any future transit service agreements with Chestermere, upon expiry of the initial agreement, will align to the process for providing transit outside the City.

ATTACHMENT(S)

1. Heads of Agreement
2. Background , Previous Council Direction
3. Mayor Nenshi Letter of Support
4. Social, Environmental, and Economic Implications.

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Doug Morgan	Transportation	Approve

HEADS OF AGREEMENT

June 11, 2021

These heads of agreement (the “HOA”) are intended to serve as a basis for the preparation of a definitive agreement in connection with the City of Calgary and Calgary Transit extending transit service from the municipal boundaries of Calgary to the City of Chestermere.

1. Purpose

- a. Reduce commuter congestion and carbon emissions by providing public transportation options for residents to commute between Chestermere and Calgary without the need of a car.

2. Background

- a. This is a new initiative between Chestermere and Calgary, and will be assessed by each City throughout the term of the agreement. Calgary is developing a regional transit framework, and future contracts for these services, including to Chestermere, will be aligned to that framework.

3. Term and Termination

- a. Term: up to 2.5 years initial term or, in any event, ending prior to December 31, 2023. Service start and end dates to align with Calgary Transit’s reasonable operational needs and service schedule changes.
- b. Renewal: The agreement will automatically renew for one year at a time, to a maximum of 2 years after the initial term, after which further renewals may be agreed upon by the parties.
- c. Termination before expiry: Upon 150 days’ written notice to the other party.
 - i. Service end dates must align with Calgary Transit’s regular service schedule change dates.
 - ii. Annual booking period dates, which include key timeframes for service schedules, will be provided by Calgary annually and when changed.

4. Contract Documents

Agreement will include the recitals, front-end legal clauses and Schedules. The parties may agree to amend the Schedules as required throughout the Term to meet operational needs. Amendments to the Schedules will be approved and signed by the Director of Calgary Transit on behalf of Calgary. The following schedules will form part of the agreement:

Schedule A	Bus route, timetables and days of operation
Schedule B	Fare products valid on this inter-City service
Schedule C	Fee schedule for calculation of invoices
Schedule D	Data Sharing expectations
Schedule E	Calgary Transit Booking Timetable
Optional Schedule	Enforcement Agreement

5. Service Levels & Scheduling

- a. Calgary Transit will be the exclusive conventional public transit service provider for inter-municipal connections between Calgary and Chestermere for the term of the agreement.
- b. Calgary will provide bus and operator services from Calgary to Chestermere and back, at agreed times as set out in Schedule A.
- c. Calgary will work with Chestermere to determine trip schedules. Calgary may make minor service modifications as required to maintain efficient levels of service, and will notify Chestermere at least 30 days in advance.
- d. Schedule A will detail bus route and stops and timetables.
- e. Force Majeure and temporary suspension of services to provide for:
 - i. Typical Force Majeure clause for events beyond anyone's reasonable control, including epidemics;
 - ii. Temporary service modifications on short notice to manage unforeseen emergency such as major accident on route, vehicle breakdown, extreme weather events impeding traffic;
 - iii. Temporary service modifications planned in advance to work around construction detours or other planned / necessary traffic interruptions; and
 - iv. Provision for Calgary to service its own transportation needs first, where resources are constrained without notice.

6. Service modifications and expansions

- a. Chestermere may request service modifications to accommodate changes in trip demand, at most 4 times per calendar year, in conjunction with Calgary Transit's typical seasonal service change dates. Sufficient notice of such requests must be provided to enable Calgary to accommodate them within its regular service change roll-out.
- b. Calgary will reasonably endeavor to accommodate service change requests to the extent possible, at the next available service change period.

7. Service Planning and Infrastructure

- a. Each City will determine appropriate bus zone locations and bus zones within its own corporate limits, in accordance with Calgary Transit specifications and standards to ensure operability.
- b. Calgary will provide Chestermere with its minimum specifications and standards for bus zones; in particular to cover dimensions, corner radius and other safety or operation requirements.
- c. No transfer of ownership of bus zone infrastructure is affected by the agreement.
- d. Calgary's ownership of and liability for all transit vehicles used for the services is unchanged by the agreement.
- e. Each City remains responsible for maintenance, safety and garbage cleanup at stops and in bus zones within its own corporate limits.

- f. Snow clearing expectations and standards will be exchanged to ensure safety for Calgary's buses and operators, and customers within each municipality. Chestermere will maintain bus route and stops within Chestermere's control reasonably free of snow, debris and garbage, as well as in good condition for buses to operate safely.
8. Ridership, Billing and Cost Recovery
 - a. The intention of the parties is for Calgary to recover the full cost of operational expenditures for providing transit service to Chestermere.
 - b. Calgary will use hourly rates to express and calculate full cost recovery. The current hourly rate will be used to calculate the cost of services starting at the launch of services. Hourly rates will be updated annually, effective January 1st. Calgary will advise Chestermere of rates for the coming year as soon as they are known.
 - c. A system will be adopted to determine the average fare price and document ridership in Chestermere. Information will be used to determine revenue collected from fares in Chestermere.
 - d. Calgary will bill Chestermere for transit service on a regular basis, with revenue from fares subtracted from the gross operating cost (hourly rates) billed.
 - e. If Calgary incurs other costs to fulfill this agreement, such as service modifications or changes at Chestermere's request, these costs will be billed to Chestermere on a full cost recovery basis.
9. Data Sharing
 - a. Calgary will provide relevant data and information to Chestermere as required to evaluate benefits to Chestermere patrons of the Transit Service as outlined in Schedule D. Collection and provision of additional data not captured in Schedule D, if requested by Chestermere, is subject to full cost recovery.
 - b. Chestermere will provide updated road and street data to Calgary for operational purposes.
10. Intellectual Property
 - a. Each City will grant the other a limited license to use trademarks and logos for the sole purpose of transit signage and advertising for the transit services provided by Calgary. Each City will obtain the other's prior approval of any signage and advertising using the other's trademark or logo.
 - b. Alberta's *Freedom of Information and Protection of Privacy Act* ("FOIP") applies to both parties. Any confidential or proprietary information that is disclosed by either party to the other party should be marked as such, and the other party shall keep it strictly confidential except to the extent required by law or in accordance with the provisions of Part 1 of FOIP.
11. Enforcement. The parties, at their discretion, may enter into a separate agreement related to enforcement matters, which at a minimum would include those matters normally managed within Calgary under Calgary's Bylaw 4M81 and other legislation. If an enforcement agreement is signed, that agreement will be attached to and become part of this agreement. Until that agreement is signed, the parties will manage enforcement matters as follows:

- a. Each party will respond to enforcement issues within its own borders.
- b. Enforcement will be carried out by Calgary as per existing practices within Calgary's area of control, including its buses. Enforcement inside Chestermere boundaries will be done by Chestermere Peace Officers or the RCMP, as arranged by Chestermere.

12. Customer Communications

- a. Each City will ensure its staff are informed of basic schedule and service information needed to respond to customer inquiries. The parties will respond to customer inquiries related to operations within their control, and share information as required to maintain reasonable customer service standards.

13. Indemnity, Insurance and Limitation of Liability

- a. Mutual indemnification, except for each municipality's negligence or willful acts or omissions.
- b. Each municipality shall maintain reasonable insurance and add the other as additional insured to their respect policies of insurance with respect to liability arising from provision of transit services.
- c. No liability for indirect or incidental or consequential damages.

14. Default

- a. A party may provide 30-days' notice to the other to remedy any default. If the defaulting party fails to remedy a material default or provide a reasonable plan to remedy the material default within 30 days of receipt of the default notice then the requesting party may terminate the agreement on a further 150-day notice.
- b. If a party disputes the alleged default, the agreement remains in place until the dispute is resolved.

15. Dispute Resolution

- a. Alberta law applies and the parties exclusively attorn to Alberta Courts, if necessary.
- b. Internal Escalation
 - i. Duty to negotiate and mediate prior to commencing any legal proceedings.

16. Certifications

- a. The agreement is conditional on Calgary receiving and maintaining any and all required permits and certifications to operate transit service to Chestermere.

17. Other standard agreement "housekeeping" clauses will be included.

Background

Calgary and Chestermere staff, along with Chestermere’s consultant and project manager, have been working collaboratively since October 2019 on an intermunicipal transit connection between Calgary and Chestermere, with Calgary Transit as the service provider. A Transit Feasibility Study was completed in fall 2020. Based on the results of the Feasibility Study, Councils from both municipalities directed their respective Administrations to proceed negotiating a Transit Service Agreement. The project team created a Heads of Agreement (HOA) to form the basis of the Transit Service Agreement, and requests Council’s approval of the HOA to proceed with finalizing and implementing the formal agreement.

Previous Council Direction

Chestermere-Calgary Transit Project Timeline

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
12/10/2020	IGA2020-1354	<p>Chestermere-Calgary Transit Project</p> <p>That Council (1) Direct administration to develop a clear process for evaluating and prioritizing extensions of transit beyond our borders, including but not limited to Calgary Transit priorities, benefits to Calgary, and policy on cost recovery returning to Intergovernmental Affairs Committee no later than Q3 2021; (2) Proceed with negotiations for a regional transit service agreement with the City of Chestermere and return to the Intergovernmental Affairs Committee with an update on negotiations by Q1 2021; and (3) Request that Mayor Nenshi send a letter to the Mayor of the City of Chestermere confirming Calgary’s willingness to enter negotiations.</p>
6/18/2020	IGA2020-0676	<p>Chestermere-Calgary Regional Transit Feasibility</p> <p>An update outlined timing and next steps: “If Calgary and Chestermere City Councils direct their Administrations to proceed with the Regional Transportation Feasibility Project, Administrations for both cities will begin negotiation and development of a transit service agreement including operating costs and cost recovery. The possible implementation of a regional transit connection between Calgary and Chestermere is still feasible for 2021 as originally planned.”</p>
9/19/2019	IGA2019-1194	<p>Calgary and Chestermere – Update on Regional Transit Discussions (Verbal)</p> <p>That the Intergovernmental Affairs Committee direct Administration to continue discussions with Chestermere Administration exploring the possibility of transit service between Calgary and Chestermere and report back to IGA with an update on discussions by Q2 2020.</p>

2/4/2019

VR2018-0121

City of Calgary, City of Chestermere Direction (Verbal)

To begin discussions with Chestermere Administration exploring the possibility of transit service between Calgary and Chestermere and report back to IGA with an update on discussions in Q4 2019.



Naheed K. Nenshi, Mayor

May 28, 2021

Mayor Marshall Chalmers
City of Chestermere
105 Marina Road
Chestermere, AB T1X 1V7

Dear Mayor Chalmers,

I am writing to formally document and advance our numerous informal discussions on the potential extension of transit service to the City of Chestermere. On behalf of The City of Calgary, I am pleased to confirm our desire to advance our negotiations on a regional transit service agreement that builds upon the work we did to jointly examine the feasibility of a transit connection between our cities.

As we emerge from the pandemic and our respective citizens return to some form of normalcy, we know that transit service will continue to be one of the best investments any government can make to help provide greater mobility and the economic opportunity for regular people. My strong belief is that the extension of Calgary Transit's service to Chestermere will greatly benefit both of our cities and the region.

I understand that our respective administrations have been working closely to finalize details of the transit service and work on the Heads of Agreement (HOA). The goal would be to present the HOA to both of our respective councils in June for approval. The completion and execution of a full service agreement over the summer would allow the service to launch this fall.

I would be pleased to discuss this further with you, but believe our professional staff are already making good progress on this work. I look forward opening day.

Sincerely,

Naheed K. Nenshi
MAYOR

Let's move forward together!

Attachment 4 - Social, Environmental and Economic Implications

Social

Extending transit into the Calgary Region increases access to transit services. Increasing the accessibility of the transportation system and the amount of travel by walking, cycling and transit allows all Calgarians to more fully participate in work and social activities outside of Calgary, while also enabling residents of neighbouring communities to more easily access work and social activities in Calgary. Public transit provides choice and expanded opportunity to move and connect with the community, with a more convenient and socially inclusive mode of travel. Calgary Transit is not seeking to be a regional service provider but to ensure an integrated transit experience in the region that improves attractiveness and encourage mode choice. This extension would increase travel opportunities and encourage equity in the region while reducing duplicate services and fleets.

Environmental

Transit projects contribute to a significant reduction in greenhouse gases (GHG) and will help the City meet the Council approved GHG reduction strategy of 15 Mt CO₂e by 2050. A 25 per cent expansion of transit contributes 2.1 Mt CO₂e to the reduction of GHG. Continuing to promote high-quality transit helps shift regional residents and commuters out of single occupancy vehicles into lower or no emissions modes. A single bus can carry as many people as 41 cars; with emissions per passenger-kilometre close to one quarter the level of cars. Calgary Transit buses are clean-burning, use compressed natural gas or premium quality low sulphur diesel fuel and are maintained for continuous efficient performance. The Municipal Development Plan (MDP) and the Calgary Transportation Plan (CTP) work collectively to align land uses with the transportation networks to reduce the impact of travel on the environment by curbing land consumption, protecting air and water quality, and reducing energy consumption.

Economic

Transit connects customers to employment and education centres that support improved economic development, business growth and place-making. Providing transit service plays a key role in Calgary's overall mobility plan and supports economic resilience by embracing participation for all. It should be noted that some funding programs look positively on services that cover more than one jurisdiction and this may increase Calgary's ability to apply for funding opportunities. In addition to the direct transit customer benefits, public transit benefits the broader community by:

- helping revitalize corridors and main streets,
- costs efficiency for service and fleet,
- increasing customer service through effective transfers, fare payment and integration,
- connecting employers to an expanded workforce,
- supporting redevelopment, particularly at Transit Oriented Developments, and
- providing Calgarians with a cost-efficient alternative of movement to all parts of the city.

Fiscal Framework Vote on a Question - Update

RECOMMENDATION(S):

That the Intergovernmental Affairs Committee discuss putting the following question to voters during this fall's municipal election and make a recommendation to Council accordingly.

- "Should Calgary City Council advocate for a fair deal for Calgary Taxpayers from the Government of Alberta? Yes, or no?"

DISCUSSION

In response to inquiries from a Member of Council, Administration brought a report called Fiscal Framework – Vote on a Question C2021-0175 to the February 2020 Strategic Meeting of Council on the possibility of holding a "Vote on the Question" (a plebiscite) on the fiscal framework in conjunction with the October municipal election.

At that meeting, Council directed Administration to develop a question in consultation with other municipalities and return to the Intergovernmental Affairs (IGA) Committee. In May 2020, Administration shared with IGA Committee that there was not enough interest from other municipalities to respond to this direction. The report was called Fiscal Framework Vote on a Question – Update, IGA2021-0615.

The IGA Committee, and then Council, subsequently directed Administration to return to this meeting with a question based on the following: "Should The City advocate for a fair deal for cities?"

In the meantime, the Government of Alberta has formalized its own plans for a referendum on a "fair deal" for the province in Canada, also to be held alongside the municipal election. The provincial question is to be as follows:

- Should section 36(2) of the Constitution Act, 1982, Parliament and the government of Canada's commitment to the principle of making equalization payments, be removed from the Constitution?

This is not materially different from the question recommended by the Fair Deal Panel last year, worded as: "Do you support the removal of Section 36, which deals with the principle of equalization, from the Constitution Act, 1982?"

Based on direction from Council and the fact that there is no direct local analog to the federal equalization program called out in the provincial question, Administration is recommending that the IGA Committee discuss the following question and make a recommendation to Council on whether or not to proceed with a vote on a question this fall.

- Should Calgary City Council advocate for a fair deal for Calgary Taxpayers from the Government of Alberta?

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required

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Fiscal Framework Vote on a Question - Update

- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

IMPLICATIONS

Social, Environmental and Economic Implications

Social, Environmental and Economic Implications were considered in the report (C2021-0175) to the February 2021 Strategic Meeting of Council.

Service and Financial Implications

Service and Financial Implications were considered in the report (C2021-0175) to the February 2021 Strategic Meeting of Council.

RISK

Associated risks were considered in the report (C2021-0175) to the February 2021 Strategic Meeting of Council.

ATTACHMENT(S)

None

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Chris Arthurs	Deputy City Manager's Office	Approve
Carla Male	Chief Financial Officer's Department	Inform

City of Calgary Corporate Approach to Property Tax Incentives Pursuant to Bill 7

RECOMMENDATION(S):

The Intergovernmental Affairs Committee recommends that Council:

- 1) Direct Administration to use the framework in the Attachment when considering or developing a program to use property tax incentives pursuant to Bill 7; and
- 2) Continue to advocate to the Government of Alberta for additional property tax measures that would assist in Calgary's downtown recovery efforts, including but not limited to residential uses.

HIGHLIGHTS

- The attached framework was developed to provide guidance on prioritizing use of property tax incentives pursuant to Bill 7 as well as steps that Administration should take to avoid unnecessary conflict and risk.
- What does this mean to Calgarians? Calgarians benefit from efforts and initiatives aimed at Calgary's economic recovery, including possible use of Bill 7.
- Why does it matter? Efforts to help Calgary's growth and recovery efforts should be purposeful, coordinated, and not risk or undermine other efforts underway.
- Use of Bill 7 should prioritize cooperative and collaborative efforts, as well as those with triple bottom line benefit.
- When developing (or considering) a program to use Bill 7, Administration should take steps to consult with stakeholders, consider the impact on regional relationships, align with City priorities, and identify and mitigate risk.
- Strategic Alignment to Council's Citizen Priorities: A prosperous city
- Previous Council Direction "That Council direct Intergovernmental and Corporate Strategy to advance the approach described in this presentation and report back to the Intergovernmental Affairs Committee by Q3 2021.

DISCUSSION

There has been some local interest in using property tax incentives pursuant to Bill 7 to incent economic recovery / growth in Calgary. Currently, there are at least five strategic programs/projects underway that may consider using Bill 7 or be affected by use of Bill 7, including the Downtown Strategy; Industrial Area Growth Strategy; Real Estate Working Group; Financial Implementation Task Force; Calgary's involvement in the Calgary Metropolitan Regional Board; and additionally, Calgary Economic Development's Calgary in the New Economy strategy.

Intergovernmental and Corporate Strategy convened key corporate stakeholders to determine if there is a common corporate position for using Bill 7. Participants were asked the following:

- 1) Have property tax incentives generally, or Bill 7 specifically, been considered as part of your ongoing work?
- 2) How could Bill 7 advance your departmental objectives?
- 3) Do you have any other thoughts or ideas about how Bill 7 could be used to advance City goals?
- 4) What are the risks associated with using Bill 7 from your perspective?

City of Calgary Corporate Approach to Property Tax Incentives Pursuant to Bill 7

Responses were summarized into three key points, as follows:

- 1) If tax incentives are used, they should be used in a specific and targeted manner. They do not appear useful for residential or downtown redevelopment but may be useful for incenting industrial development on City-owned lands, or redevelopment of contaminated lands.
- 2) It is imperative to consider the use of the incentive from a regional perspective. Ideally, it would be used in a coordinated and collaborative manner within the region. There are concerns that neighbouring municipalities could use it to continue to attract industrial uses, potentially triggering a race to the bottom where municipalities, in a bid to attract business, undercut each other's property taxes to an unsustainably low levels.

Additionally, use of the incentive by The City could be perceived as uncollaborative and disingenuous as Calgary's elected officials have promoted the need for a regional economic plan and a better relationship with neighbouring municipalities.

- 3) Use of tax incentives is not without risk. Risks include:
 - tax instability / tax inequity
 - for existing businesses, a flight from existing development to new incentive locations; plus it raises issues of fairness
 - further competition between municipalities
 - damaging relationships with neighboring municipalities if used in an uncoordinated manner

Bill 7 presents both possible benefits and risks to The City. Overall, Administration recognizes that tax incentives, if used, should occur in a targeted manner, with risks carefully considered and mitigated.

Using Bill 7 - Principles

A Corporate-wide approach to Bill 7 is needed to ensure that its use is carefully considered, not isolated, and does not put other City initiatives at risk. As such, Administration recommends that the following be considered if enacting a program to use Bill 7:

l) Prioritization:

Priority should be given to Bill 7 initiatives where its use:

- Supports two or more priority City of Calgary initiatives; and/or
- Is in conjunction and/or cooperation with Calgary Regional Municipal Board (CMRB) membership; and/or
- Demonstrates well-defined social and/or environmental benefits, in addition to economic benefit; and/or
- Does not have a negative impact on other City interests

Note that initiatives currently including Downtown Strategy, Industrial Area Growth Strategy, Real Estate Working Group, Financial Implementation Task Force and Calgary's involvement in the Calgary Metropolitan Regional Board, and additionally, Calgary Economic Development's Calgary in the New Economy Strategy. As these initiatives may change over time, this list should not be considered exhaustive.

City of Calgary Corporate Approach to Property Tax Incentives Pursuant to Bill 7

II) Process:

When considering the use of Bill 7, the following steps should be taken:

- Ensure broad corporate awareness of intended use to avoid competing or conflicting use of Bill 7
- Consider the Calgary Regional Municipal Board (CMRB)
- Ensure alignment with City of Calgary priorities
- Determine an estimated financial cost to The City as a result of the proposed property tax deferral or tax exemption incentive program
- Ensure possible risks have been identified; determine appropriate mitigations
- Demonstrate adherence to these priorities and principles in Council reporting

The Attachment contains the detailed framework. Proponents of Bill 7 programs should use the Attachment as a guide in the early stages of project planning, and as a check-point throughout the project's development.

Advocacy

As is, Bill 7 could be applied in certain situations across Calgary. However, it does not currently support the Downtown Strategy, which is one of The City's most pressing ongoing priorities. As such, Administration should continue to advocate to the Government of Alberta for additional property tax measures that would assist in downtown recovery, including but not limited to residential uses.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

Intergovernmental and Corporate Strategy engaged with stakeholders from 12 business units and/or project teams (e.g. Real Estate Working Group) across the Corporation, and Calgary Economic Development. Stakeholders were invited to provide feedback on possible uses for Bill 7 from their work group's perspective via survey. The results were circulated back to participants. Participants were also circulated the Attachment for comment.

IMPLICATIONS

Social / Environmental

Although economic benefit is the primary driver for using Bill 7, priority should be given to its programs where there is also strong demonstration of social and/or environmental benefit.

Economic

When used in a carefully considered manner, Bill 7 can support specific aspects of Calgary's overall economic recovery generally; however, it does not currently apply to Calgary's downtown recovery efforts.

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City of Calgary Corporate Approach to Property Tax Incentives Pursuant to Bill 7

Service and Financial Implications

No anticipated financial impact

Adopting the framework in the Attachment does not have a direct impact on service or finances.

RISK

As outlined in the discussion above, there are risks to using tax incentive measures, ranging from tax instability, to fairness towards established taxpaying businesses, to maintaining positive working relationship with Calgary's regional neighbours. A 2021 April 27 report to the Priorities and Finance Committee (PFC2021-0237) identified more disadvantages than advantages in using Bill 7.

In addition, Bill 7 in its current form is not useful for supporting the Downtown Strategy, and its use could result in unintended consequences. Therefore, how, when, and where Bill 7 is used must be carefully considered. This can be accomplished through a common understanding of how and when to proceed, as well as early conversations with other City stakeholders as outlined in the Attachment. These principles do not necessary mitigate risk in and of themselves, however, they can reveal areas of possible conflict and concerns in developing a program.

ATTACHMENT

1. City of Calgary Corporate Approach to Property Tax Incentives Pursuant to Bill 7

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Chris Arthurs	Deputy City Manager's Office	Approve

City of Calgary Corporate Approach to Property Tax Incentives Pursuant to Bill 7

Programs to use the tax incentives pursuant to Bill 7 should adhere to the following to ensure that it is not used in isolation and does not put other City of Calgary initiatives at risk.

I) Prioritization:

Priority should be given to Bill 7 initiatives where its use:

- Supports two or more priority City of Calgary initiatives*; and/or
- Is in conjunction and/or cooperation with Calgary Metropolitan Region Board (CMRB) membership; and/or
- Demonstrates well-defined social and / or environmental benefits, in addition to economic benefit; and/or
- Does not have a negative impact on other City interests

**Initiatives currently including Downtown Strategy, Industrial Area Growth Strategy, Real Estate Working Group, Financial Implementation Task Force and Calgary's involvement in the Calgary Metropolitan Regional Board, and additionally, Calgary Economic Development's Calgary in the New Economy Strategy. As these initiatives may change over time, this list should not be considered exhaustive.*

II) Process:

When considering the use of Bill 7, the following steps should be taken:

- 1) Ensure broad corporate awareness of intended use of Bill 7 to avoid competing or conflicting use
 - a. Contact other City stakeholders including but not limited to the project teams identified in the footnote below, Law, and Assessment with details around its intended use, including identified risks, and mitigation strategies for these risk
 - b. Solicit feedback from other stakeholders, including risks, and possible alignment or conflict with other City initiatives. Consider feedback from other stakeholders, and integrate into the plan as appropriate
 - c. Priority should be given to use of Bill 7 where it can be demonstrated that its use is supportive of two or more City initiatives
- 2) Consider the Calgary Regional Municipal Board (CMRB)
 - a. Contact City's Administrative liaison to the CMRB to understand the impact of using Bill 7 on the relationships within the Calgary Metropolitan Region, identify risks to The City and explore mitigating measures
 - b. Determine how best to involve and/or inform the CMRB and its membership of Bill 7's intended use.
 - c. Priority should be given to use of Bill 7 in conjunction with CMRB member(s).
- 3) Ensure alignment with City of Calgary priorities
 - a. Reporting and communications should demonstrate direct and clear alignment with approved City of Calgary policies, plans, priorities and directives
- 4) Determine an estimated financial cost to The City as a result of the proposed property tax deferral or tax exemption incentive program

- 5) Ensure possible risks have been identified; determine appropriate mitigations
- 6) Demonstrate adherence to these priorities and process in Council reporting

APPENDIX

This section is provided for information only.

The above framework was developed in specific response to Bill 7. However, any intervention in the current tax system should consider the principles on which a good assessment and tax system are built:

Principle	Taxation Effect
<p>Equity and fairness</p> <ul style="list-style-type: none"> • Taxation system design should take account of horizontal and vertical equity. • It is important that the public perceives the tax system as fair. 	<ul style="list-style-type: none"> • Municipalities and the province have a duty to design and operate a fair taxation system. • Horizontal equity a shared provincial/municipal responsibility through tax rate setting. • Vertical equity a shared provincial/municipal responsibility through tax rate setting. • Property tax system is generally neither regressive nor progressive, but proportional. • Tax incidence in property tax system based on ability to pay and not benefits received. Ability to pay uses the value of real estate as a proxy for wealth. • Attempts to moderate market driven tax impacts should be avoided.
<p>Certainty and simplicity</p> <ul style="list-style-type: none"> • Tax rules should not be arbitrary. • Tax rules should be as clear and simple to understand as the complexity of the subject of taxation allows, so that taxpayers can anticipate in advance the tax consequences of a transaction including knowing when, where and how the tax is to be accounted. • There should be transparency and visibility in the design and implementation of the tax rules. 	<ul style="list-style-type: none"> • Certainty requires that taxpayers know: <ul style="list-style-type: none"> ○ when tax is to be paid ○ how it is to be paid ○ how the amount to be paid is to be determined. • Certainty not tied to predictability of tax incidence.
<p>Efficiency</p> <ul style="list-style-type: none"> • Compliance and administration costs should be minimised and payment of tax should be as easy as possible. 	<ul style="list-style-type: none"> • Cost to generate tax revenue is no more than necessary to ensure the system functions properly.
<p>Neutrality</p> <ul style="list-style-type: none"> • The tax system should not impede or reduce the productive capacity of the economy. • Business decisions should be motivated by economic rather than tax considerations. • Taxpayers in similar situations carrying out similar transactions should be subject to similar levels of taxation. 	<ul style="list-style-type: none"> • Applies intra-municipally for municipal tax and across the province for education tax. • Suggests that boutique tax exemptions are to be avoided with the understanding that exemptions merely transfer the taxes to other taxpayers. • Taxation should be relatively neutral in its effect on investment decisions.

<p>Effectiveness</p> <ul style="list-style-type: none"> • The system should collect the right amount of tax at the right time without imposing double taxation or unintentional non-taxation. • The system should be flexible and dynamic to ensure a match with technological and commercial developments. • The potential for active or passive non-compliance should be minimised while keeping counter-acting measures proportionate to the risks involved. • In order to ensure a responsive system, which meets the needs of all stakeholders, periodic reviews of the system should be undertaken. 	<ul style="list-style-type: none"> • The tax provides an adequate amount to operate municipal services / fund education on both a short and long term basis.
<p>Transparency and Accountability</p> <ul style="list-style-type: none"> • The system should be encourage transparency and accountability for all stakeholders. 	<ul style="list-style-type: none"> • Taxation bylaws should be passed at public meetings of Council. • The system should be subject to regular statutory and regulatory review to ensure that the intent of the legislation is carried through and to encourage dialogue between stakeholders on what is best for the system. • Favourable taxation treatment is transparent and clearly and unambiguously stated in legislation as an exception to the rule of uniform taxation.

Use of Bill 7 should be:

- *Time-Limited:* Any use of MGA tax incentives should be limited and likely to less than the MGA maximum of 15 years.
- *Targeted:* The scope of any incentive should be sufficiently narrow as to avoid the possibility of over subscription.
- *Tailored:* The magnitude of the proposed incentive should be the minimum necessary in order to attract and retain the targeted development.
- *Easy to Understand:* Any measure chosen by the City needs to be understood by policy-makers, City staff, stakeholder groups and tax payers.
- *Straightforward to Administer:* Incentives should be relatively easy for Administration to administer.
- *Aligned with City initiative as outlined above.*

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Resolution for AUMA Fall 2021 Convention – Improved Municipal-Provincial Emergency Collaboration

RECOMMENDATION(S):

That the Intergovernmental Affairs Committee recommends that Council:

Approve submitting the resolution contained in Attachment 1 to the Alberta Urban Municipalities Association's (AUMA) Fall 2021 Convention and Annual General Meeting 2021 November 17 to 19.

HIGHLIGHTS

Throughout the COVID-19 pandemic (the pandemic), there has been a lack of proactive communication and meaningful engagement from the Government of Alberta (the Province) towards The City of Calgary (The City), Calgary Emergency Management Agency (CEMA), other Alberta municipalities and their emergency management organizations. This has resulted in negative outcomes for Albertans. Unlike traditional emergency management processes, where local authorities play a leadership role within their jurisdiction and are provided support by the Province (through the Alberta Emergency Management Agency (AEMA)) in a collaborative manner, during the pandemic there has been very little opportunity for municipalities to provide advanced input on public health measures, provincial decisions, ministerial orders even though these have had significant consequences at the local level and requires Alberta's municipalities to implement and enforce.

There have been several occasions over the past 15 months where if municipalities could have either provided input into the drafting of orders or were given advanced notice of their issuing would have prevented confusion and improved the efficiency of implementation of orders.

As the pandemic ends it is important for organizations to review their emergency response, to proactively conduct a lessons learned review, identify issues and deficiencies and look towards improving plans and best practices (including but not exclusive to issues of emergency response, the drafting and issuing of health orders, improved communication between orders of government, business supports, clarification of essential services, review of financial aid programs, value of municipal stimulus program, consideration of multiple scales of response and recovery (urban, rural, Indigenous) and review of vaccination and mass casualty planning), so to be better prepared when a similar emergency occurs in the future.

The City is recommending that Council submit a resolution to the 2021 Fall Alberta Urban Municipalities Association (AUMA) Convention on improving municipal-provincial emergency collaboration. Calling on the Government of Alberta to work with municipalities on a review of the 2020-2021 pandemic response together and put in place mechanisms to improve future emergency communications and collaboration between the Province, Alberta's municipalities and their emergency management organizations (Attachment 1).

- Strategic Alignment to Council's Citizen Priorities: A well-run city

DISCUSSION

The City and CEMA have positive working relationships with their operational counterparts at the Province; however, the decision-making process that was adopted by the Province for the pandemic has limited the ability of both parties to effectively collaborate.

Resolution for AUMA Fall 2021 Convention - Improved Municipal-Provincial Emergency Collaboration

During the pandemic, Calgary and other municipalities rarely, if ever, received any formal advance notice of the details and timing of public health measures before they were announced. The City has had to find out details of measures through press conferences at the same time as the public. If The City and Alberta's municipalities were allowed at least a few hours advanced notice to prepare for the impacts of the decisions or, preferably could have provided input into the drafting of certain orders that required municipal participation, it would have materially improved our pandemic communications and response. This lack of collaboration has been the source of major challenges for implementation of public health measures for City services, pandemic communications and public engagement, and enforcement of health measures and orders by local enforcement agencies.

Although The City recognizes the Province's mandate to lead public health and pandemic response, and that protracted engagement with every municipality in Alberta would be a challenge, communication flow needs to be improved for future incidents. Especially considering that Calgary has roughly a quarter of the population of Alberta and led the province in active cases throughout much of the pandemic.

The pandemic response did not just include the issues regarding timely communication between different orders of government, the drafting and execution of public health orders and public communications. The wider pandemic response included supports and financial aid for individuals, businesses and municipalities to meet immediate short-term challenges and support long-term post-pandemic recovery. The wider pandemic response required the continuation of essential services under difficult circumstances which raised the issues of which services should be prioritized and at what level of service continued. During the pandemic both location specific and province-wide orders and measures were enacted (in urban, rural, and indigenous settings) and their utility and effectiveness must be understood to improve future responses in similar emergency situations.

City Administration is recommending a comprehensive review of the pandemic response in cooperation with the Province and Alberta's municipalities to find solutions to these issues and improve emergency communications, collaboration and coordination going forward into the future. A permanent advisory group made up of members from Alberta's Emergency Management organizations and other key stakeholders could provide a resource to aid Provincial decision making and improve municipal-provincial collaboration, coordination and communications.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

Discussion between internal stakeholders CEMA, Community Standards, Intergovernmental and Corporate Strategy, the Mayor's Office and their equivalents within other Alberta municipalities and their emergency management agencies led to development of the attached resolution and the recommendation contained within this report.

Resolution for AUMA Fall 2021 Convention - Improved Municipal-Provincial Emergency Collaboration

IMPLICATIONS

Social

Improved communications and collaboration between The City, Alberta's municipalities and the Province during an emergency, such as the pandemic, would improve effectiveness of public communication and implementation of provincial orders and other support measures, aiding the health, safety and security of Albertans.

Environmental

Not applicable

Economic

Public health measures during the Pandemic have had significant impact on local business. Confusion resulting from poor communications or poorly drafted orders placed additional stress on local business and on City agencies that are obligated to implement the orders. Improving municipal-provincial communications, especially to provide timely clarity of orders' interpretation, would help improve implementation and mitigate some of the negative economic impacts such orders may have on business. The wider pandemic response included supports and financial aid for individuals, businesses and municipalities to meet immediate short-term challenges and support long-term post-pandemic recovery. Both location specific and province-wide orders and measures were enacted at various stages of the pandemic. Reviewing their effectiveness and utility of pandemic programs and various measures will improve future emergency responses that impact upon the economy.

Service and Financial Implications

No anticipated financial impact

No immediate impact on operational or capital budgets.

RISK

The City has already endured significant risk during the pandemic as has been outlined within this report. Undertaking a comprehensive lessons learned review of the pandemic response and improving municipal-provincial communications would mitigate future risks if we should enter into another similar public health emergency situation.

ATTACHMENT

1. City of Calgary Alberta Urban Municipalities Association (AUMA) Resolution - Improved Municipal- Provincial Emergency Collaboration and Communications

**Deputy City Manager's Office Report to
Intergovernmental Affairs Committee
2021 June 17**

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**Resolution for AUMA Fall 2021 Convention - Improved Municipal-Provincial
Emergency Collaboration**

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Chris Arthurs	Deputy City Manager's Office	Approve
Katie Black	Community Services	Inform
Susan Henry	CEMA	Consulted

City of Calgary Alberta Urban Municipalities Association (AUMA) Resolution for 2021 Fall AGM – Improved Provincial-Municipal Emergency Collaboration and Communications

Active Clauses: **NOW THEREFORE BE IT RESOLVED THAT** the Alberta Urban Municipalities Association urge the Province of Alberta to:

- Work collaboratively with municipalities and their emergency management organizations on conducting a comprehensive lessons learned review of the COVID-19 pandemic response and incorporate those lessons in an improved Provincial emergency response and communications plan;
- Commitment that going forward, Alberta's municipalities and their emergency management organizations will be treated as trusted and valued partners in Provincial emergency response; and
- Establish an advisory group of municipal emergency management organizations and other key stakeholders to better advise and support the Government of Alberta's decision making and emergency order drafting and to improve emergency communications, coordination and collaboration.

Whereas Clauses:

WHEREAS Alberta and its municipalities have been recognized nationally and internationally in the past for their collaborative, inter-governmental and inter-agency approach to emergency response;

WHEREAS Alberta's traditional emergency management processes where the Government of Alberta (through the Alberta Emergency Management Agency (AEMA)) provide support in a collaborative and timely manner to Alberta's municipalities who play an essential leadership role within their jurisdiction in responding to the emergency event occurring within their community;

WHEREAS throughout the COVID-19 pandemic there has been a lack of proactive communication and meaningful engagement and collaboration from the Government of Alberta towards Alberta's municipalities and this has resulted in negative outcomes for municipalities and their citizens;

WHEREAS during the COVID-19 pandemic there has been very little opportunity for Alberta's municipalities to provide advanced input on public health measures or decisions, even though these have significant consequences at the local level and local advice in many cases could have improved the effectiveness of provincial measures;

WHEREAS at no point during the COVID-19 pandemic did Alberta's municipalities receive formal advance notice of the details and timing of public health measures before they were announced and had to find out details of measures through press conferences at the same time as the public;

WHEREAS the official Public Health Orders and Ministerial Orders were typically not published until often several days after the restrictions were implemented; and

WHEREAS this lack of collaboration has been the source of major challenges for implementation of public health measures for municipal services, communications and public engagement, and enforcement of public health measures by local enforcement agencies: The result has been confusion, reputational impacts, financial loss, and impacts to service delivery.

Resolution for AUMA Fall 2021 Convention – Advocacy on Financial Measures

RECOMMENDATION(S):

That the Intergovernmental Affairs Committee recommends that Council:

Approve submitting the resolution contained in Attachment 1 to the Alberta Urban Municipalities Association's (AUMA) Fall 2021 Convention and Annual General Meeting 2021 November 17 to 19.

HIGHLIGHTS

To support Calgary's economic recovery and financial resiliency, Council identified the need for a Financial Task Force (FTF). Their mandate was to identify and assess innovative solutions for short-term economic mitigation, long-term economic recovery, and revenue options for The City of Calgary's (The City) financial resilience. The FTF worked for nine months over 2019-2020 and made 35 recommendations to the 2020 June 29 Combined Council Meeting, which Council adopted. Twelve of the Financial Task Force's recommendations require advocacy towards other orders of government, including the Government of Alberta, to implement. Council directed Administration at the 2020 December 14 Combined Council Meeting to develop and implement a comprehensive provincial engagement plan regarding the FTF recommendations. The City works closely with the Alberta Urban Municipalities Association (AUMA) and fellow Alberta municipalities to advance municipal finance reform. At AUMA's 2020 Fall Convention, the City of Edmonton submitted a resolution that was passed advocating for:

"The Government of Alberta to reshape municipal finance for a new time and provide municipalities with reasonable measures and tools, and the responsibility that goes with them, to enable cities, towns, and villages to sustainably meet their operating and capital budget needs."

Administration sees alignment with several of the FTF recommendations and AUMA's advocacy and is recommending as part of our provincial engagement plan that Council submit a resolution to the AUMA Fall 2021 Convention requesting to incorporate several FTF recommendations into AUMA policy to help support our collective advocacy towards the Government of Alberta on municipal finance reform. The resolution (Attachment 1) would ask AUMA to include in their advocacy on municipal finance reform:

- The expansion of revenue tools to reduce reliance on property taxes, as opportunities allow;
- The expansion of property tax flexibility as opportunities allow;
- The expansion of revenue tools to non-property related activities as opportunities allow;
- The development of non-residential property sub-classes that are efficient and easily administered to allow municipalities a tool for targeted financial relief; and
- Undertake research studies on:
 - The impact e-commerce and the new models of goods and services delivery on municipal economies and finances; and
 - Identifying a comprehensive list of services and associated costs redirected to municipalities.
- Strategic Alignment to Council's Citizen Priorities: A well-run city

Resolution for AUMA Fall 2021 Convention - Advocacy on Financial Measures

DISCUSSION

The Financial Task Force made 35 recommendations to Council, including 12 recommendations whose successful implementation depends upon support from other orders of government, primarily the Government of Alberta, ranging from legislative or regulatory change to improved coordination and communication.

The City's engagement plan calls to utilize four tools in our advocacy including tool #2 which calls for enlisting FTF and other partner voices in a campaign for change, including public messaging and tool #4 that states where opportunities exist for the Mayor and other Members of Council, sharing the aim of fiscal reform with local Members of the Legislative Assembly and Members of Parliament.

Several of the FTF recommendations (including recommendations 2, 6, 9, 12, 13, 14 and 22) have components that require advocacy with the Government of Alberta and that Administration has identified they complement AUMA's current advocacy work. These FTF recommendations are not exclusive to The City and are applicable to all of Alberta's municipalities.

The FTF recommended working with the Government of Alberta on municipal financial reform specifically on policies such as:

- Expansion of revenue tools – The revenue sources available to municipalities are restricted by provincial legislation and AUMA and Alberta's municipalities have long advocated for the ability to use alternate revenue tools – if municipalities could improve the diversity and reliance on other, non-property tax revenue sources this would help create long-term, stable, predictable municipal funding and lessen the reliance of municipalities on property tax and the need for sustained property tax increases;
- Property Tax Flexibility – The ability to differentiate taxation for businesses and organizations that make significant contributions to the character and fabric of a municipality including organizations like Business Improvement Areas (BIAs), non-profit organizations and owner-operated small businesses with limited financial means;
- Taxation of non-property related activity – Our economy is everchanging with the rapidly growing e-commerce activity that is transforming behaviours within society and municipalities need the capacity to adjust and adapt to changing demands and uses on municipal infrastructure and on municipal economies; and
- Non-residential sub-classes – Work with the Government of Alberta to expand the tools available for responses when tax circumstances that are unique to certain non-residential taxpayer groups emerge and provide the capacity for targeted property tax relief because the current sub-class definition makes for a blunt tool for property tax relief.

Two of the FTF recommendations calls for further research and analysis to document:

- The extent of the decline in bricks and mortar retail and the current transition to new models of goods and services delivery to demonstrate that municipalities' traditional real estate tax revenues cannot capture the transition to e-commerce transactions; and
- A comprehensive list of services and associated costs redirected to municipalities by the Government of Alberta.

Resolution for AUMA Fall 2021 Convention - Advocacy on Financial Measures

These research projects would help support AUMA and Alberta's municipalities in their on-going advocacy and dialogue with the Government of Alberta in determining the fiscal tools necessary to allow effective delivery of redirected services by municipalities and to meeting the challenges of a rapidly evolving economy.

A successful AUMA resolution highlighting and endorsing applicable FTF recommendations and incorporating them into AUMA's work plan and advocacy would enhance our collective voice on municipal finance reform and help in AUMA and The City's on-going advocacy work.

Previous Direction

Priorities and Finance Committee report PFC2020-1351 *Financial Task Force Recommendations - Implementation Next Steps* recommended that Council direct Administration to bring a comprehensive provincial engagement plan to the Intergovernmental Affairs Committee no later than 2021 Q2. As directed (PFC2020-1351), a provincial engagement plan was presented to the Intergovernmental Affairs Committee in Q2 2021. The Intergovernmental Affairs Committee endorsed the engagement plan laid out in IGA2021-0615 to address the FTF recommendations that require cooperation or legislative change from other orders of government.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

The City has had internal discussions with Finance, Intergovernmental and Corporate Strategy, Assessment and the Mayor's Office, as well as discussions with AUMA Administration and fellow municipalities.

IMPLICATIONS

Social

None.

Environmental

None.

Economic

If The City is successful in its advocacy with the Government of Alberta on several of the Financial Task Force recommendations like property tax flexibility, on workable non-residential sub-classes to enable targeted financial relief, and on revenue from non-property related activities, The City will have new revenue and financial relief tools to support local business and remain fiscally resilient and sustainable.

Service and Financial Implications

Deputy City Manager's Office Report to
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Resolution for AUMA Fall 2021 Convention - Advocacy on Financial Measures

No anticipated financial impact

None. However, if The City and AUMA's advocacy is ultimately successful, Alberta municipalities may have new revenue and financial relief tools at their disposal.

RISK

Implementing 12 of the FTF recommendations requires collaboration and cooperation from the Government of Alberta and this may be more easily achieved with support from fellow Alberta municipalities through the AUMA. Submitting a resolution to the AUMA for the Fall 2021 convention provides an opportunity to incorporate the FTF work into AUMA advocacy: Multiplying the voices calling for municipal finance reform and implementation of specific FTF recommendations. Not following through with this opportunity increases the risk our engagement with the Government of Alberta may be ineffective.

ATTACHMENT

1. City of Calgary Alberta Urban Municipalities Association (AUMA) Resolution – Advocacy on Financial Measures

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Chris Arthurs	Deputy City Manager	Approve
Carla Male	Chief Financial Officer	Consult

City of Calgary Alberta Urban Municipalities Association (AUMA) Resolution for 2021 Fall AGM – Advocacy on Financial Measures

Active Clauses: NOW THEREFORE BE IT RESOLVED THAT the Alberta Urban Municipalities Association continues to advocate to the Government of Alberta for municipal finance reform:

- Including the expansion of revenue tools to reduce reliance on property taxes as opportunities allow;
- Including the expansion of property tax flexibility as opportunities allow;
- Including the expansion of revenue tools to non-property related activities as opportunities allow;
- Including the development of non-residential property sub-classes that are efficient and easily administered to allow municipalities a tool for targeted financial relief;

AND FURTHER BE IT RESOLVED THAT to support our advocacy the AUMA, in collaboration with Alberta's municipalities, and if possible the Government of Alberta, undertake research studies and/or collect information on:

- The impact of e-commerce and the new models of goods and services delivery on municipal economies and finances; and
- Identifying a comprehensive list of services and associated costs redirected to municipalities.

Whereas Clauses:

WHEREAS Alberta's municipalities have long advocated for long-term, stable, predictable and appropriate funding in order to remain financially viable and continue to provide the services and infrastructure needed by our citizens;

WHEREAS the AUMA in 2020 passed a resolution, submitted by the City of Edmonton, advocating for the Government of Alberta to reshape municipal finance for a new time and provide municipalities with reasonable measures and tools, and the responsibility that goes with them, to enable cities, towns, and villages to sustainably meet their operating and capital budget needs;

WHEREAS to support Calgary's economic recovery and financial resiliency, Calgary City Council identified the need for a Financial Task Force with a mandate to identify and assess innovative solutions for short-term economic mitigation, long-term economic recovery, and revenue options to improve The City of Calgary's financial resilience;

WHEREAS several of the Financial Task Force's recommendations are of interest to all of Alberta's municipalities in our on-going advocacy with the Government of Alberta on municipal financial reform;

WHEREAS the Financial Task Force recommended working with the Government of Alberta on municipal financial reform such as:

- Expansion of revenue tools – The revenue sources available to municipalities are restricted by provincial legislation and AUMA and Alberta's municipalities have long advocated for the ability to use alternate revenue tools – if municipalities could improve the diversity and reliance on other, non-property tax revenue sources this would help

create long-term, stable, predictable municipal funding and lessen the reliance of municipalities on property tax and the need for sustained property tax increases;

- Property Tax Flexibility – The ability to differentiate taxation for businesses and organizations that make significant contributions to the character and fabric of a municipality including organizations like Business Improvement Areas (BIAs), non-profit organizations and owner-operated small businesses with limited financial means;
- Taxation of non-property related activity – Our economy is ever-changing with the rapidly growing e-commerce activity that is transforming behaviours within society and municipalities need the capacity to adjust and adapt to changing demands and uses on municipal infrastructure and on municipal economies;
- Non-residential sub-classes – Work with the Government of Alberta to expand the tools available for responses when tax circumstances that are unique to certain non-residential taxpayer groups emerge and provide the capacity for targeted property tax relief because the current sub-class definition makes for a blunt tool for property tax relief;

WHEREAS without changes to legislation, there is limited opportunity for change in these areas;

WHEREAS research and analysis are needed that documents the extent of the decline in bricks and mortar retail and the current transition to new models of goods and services delivery to demonstrate that municipalities' traditional real estate tax revenues cannot capture the transition to e-commerce transactions;

WHEREAS research and analysis identifying a comprehensive list of services and associated costs redirected to municipalities is required to support AUMA and Alberta municipalities advocacy and dialogue with the Government of Alberta in determining the fiscal tools necessary to allow effective delivery of those services by the municipality;

WHEREAS incorporating some of the Financial Task Force recommendations can focus and improve AUMA's ongoing advocacy and work.

Calgary's Interim Protocol for City-initiated Challenges

