



## AGENDA

### EXECUTIVE COMMITTEE

June 11, 2024, 9:30 AM  
IN THE COUNCIL CHAMBER

Members

Mayor J. Gondek, Chair  
Councillor K. Penner, Vice-Chair  
Councillor G-C. Carra (Councillor-at-Large)  
Councillor J. Mian (Councillor-at-Large)  
Councillor S. Sharp (Infrastructure and Planning Committee Chair)  
Councillor E. Spencer (Audit Committee Chair)  
Councillor C. Walcott (Community Development Committee Chair)

#### **SPECIAL NOTES:**

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

*Council 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 Executive Committee, 2024 May 14
5. CONSENT AGENDA
  - 5.1 DEFERRALS AND PROCEDURAL REQUESTS
    - 5.1.1 Deferral Request – Calgary Parking Financial Policies in Response to EC2023-0464 and C2023-1148, from Q2 2024 to Q3 2024, EC2024-0693
6. POSTPONED REPORTS  
(including related/supplemental reports)  
None
7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

- 7.1 Council Policy Program Policy Amendments, EC2024-0535
- 7.2 Council Funds Terms of Reference Update and Alignment, EC2024-0694
- 7.3 Heritage Incentive Reserve Terms of Reference Update, EC2024-0383
- 7.4 Tax Incentive Bylaw for Renewable Power Generation on Brownfield Sites, EC2024-0641
- 7.5 Proposed Tax Incentive Appeal Board Bylaw, EC2024-0506
- 7.6 Wastewater, Stormwater, and Water Utility Bylaw Amendments, EC2024-0674
- 7.7 Securing Calgary's Water Future - City-wide Outdoor Watering Schedule, EC2024-0665
- 7.8 Response to Motion Arising from Rezoning for Housing - Resources and Workplan Implications, EC2024-0692

8. ITEMS DIRECTLY TO COMMITTEE

8.1 REFERRED REPORTS

None

8.2 NOTICE(S) OF MOTION

8.2.1 Notice of Motion - Councillors' Budgets and Expenses - Hosting, EC2024-0715  
Councillor Chabot and Councillor McLean

8.2.2 Notice of Motion - Transitioning the Business Advisory Committee, EC2024-0719  
Councillor Sharp and Councillor Spencer

9. URGENT BUSINESS

10. CONFIDENTIAL ITEMS

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1 Green Line Update (Verbal), EC2024-0736  
Held confidential pursuant to Sections 16 (Disclosure harmful to business interests of a third party), 24 (Advice from officials), 25 (Disclosure harmful to economic and other interests of a public body), and 27 (Privileged information) of the *Freedom of Information and Protection of Privacy Act*.

10.1.2 Millennium Park Naming Sponsorship, EC2024-0691  
Held confidential pursuant to Sections 16 (Disclosure harmful to business interests of a third party) and 27 (Privileged information) of the *Freedom of Information and Protection of Privacy Act*.

**Review By: 2024 August 15**

10.2 URGENT BUSINESS

11. BRIEFINGS

11.1 Long Range Financial Plan Performance Measures, EC2024-0695

12. ADJOURNMENT





## MINUTES

### EXECUTIVE COMMITTEE

**May 14, 2024, 9:30 AM  
IN THE COUNCIL CHAMBER**

**PRESENT:**

Mayor J. Gondek, Chair  
Councillor K. Penner, Vice-Chair (Partial Remote Participation)  
Councillor G-C. Carra (Councillor-at-Large)  
Councillor J. Mian (Councillor-at-Large)  
Councillor S. Sharp (Infrastructure and Planning Committee Chair)  
Councillor E. Spencer (Audit Committee Chair)  
Councillor C. Walcott (Community Development Committee Chair)  
Councillor A. Chabot (Partial Remote Participation)  
Councillor S. Chu  
Councillor P. Demong  
Councillor R. Dhaliwal  
Councillor D. McLean  
Councillor R. Pootmans  
Councillor T. Wong  
Councillor J. Wyness

**ALSO PRESENT:**

Chief Administrative Officer D. Duckworth  
Chief Operating Officer S. Dalgleish  
City Solicitor and General Counsel J. Floen  
Chief Financial Officer C. Male  
General Manager T. Keane  
General Manager K. Black  
General Manager D. Morgan  
General Manager M. Thompson  
City Clerk K. Martin  
Senior Legislative Advisor J. Palaschuk

1. **CALL TO ORDER**

Mayor Gondek called the meeting to order at 9:31 a.m.

Councillor Carra, Councillor Demong, Councillor Dhaliwal, Councillor McLean, Councillor Mian, Councillor Pootmans, Councillor Sharp, Councillor Spencer, Councillor Walcott, Councillor Wong, and Mayor Gondek

Absent for Roll Call: Councillor Penner

2. **OPENING REMARKS**

Mayor Gondek provided opening remarks and a traditional land acknowledgement.

3. CONFIRMATION OF AGENDA

**Moved by** Councillor Walcott

That the Agenda for the 2024 May 14 Regular Meeting of the Executive Committee be confirmed.

**MOTION CARRIED**

4. CONFIRMATION OF MINUTES

4.1 Minutes of the Regular Meeting of the Executive Committee, 2024 April 16

**Moved by** Councillor Walcott

That the Minutes of the 2024 April 16 Regular Meeting of the Executive Committee be confirmed.

**MOTION CARRIED**

5. CONSENT AGENDA

5.1 DEFERRALS AND PROCEDURAL REQUESTS

None

6. POSTPONED REPORTS

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1 Council Community Fund Application – Calgary Parkland Community Association, EC2024-0433

Councillor Penner (Remote Member) joined the meeting at 9:35 a.m.

Councillor Chabot (Remote Member) joined the meeting at 9:43 a.m.

**Moved by** Councillor Demong

That with respect to Report EC2024-0433, the following be approved:

That the Executive Committee recommend that Council:

1. Approve the Council Community Fund application for the Calgary Parkland Community Association Outdoor Gathering Hub project as a one-time funding request in the amount of \$110,000; and
2. Direct Administration to report back to the Executive Committee within 12 months of project completion.

For: (13): Mayor Gondek, Councillor Penner, Councillor Carra, Councillor Mian, Councillor Sharp, Councillor Spencer, Councillor Walcott, Councillor Chabot, Councillor Demong, Councillor Dhaliwal, Councillor McLean, Councillor Pootmans, and Councillor Wong

**MOTION CARRIED**

- 7.2 Amendments to the Council Policy on Governance and Appointments of Boards, Commissions and Committees, EC2024-0376

**Moved by** Councillor Penner

That with respect to Report EC2024-0376, the following be approved:

That the Executive Committee recommend that Council adopt the proposed amendments to the Council Policy on *Governance and Appointments of Boards, Commissions and Committees* (CP2016-03).

For: (13): Mayor Gondek, Councillor Penner, Councillor Carra, Councillor Mian, Councillor Sharp, Councillor Spencer, Councillor Walcott, Councillor Chabot, Councillor Demong, Councillor Dhaliwal, Councillor McLean, Councillor Pootmans, and Councillor Wong

**MOTION CARRIED**

Councillor Penner (Remote Member) left the meeting at 9:58 a.m.

- 7.3 Standing Budget Item: City-Wide Growth and Local Access Fee Developments (Verbal), EC2024-0624

Councillor Chabot (Remote Member) left the meeting at 10:29 a.m.

**Moved by** Councillor Sharp

That with respect to Verbal Report EC2024-0624, the following be approved, **after amendment**:

That the Executive Committee recommend that Council receive **the presentation** for the Corporate Record.

For: (11): Mayor Gondek, Councillor Carra, Councillor Mian, Councillor Sharp, Councillor Spencer, Councillor Walcott, Councillor Demong, Councillor Dhaliwal, Councillor McLean, Councillor Pootmans, and Councillor Wong

**MOTION CARRIED**

- 7.4 Green Line Board Progress Report No. 2 (2024), EC2024-0485

The following documents were distributed with respect to Report EC2024-0485:

- Revised Attachment 3;
- Confidential Distribution 1; and
- Confidential Distribution 2.

**Moved by Councillor Walcott**

That pursuant to Sections 16 (Disclosure harmful to business interests of a third party), 24 (Advice from officials), 25 (Disclosure harmful to economic and other interests of a public body), and 27 (Privileged information) of the *Freedom of Information and Protection of Privacy Act*, Committee now move into Closed Meeting, at 10:55 a.m. in the Council Boardroom, to discuss confidential matters with respect to Item 7.4 Green Line Board Progress Report No. 2 (2024), EC2024-0485.

And further, that Committee authorize Don Fairbairn, Chair of the Green Line Board, to attend the Closed Meeting discussions with respect to Item 7.4 Green Line Board Progress Report No. 2 (2024), EC2024-0485.

And further, that pursuant to Section 6(1) of the Procedure Bylaw 35M2017, Committee suspend Section 78(2)(a) to forego the lunch recess to complete the Agenda.

For: (11): Mayor Gondek, Councillor Carra, Councillor Mian, Councillor Sharp, Councillor Spencer, Councillor Walcott, Councillor Demong, Councillor Dhaliwal, Councillor McLean, Councillor Pootmans, and Councillor Wong

**MOTION CARRIED**

People in attendance during the Closed Meeting discussions with respect to Report EC2024-0485:

Clerks: K. Martin, J. Fraser, and J. Booth. Chief Administrative Officer: D. Duckworth. Law: J. Floeh, D. Jakal, and L. Davies. Advice: S. Dalglish, C. Male, K. Black, T. Keane, D. Morgan, M. Thompson, D. Bhatti, S. Ganji, and W. Tynan. External: D. Fairbairn.

Councillor Chabot (Remote Member) joined the meeting at 10:55 a.m.

Councillor Penner (Remote Member) joined the meeting at 11:14 a.m.

Committee recessed in Closed Meeting at 11:52 a.m. and reconvened at 12:05 p.m. with Mayor Gondek in the Chair.

Councillor Penner (Remote Member) left the meeting at 12:05 p.m.

Committee reconvened in public meeting at 1:00 p.m. with Mayor Gondek in the Chair.

**ROLL CALL**

Councillor Carra, Councillor Chu, Councillor McLean, Councillor Mian, Councillor Penner, Councillor Pootmans, Councillor Spencer, Councillor Walcott, Councillor Wong, and Mayor Gondek

Absent from Roll Call: Councillor Sharp

**Moved by Councillor Penner**

That Committee rise without reporting.



**MOTION CARRIED**

**Moved by** Councillor Mian

That Committee recess the 2024 May 14 Regular Meeting of the Executive Committee to the Call of the Chair at 1:02 p.m.

And further, that pursuant to Sections 16 (Disclosure harmful to business interests of a third party), 24 (Advice from officials), 25 (Disclosure harmful to economic and other interests of a public body), and 27 (Privileged information) of the *Freedom of Information and Protection of Privacy Act*, Committee reconvene in Closed Meeting, at 1:04 p.m. in the Council Boardroom, to discuss confidential matters with respect to Item 7.4 Green Line Board Progress Report No. 2 (2024), EC2024-0485.

And further, that Committee authorize Don Fairbairn, Chair of the Green Line Board, to attend the Closed Meeting discussions with respect to Item 7.4 Green Line Board Progress Report No. 2 (2024), EC2024-0485.

For: (10): Mayor Gondek, Councillor Penner, Councillor Carra, Councillor Mian, Councillor Spencer, Councillor Walcott, Councillor Chu, Councillor McLean, Councillor Pootmans, and Councillor Wong

**MOTION CARRIED**

People in attendance during the Closed Meeting discussions with respect to Report EC2024-0485:

Clerks: K. Martin, J. Fraser, and J. Booth. Chief Administrative Officer: D. Duckworth. Law: J. Floen, D. Jakal, and L. Davies. Advice: S. Dalgleish, C. Male, K. Black, T. Keane, D. Morgan, M. Thompson, D. Bhatti, S. Ganji, and W. Tynan. External: D. Fairbairn.

Committee reconvened in public meeting at 2:09 p.m. with Mayor Gondek in the Chair.

**ROLL CALL**

Councillor Carra, Councillor Chabot, Councillor Chu, Councillor Demong, Councillor McLean, Councillor Mian, Councillor Penner, Councillor Pootmans, Councillor Sharp, Councillor Spencer, Councillor Walcott, Councillor Wong, Councillor Wyness, and Mayor Gondek

**Moved by** Councillor Sharp

That Committee rise and report.

**MOTION CARRIED**

**Moved by** Councillor Spencer

That with respect to Report EC2024-0485, the following be approved, **after amendment**:

That the Executive Committee **recommend that Council**:

1. Receive this Report for the Corporate Record;
2. **Adopt Confidential Recommendations contained in the Confidential Distribution 1;**
3. **Adopt the Confidential Recommendation in the Confidential Distribution 2; and**
4. Direct that the Closed Meeting discussions, Attachment 3, **Revised Attachment 3, and the Confidential Distributions** be held confidential pursuant to Sections 16 (Disclosure harmful to business interests of a third party), 24 (Advice from officials), 25 (Disclosure harmful to economic and other interests of a public body), and 27 (Privileged information) of the *Freedom of Information and Protection of Privacy Act*, not to be released.

For: (14): Mayor Gondek, Councillor Penner, Councillor Carra, Councillor Mian, Councillor Sharp, Councillor Spencer, Councillor Walcott, Councillor Chabot, Councillor Chu, Councillor Demong, Councillor McLean, Councillor Pootmans, Councillor Wong, and Councillor Wyness

**MOTION CARRIED**

8. ITEMS DIRECTLY TO COMMITTEE

8.1 REFERRED REPORTS

None

8.2 NOTICE(S) OF MOTION

None

9. URGENT BUSINESS

None

10. CONFIDENTIAL ITEMS

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

None

10.2 URGENT BUSINESS

None

11. BRIEFINGS

11.1 Calgary Economic Development – Economic Strategy Update, EC2024-0305

11.2 Calgary Exhibition and Stampede Limited – 2023 Credit Facility Update, EC2024-0368

11.3 Council Innovation Fund and Council Community Fund Status Update, EC2024-0541

11.4 Improving the Customer Experience with City Service Requests, EC2024-0440

12. ADJOURNMENT

**Moved by** Councillor Demong

That this meeting adjourn at 2:11 p.m.

**MOTION CARRIED**

The following Items have been forwarded to the 2024 May 28 Regular Meeting of Council:

CONSENT AGENDA

- Council Community Fund Application – Calgary Parkland Community Association, EC2024-0433
- Amendments to the Council Policy on Governance and Appointments of Boards, Commissions and Committees, EC2024-0376
- Standing Budget Item: City-Wide Growth and Local Access Fee Developments (Verbal), EC2024-0624
- Green Line Board Progress Report No. 2 (2024), EC2024-0485

The next Regular Meeting of the Executive Committee is scheduled to be held on 2024 June 11 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON

---

CHAIR

---

CITY CLERK



**Operational Services Deferral Request to  
Executive Committee  
2024 June 11**

Item # 5.1.1  
**ISC: UNRESTRICTED  
EC2024-0693**

**Deferral Request – Calgary Parking Financial Policies in Response to EC2023-0464 and C2023-1148, from Q2 2024 to Q3 2024**

---

**PREVIOUS COUNCIL DIRECTION**

This report was Administration-initiated, but it also responds to two motions from Council scheduled for report back to the Infrastructure and Planning Committee in Q2 2024:

1. EC2023-0464, which requests Administration explore options to fund programs in the Streets service line with on-street parking revenues.
2. The motion arising from C2023-1148, which directs Administration to bring recommendations that direct net revenues generated through the Market Permit program to support community associations within RPP zones through the existing Parking Revenue Reinvestment Program.

Through this deferral, it is recommended that the work be redirected to the Executive Committee given the content of the policies.

**STATUS UPDATE**

The report is largely complete. The proposed recommendations have been developed and the process of internal engagement is underway. Changes to the Parking Revenue Reinvestment Program are proposed as part of the work. Administration has met with Business Improvement Areas to share the proposed changes and is in the process of connecting with participating Community Associations to inform them of the changes.

**OUTSTANDING WORK**

Additional time is required to complete internal engagement on the proposed recommendations, as availability was limited due to competing demands for staff across the corporation.

**REPORT BACK TIMELINES**

The report is expected to be at the 2024 July 23 Executive Committee meeting.

Author: Chris Blaschuk, Mobility  
General Manager Doug Morgan concurs with the information in this deferral request.



People, Innovation & Collaboration Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0535

## **Council Policy Program Policy Amendments**

---

### **PURPOSE**

The purpose of this report is to seek Council approval of a housekeeping amendment to the *Council Policy Program policy*.

### **PREVIOUS COUNCIL DIRECTION**

As part of Notice of Motion [EC2022-0828](#) *Reducing Barriers and Becoming More Efficient with The Service Policy and Governance Program*, Council directed Administration to “establish a Service Policy and Governance program with the Corporate Governance service line.” One of the benefits of this direction was to increase alignment between the Administration Policy Program, which the Corporate Governance service was already responsible for, and the Council Policy Program.

### **RECOMMENDATION:**

That the Executive Committee recommend that Council approve the amended Council Policy Program policy.

### **CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS**

The General Manager of People, Innovation & Collaboration Services concurs with this report.

### **HIGHLIGHTS**

The amendment is to remove the Council Policy template from the Policy document itself. This will enable more efficient improvements to the Council Policy template and increase its alignment with the Administrative Policy template.

### **DISCUSSION**

The *Council Policy Program policy* and the *Administration Policy Program policy* support good governance by establishing procedures for creating, approving, reviewing and rescinding Council and Administrative policies, respectively.

As part of Council’s direction in Notice of Motion EC2022-0828, Administration is seeking to increase alignment between the Council and Administrative policies. A key first step in that work is to create consistency between the templates for upcoming policy creation or revision.

To do this more efficiently, Administration is seeking to remove the Council Policy template (Schedule A) from the Council Policy Program policy to enable quicker updates to the template in support of Council’s direction. The template for Administration policies is not included in the Administration Policy Program policy so this change increases consistency between those two related policies.

Amendments to a Council policy require Council’s approval. The Council policy template is included as Schedule A within the Council Policy Program policy and as such removal of that schedule requires Council’s approval.

People, Innovation & Collaboration Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0535

### **Council Policy Program Policy Amendments**

---

By removing the template from the Policy itself, Administration will be able to collaborate on improvements and alignment of the Council policy template without requiring Council approval each time.

As part of ongoing improvements to the Governance & Policy program, Corporate Governance is actively engaging with policy leads to gather feedback on improvement opportunities and to align with our common goals for policy improvement.

#### **EXTERNAL ENGAGEMENT AND COMMUNICATION**

- |  |   |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken        | <input type="checkbox"/> Dialogue with interested parties was undertaken                |
| <input type="checkbox"/> Public/interested parties were informed | <input checked="" type="checkbox"/> Public communication or engagement was not required |

#### **IMPLICATIONS**

##### **Social**

N/A

##### **Environmental**

N/A

##### **Economic**

N/A

##### **Service and Financial Implications**

##### **No anticipated financial impact**

N/A

#### **RISK**

If the proposed amendments are not approved, improvements and updates to the Council Policy template will be delayed as Administration will need to return to Committee and Council with each desired change.

#### **ATTACHMENT**

1. Proposed Council Policy Program Policy – Redline version

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform

Author: Paul Taylor, Service Excellence Manager and Corporate Governance Service Director





## Council Policy

**Policy Title:** Council Policy Program  
**Policy Number:** CC046  
**Report Number:** LGT2015-0900  
**Adopted by/Date:** Council / 2015 December 07  
**Effective Date:** 2016 January 01  
**Last Amended:** N/A  
**Policy Owner:** Corporate Governance

### 1. POLICY STATEMENT

- 1.1 The City of Calgary Council (Council) adopts Council policies to promote good governance and ensure a consistent and transparent provision and operation of services, programs, and facilities that are either necessary or desirable for The City of Calgary.
- 1.2 The Corporate Governance service is responsible for the administration and management of the Council Policy Program.
- 1.3 Council policies must be developed, amended, approved, maintained, reviewed, and rescinded in accordance with the procedures established in this Council policy.
- 1.4 Council policies must be available to Council, City Administration, and the general public to promote accountability, transparency, and openness.

### 2. PURPOSE

- 2.1 This Council policy establishes procedures for:
  - 2.1.1 developing, amending, approving, publishing, maintaining and rescinding Council policies; and
  - 2.1.2 a formal review of existing Council policies.

### 3. DEFINITIONS

- 3.1 In this Council policy:
  - a. "Administration Policy" means a written policy that has been approved by the Administration Leadership Team, focuses on the internal workings of The City as



a corporation, primarily impacts and addresses City employees and contractors. It states the minimum standards employees must follow;

- b. “Amending” means a substantive change to an existing Council policy that alters the meaning of any or all of the Council policy statement, purpose, applicability, responsibility or procedures;
- c. “Council policy” means a written policy that has been adopted by Council and provides strategic direction on governance, programs and services provided by The City of Calgary;
- d. “Council Policy Library” means an on-line repository of Council policies adopted by Council;
- e. “Executive Leadership Team” means the most senior group of The City of Calgary Administrative officials;
- f. “Policy Owner” means The City of Calgary service primarily responsible for the development, maintenance, and review of a Council policy. For the purpose of administering this Council policy, Policy Owner also means the Office of the Mayor, Council Services division and the City Auditor; and
- g. “Rescinding” means to withdraw an existing Council policy in its entirety that is outdated, superseded by a new Council policy, or has been combined with another Council policy.

#### **4. APPLICABILITY**

4.1 This Council policy:

4.1.1 Applies to all Council policies at The City of Calgary; and

4.1.2 Does not apply to Administration policies at The City of Calgary.

#### **5. LEGISLATIVE AUTHORITY**

5.1 Pursuant to Paragraph 201(1)(a) of the *Municipal Government Act*, RSA 2000 c. M-26 (“MGA”), Council is responsible for developing and evaluating the policies and programs of the municipality.



5.2 Pursuant to Section 153(b) of the MGA, Councillors have the duty to participate generally in developing and evaluating the policies and programs of the municipality.

## **6. PROCEDURE**

### **6.1 Developing or Amending a Council Policy**

- 6.1.1 Council may identify a municipal issue, objective or priority, and direct the development of a new Council policy or a review and amendment to an existing Council policy.
- 6.1.2 Any Standing Policy Committee, the Executive Committee, the Chief Administrative Officer, the General Managers, the City Auditor's Office, Office of the Mayor and Council Services division may recommend to Council that a new Council policy, or an amendment to an existing Council policy, is required.
- 6.1.3 Policy Owners must research, develop, and draft proposed Council policies or proposed amendments to existing Council policies as directed.
- 6.1.4 Proposed Council policies or proposed amendments to existing Council policies must be prepared using the Council Policy Template (~~Schedule A~~).

### **6.2 Council Policy Approval Process**

- 6.2.1 Proposed Council policies or proposed amendments to existing Council policies:
  - a. Must be forwarded to the Corporate Governance service for review;
  - b. May be forwarded to the Executive Leadership Team for information if the Council policy is developed by the Office of the Mayor, Council Services division, by resolution of Council under Section 6.1.1 above or the City Auditor;
  - c. Must be forwarded to the Executive Leadership Team, if the Council policy is developed by a City of Calgary Business Unit, for endorsement in the case of corporate and/or city wide significance;



- d. Must be forwarded to the Executive Leadership Team, if the Council policy is developed by a City of Calgary Business Unit, for information in all other cases; and
  - e. Must be forwarded to the appropriate Standing Policy Committee or Executive Committee prior to being submitted to Council.
- 6.2.2 Council is the final decision-making authority with respect to Council policies, and adopts or rejects recommendations for proposed new or amended Council policies.
- 6.2.3 Once a proposed Council policy or a proposed amendment to an existing Council policy is adopted by Council, the Policy Owner will:
- a. Incorporate any additional amendments made by Council; and
  - b. Submit the final adopted Council policy to Corporate Governance.

### **6.3 Rescinding a Council Policy**

- 6.3.1 Council may direct that any Council policy be rescinded.
- 6.3.2 Any Standing Policy Committee or the Executive Committee, the Chief Administrative Officer, the General Managers, the City Auditor's Office, Office of the Mayor and Council Services division may recommend to Council that a Council policy be rescinded.
- 6.3.3 Proposals to rescind an existing Council policy:
- a. Must be forwarded to the Corporate Governance service for review;
  - b. May be forwarded to the Executive Leadership Team for information if the Council policy is developed by the Office of the Mayor, Council Services division, by resolution of Council under Section 6.1.1 above or the City Auditor;
  - c. Must be forwarded to the Executive Leadership Team, if the Council policy is developed by a City of Calgary Business Unit, for endorsement in the case of corporate and/or city wide significance;



- d. Must be forwarded to the Executive Leadership Team, if the Council policy is developed by a City of Calgary Business Unit, for information in all other cases; and
- e. Must be forwarded to the appropriate Standing Policy Committee or Executive Committee prior to being submitted to Council.

6.3.4 Council is the final decision-making authority with respect to Council policies, and adopts or rejects recommendations to rescind a Council policy.

#### **6.4 Publication of Council Policies**

6.4.1 The Corporate Governance service will manage the Council Policy Library, and will:

- a. Maintain a record of Council policies adopted or rescinded by Council, and any subsequent revisions and amendments; and
- b. Publish and un-publish Council policies in the on-line Council Policy Library.

#### **6.5 Maintenance of Council Policies**

6.5.1 It is the responsibility of Policy Owners to maintain their Council policies, periodically reviewing them and providing Council with recommendations to amend or rescind existing Council policies, as required.

#### **6.6 Formal Council Policy Review**

6.6.1 Council policies must undergo a formal Council policy review every 4 years to determine relevance and alignment with Council's objectives, priorities and resolutions.

6.6.2 The Corporate Governance service will initiate a formal Council policy review every 4 years as follows:

- a. Policy Owners must review all of their existing Council policies in the first year of the formal Council policy review, and bring forward to Council proposals to amend or rescind Council policies, as required;
- b. For those Council policies requiring amending or rescinding, but which cannot be carried out in the first year of the formal Council policy review,



- Policy Owners must establish a timeline for completion prior to the next formal Council policy review;
- c. Policy Owners must report the timeline for completion to the Corporate Governance service in the first year of the formal Council policy review; and
  - d. The Corporate Governance service will report on the outcomes of the formal Council policy review, through the Executive Committee, in the first and fourth year of the formal Council policy review.

**7. SCHEDULE(S)**

~~7.1 — **Schedule A: Council Policy Template**~~

**8. AMENDMENT(S)**

Date of Council Decision	Report / Bylaw	Description
None		

**9. REVIEW(S)**

Date of Policy Owner's Review	Description
2024 June 04	As directed by EC2022-0828, changed responsibilities and ownership to reflect this change. Also updated titles, committee names, and team names. Remove schedule A.
2017 January 02	At the 2016 September 12 Combined Meeting of Council, Council disbanded the Legislative Governance Task Force, effective 2016 December 31. Any reference to the Legislative Governance Task Force has been deleted from this Council policy, and where applicable, been replaced with the Priorities and Finance Committee (PFC).



**Schedule A**

**Council Policy Template**

**Policy Title:** ~~Council Policy Title~~

**Policy Number:** ~~Assigned by the City Clerk's Office~~

**Report Number:** ~~Reports going to Committee / Council~~

**Adopted by/Date:** ~~Council / Date Council policy was adopted~~

**Effective Date:** ~~The date adopted, or a later date if directed by Council~~

**Last Amended:** ~~Date of last amendment~~

**Policy Owner:** ~~Responsible for the development, maintenance, and review of a Council policy~~

1. ~~POLICY STATEMENT (Mandatory)~~
2. ~~PURPOSE (Mandatory)~~
3. ~~DEFINITIONS (Optional)~~
4. ~~APPLICABILITY (Mandatory)~~
5. ~~LEGISLATIVE AUTHORITY (Optional)~~
6. ~~PROCEDURE (Mandatory)~~
7. ~~SCHEDULE(S) (Optional)~~
8. ~~AMENDMENT(S) (Mandatory)~~

<del>Date of Council Decision</del>	<del>Report / Bylaw</del>	<del>Description</del>

9. ~~REVIEW(S) (Mandatory)~~

<del>Date of Policy Owner's Review</del>	<del>Description</del>





Corporate Planning & Financial Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0694

## **Council Funds Terms of Reference Update and Alignment**

---

### **PURPOSE**

The purpose of this report is to revise the Terms of Reference (ToR) for both the Council Innovation Fund (CIF) and the Council Community Fund (CCF), to clarify Administrative processes and to accurately reflect the changes to the organizational structure and committee names.

### **PREVIOUS COUNCIL DIRECTION**

On 2024 February 27, Council approved report [EC2024-0131](#), directing Administration to update the Terms of Reference for the Council Community Fund and the Council Innovation Fund to clarify administrative processes and return to Council through the Executive Committee no later than Q2 2024.

### **RECOMMENDATION:**

That the Executive Committee recommend that Council approve the updated Terms of Reference for the Council Innovation Fund (Attachment 2) and the Council Community Fund (Attachment 3).

### **CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS**

Carla Male, Chief Financial Officer and General Manager of Corporate Planning and Financial Services concurs with this report.

### **HIGHLIGHTS**

- The ToR for both the CIF and CCF have not been updated since 2019, resulting in a misalignment with the current organizational structure.
- Interim website processes were introduced to bridge the gap between the outdated ToR and the current structure, which led to some confusion.
- Through the CCF report back (EC2024-0131), Administration identified process improvements that would clarify the roles and responsibilities of the applicant, Administration and the Ward Office.
- Although the application criteria remains unchanged, the proposed updated ToR for both CIF and CCF aim to provide clearer processes and simplify application and reporting procedures.

### **DISCUSSION**

The Council Innovation Fund (CIF), established in 2011, was intended to foster innovative projects aligned with Council's goals. In March 2018, Administration proposed broadening the CIF to encompass community projects, prompting the Committee to advocate for a separate fund specifically for such projects.

On 2019 April 02, the Terms of Reference for the CIF were refined while still maintaining flexibility to support a wide variety of projects and a new ToR for a Council Community Fund

## **Council Funds Terms of Reference Update and Alignment**

---

was approved, creating a fund which was specifically designed to support community-based projects that enhance and enrich communities.

The City of Calgary implemented its Organizational Realignment in 2022 as part of the “Rethink to Thrive” strategy. This initiative led to significant changes in positions, functions across the Corporation and department structure.

To address discrepancies with the procedures established in 2019, Administration detailed an updated process on the City of Calgary website. While it served as an interim measure, there was a need to update the ToR for both Council funds to align them with current administrative processes. It’s important to note that the application criteria for the funds weren’t changed through this update, however, Administration sought to enhance the application process in several ways:

- **Clarity and Guidance:** The revised ToR will provide clearer instructions and guidelines for applicants. This clarity will help applicants understand the application requirements, eligibility criteria, and evaluation process more effectively.
- **Standardization:** By aligning the ToR with current administrative processes, the application process becomes more standardized. Consistent procedures ensure that all applicants are treated fairly and transparently.
- **Efficiency:** Streamlined processes reduce ambiguity. Applicants will spend less time deciphering requirements and more time focusing on their project proposals.

## **EXTERNAL ENGAGEMENT AND COMMUNICATION**

- |  |   |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken        | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed | <input type="checkbox"/> Public communication or engagement was not required        |

The Council approved report, Council Community Fund Report Back – Hawkwood Community Association (EC2024-0131) outlined a number of lessons learned that helped Administration identify areas of focus to enhance the application process.

## **IMPLICATIONS**

### **Social**

Not applicable

### **Environmental**

Not applicable

### **Economic**

Not applicable

## **Council Funds Terms of Reference Update and Alignment**

---

### **Service and Financial Implications**

#### **No anticipated financial impact**

There is no anticipated financial impact as a result of this report. The current uncommitted balances in the funds is:

- Council Innovation Fund: \$2.315 million
- Council Community Fund: \$125 thousand

### **RISK**

The proposed Terms of Reference (ToR) for the Council Innovation Fund (CIF) and Council Community Fund have been enhanced, but the application criteria remains unchanged, maintaining the existing flexibility to accommodate a diverse range of projects. Council will continue to hold approval authority over withdrawals from the Council funds. Considering the positive track record of the Council funds, the risk associated with approving the updated ToR is low.

To ensure both funds are used responsibly and equitably, the \$500 thousand limit per application has been maintained. However, in the current economic climate, it is unlikely that there will be a funding source available to replenish the CIF and CCF in the short to medium-term.

### **ATTACHMENTS**

1. Background and Previous Council Direction
2. Terms of Reference for the Council Innovation Fund – For Approval
3. Terms of Reference for the Council Community Fund – For Approval
4. Council Innovation Fund Terms of Reference Proposed Amendments
5. Council Community Fund Terms of Reference Proposed Amendments

#### Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Carla Male, Chief Financial Officer and General Manager	Corporate Planning and Financial Services	Approve
Katie Black, General Manager	Community Services	Inform



# Background and Previous Council Direction

## Background

The Council Innovation Fund (CIF) was established in 2011 to foster innovative projects aligned with Council's goals. In 2019, the Terms of Reference (ToR) for the CIF were refined and a new ToR for a Council Community Fund (CCF) was approved, creating a fund specifically designed to support community-based projects.

## Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2024 February 27	<a href="#">EC2024-0131</a>	<p>COUNCIL COMMUNITY FUND REPORT BACK – HAWKWOOD COMMUNITY ASSOCIATION</p> <p>That the Executive Committee recommend that Council:</p> <ol style="list-style-type: none"> <li>1. Direct Administration to update the Terms of Reference for the Council Community Fund and the Council Innovation Fund to clarify administrative processes and return to Council through the Executive Committee no later than Q2 2024;</li> <li>2. Reconsider its decision with respect to Report PFC2021-1237, Recommendation 2; and:               <ol style="list-style-type: none"> <li>a. Direct that Administration report back to the Executive Committee within 12 months of project completion; and,</li> </ol> </li> <li>3. Reconsider its decision with respect to Report EC2022-0689, Recommendation 2; and:               <ol style="list-style-type: none"> <li>a. Direct that Administration to report back to the Executive Committee within 12 months of project completion.</li> </ol> </li> </ol>
2019 April 29	<a href="#">PFC2019-0381</a>	<p>PROPOSED APPROACH TO COUNCIL INNOVATION FUND UPDATE</p> <p>Council approved updates to the CIF Terms of Reference and introduced a new fund dedicated to community-driven projects called the Council Community Fund (CCF). The revised Terms of Reference for the Council Community Fund can be found on Attachment 2. The proposal for funding must demonstrate credibility, fiscal responsibility and good management which will be important considerations in the evaluation of applications.</p>



## TERMS OF REFERENCE FOR THE COUNCIL INNOVATION FUND

### Purpose of the Fund

The Council Innovation Fund (CIF) provides non-repayable financial support for **innovation** projects that aim to improve quality of life in Calgary.

### Innovation Definition

For the purposes of the CIF, **innovation** is defined as:

*The translation of ideas into new or improved services, products, processes, or social interaction, that create value for the community.*

### Guidelines

#### 1. Types of Funding Applications

Applications may be submitted for:

- a) Startup project grant (up to \$500,000).
- b) Pilot project grant (up to \$500,000)

#### 2. Criteria for Successful Funding Applications

Funding applications should demonstrate that the proposal:

- a) meets the **innovation** definition as set out in these Terms of Reference,
- b) supports Council's priorities,
- c) has the potential to change city-wide policies and procedures, if successful upon implementation,
- d) is viable and sustainable in the long term,
- e) is fiscally sound,
- f) will be managed well, and
- g) has not previously received a CIF grant.

#### 3. Process for Funding Applications

This process will be followed for all applications.

- a) Registered charities or non-profit organizations in good standing may work with relevant City business units to prepare applications for the CIF grant, which must be sponsored by a member of Council prior to submission to the Chief Financial Office,
  - Alternatively, a member of Council may work with the relevant City business unit directly to prepare and sponsor an application, prior to submission to the Chief Financial Office.
- b) The City business unit must ensure the application is aligned with the Terms of Reference and use of funds.
- c) The City business unit must obtain written Councillor support for the project.
- d) The City business unit will advise the Sr. Executive Advisor to the CFO of their intent to write a report and enquire about available funding. Should requests exceed available funding it would

be Council who determines how much a project is funded and or if a project is funded.

- e) The City business unit will write a cover report detailing the project and request for funds.
  - Reports are sent to the CFO (through the Sr. Executive Advisor) for review and approval at least 6 weeks in advance of the preferred Executive Committee meeting.
  - The attachments to the cover report must include the completed [application form](#) and a detailed project budget outline and any other relevant or associated documents.
- f) The City business unit will be responsible for requesting that the item be added to the Executive Committee agenda, obtaining all business unit and General Manager sign offs for the report, and notifying the Sr. Executive Advisor to the CFO of the Committee date.

#### **4. Application Outcome**

If Approved:

If the application is approved by Council, The City business unit will develop a funding agreement with the applicant, outlining expectations and reporting requirements, and directing that any unused monies are returned back to the fund.

Once the agreement is executed, a copy is provided to the Chief Financial Officer's area (Sr. Executive Advisor) and the Finance team supporting the Community Services department.

If Not Approved:

If the application is not approved by Council, The City business unit will notify the applicant accordingly.

#### **5. Reporting Back to Council on Use of Funds**

- a) Within 12 months of project completion, or as otherwise directed by Council, the supporting City business unit must report back to Executive Committee on how the funds were used and highlight the various aspects of the project (e.g., outcomes, success, challenges).
  - Unless otherwise directed by Council, the report back will be through a Briefing Report.
- b) The City business unit will be responsible for adding the report to the agenda for Executive Committee and then will advise the Sr. Executive Advisor to the CFO of this date.
- c) Once the report is finalized The City business unit obtains appropriate business unit and Department approvals. The report then proceeds through Executive Committee.

#### **6. Annual Reporting and Fund Replenishment**

- a) The Finance team supporting the Community Services Department will annually prepare a Briefing Report that provides the financial update of the Council Innovation Fund and Council Community Fund as of year-end and provides an overview of the Council approved projects.
- b) The report is approved by Finance and the Chief Financial Officer.
- c) Council may review the financial status of the CCF and direct that additional funding be allocated during The City's four-year service plans and budget or adjustments processes.



## TERMS OF REFERENCE FOR THE COUNCIL COMMUNITY FUND

### Purpose of the Council Community Fund

The Council Community Fund (CCF) provides non-repayable financial support for **community-based** projects that improve quality of life in Calgary.

### Community-based Definition

For the purposes of the CCF, **community-based** is defined as:

*A project that is organized locally, takes place locally and benefits the local community.*

### Guidelines

#### 1. Types of Funding Applications

Applications may be submitted for:

- a) New project grant (up to \$500,000).
- b) Project completion grant (up to \$500,000).

#### 2. Criteria for Successful Funding Applications

Funding applications should demonstrate that the proposal:

- a) meets the **community-based** definition as set out in these Terms of Reference,
- b) supports Council's priorities,
- c) has the potential to change city-wide policies and procedures, if successful upon implementation,
- d) is viable and sustainable in the long term,
- e) is fiscally sound,
- f) will be managed well, and
- g) has not previously received a CCF grant.

Funding applications that demonstrate local community fundraising and leveraging of other funding sources and support will receive additional consideration.

#### 3. Process for Funding Applications

All applications will follow this process.

- a) Registered charities or non-profit organizations in good standing may work with relevant City business units to prepare applications for the CCF grant, which must be sponsored by a member of Council prior to submission to the Chief Financial Office.
  - Alternatively, a member of Council may work with the relevant City business unit directly to prepare and sponsor an application, prior to submission to the Chief Financial Office.
- b) The City business unit must ensure the application is aligned with the Terms of Reference and use of funds.
- c) The City business unit must obtain written Councillor support for the project.

- d) The City business unit will advise the Sr. Executive Advisor to the CFO of their intent to write a report and enquire about available funding. Should requests exceed available funding it would be Council who determines how much a project is funded and or if a project is funded.
- e) The City business unit will write a cover report detailing the project and request for funds.
  - Reports are sent to the CFO (through the Sr. Executive Advisor) for review and approval at least 6 weeks in advance of the preferred Executive Committee meeting.
  - The attachments to the cover report must include the completed [application form](#) and a detailed project budget outline and any other relevant or associated documents.
- f) The City business unit will be responsible for requesting that the item be added to the Executive Committee agenda, obtaining all business unit and General Manager sign offs for the report, and notifying the Sr. Executive Advisor to the CFO of the Committee date.

#### **4. Application Outcome**

If Approved:

If the application is approved by Council, the City business unit will develop a funding agreement with the applicant, outlining expectations and reporting requirements, and directing that any unused monies are returned back to the fund.

Once the agreement is executed, a copy is provided to the Chief Financial Officer's area (Sr. Executive Advisor) and the Finance team supporting the Community Services department.

If Not Approved:

If the application is not approved by Council, The City business unit will notify the applicant accordingly.

#### **5. Reporting Back to Council on Use of Funds**

- a) Within 12 months of project completion, or as otherwise directed by Council, the supporting City business unit must report back to Executive Committee on how the funds were used and highlight the various aspects of the project (e.g., outcomes, success, challenges).
  - Unless otherwise directed by Council, the report back will be through a Briefing Report.
- a) The City business unit will be responsible for adding the report to the agenda for Executive Committee and then will advise the Sr. Executive Advisor to the CFO of this date.
- b) Once the report is finalized The City business unit obtains appropriate business unit and Department approvals. The report then proceeds through Executive Committee.

#### **6. Annual Reporting and Fund Replenishment**

- a) The Finance team supporting the Community Services Department will annually prepare a Briefing Report that provides the financial update of the Council Innovation Fund and Council Community Fund as of year-end and provides an overview of the Council approved projects.
- b) The report is approved by Finance and the Chief Financial Officer.
- c) Council may review the financial status of the CCF and direct that additional funding be allocated during The City's four-year service plans and budget or adjustments processes.

## TERMS OF REFERENCE FOR THE COUNCIL INNOVATION FUND

### Purpose of the Fund

The Council Innovation Fund (CIF) provides non-repayable financial support for **innovation** projects that aim to improve quality of life in Calgary.

### Innovation Definition

For the purposes of the CIF, **innovation** is defined as:

*The translation of ideas into new or improved services, products, processes, or social interaction, that create value for the community.*

### Guidelines

#### 1. Types of Funding Applications

Applications may be submitted for:

- a) Startup project grant (up to \$500,000)
- b) Pilot project grant (up to \$500,000)

#### 2. Criteria for Successful Funding Applications

Funding applications should demonstrate that the proposal:

- a) meets the **innovation** definition as set out in these Terms of Reference,
- b) supports Council's priorities,
- c) has the potential to change city-wide policies and procedures, if successful upon implementation,
- d) is viable and sustainable in the long term,
- e) is fiscally sound,
- f) will be managed well, and
- g) has not previously received a CIF grant.

#### 3. Process for Funding Applications

This process will be followed for all applications.

- a) ~~Applications for CIF grant may be prepared by a variety of organizations and must be sponsored by a member of Council or prepared and~~ Registered charities or non-profit organizations in good standing may work with relevant City business units to prepare applications for the CIF grant, which must be sponsored by a member of Council prior to submission to the Chief Financial Office.
  - Alternatively, a member of Council may work with the relevant City business unit directly to prepare and sponsor an application, prior to submission to the Chief Financial Office.
- b) ~~The Chief Financial Office will be the point of contact for all applications.~~
- c) ~~The applicant must complete and submit a CIF application form to the Chief Financial Office. It is the applicant's responsibility to use the prescribed application form, describe the project in the~~

context of these guidelines, and include detailed documentation.

- ~~d) Applications should be submitted to the Chief Financial Office no later than six weeks in advance of the targeted Priorities and Finance Committee (PFC) meeting date.~~
- ~~e) The Chief Financial Office shall forward all applications to Council for review and approval, through a report to PFC. PFC will recommend approval or refusal to Council based on the criteria as set out in these Terms of Reference.~~
- ~~f) Applicants will be informed of the status of their application once Council has decided to approve or refuse the application.~~
- ~~g) Following application approval, a Contribution or Funding Agreement will be prepared for signing by the applicant and The City of Calgary, laying out the legally binding responsibilities and obligations of both parties. The Agreement will specify that the applicant must return any unused portion of a CIF grant to The City of Calgary.~~

- b) The City business unit must ensure the application is aligned with the Terms of Reference and use of funds.
- c) The City business unit must obtain written Councillor support for the project.
- d) The City business unit will advise the Sr. Executive Advisor to the CFO of their intent to write a report and enquire about available funding. Should requests exceed available funding it would be Council who determines how much a project is funded and or if a project is funded.
- e) The City business unit will write a cover report detailing the project and request for funds.
  - Reports are sent to the CFO (through the Sr. Executive Advisor) for review and approval at least 6 weeks in advance of the preferred Executive Committee meeting.
  - The attachments to the cover report must include the completed application form and a detailed project budget outline and any other relevant or associated documents.
- f) The City business unit will be responsible for requesting that the item be added to the Executive Committee agenda, obtaining all business unit and General Manager sign offs for the report, and notifying the Sr. Executive Advisor to the CFO of the Committee date.

#### 4. Application Outcome

If Approved:

- If the application is approved by Council, The City business unit will develop a funding agreement with the applicant, outlining expectations and reporting requirements, and directing that any unused monies are returned back to the fund.
- Once the agreement is executed, a copy is provided to the Chief Financial Officer's area (Sr. Executive Advisor) and the Finance team supporting the Community Services department.

If Not Approved:

If the application is not approved by Council, The City business unit will notify the applicant accordingly.

#### 5. Reporting Back to Council on Use of Funds

- a. Within 12 months of project completion, or as otherwise directed by Council, the supporting City business unit must report back to Executive Committee on how the funds were used and highlight

the various aspects of the project (e.g., outcomes, success, challenges).

- Unless otherwise directed by Council, the report back will be through a Briefing Report.
- b. The City business unit will be responsible for adding the report to the agenda for Executive Committee and then will advise the Sr. Executive Advisor to the CFO of this date.
- c. Once the report is finalized The City business unit obtains appropriate business unit and Department approvals. The report then proceeds through Executive Committee.

#### 4. **Annual Reporting and Fund Replenishment**

- ~~a) Successful applicants must submit an update report to the Chief Financial Office indicating how the CIF grant was spent and the outcomes of the project, within 12 months of the project end-date.~~
- ~~b) The Chief Financial Office shall submit a summary report to Council through PFC annually, on CIF grants and the overall status of the CIF.~~
- ~~c) A CIF summary report identifying all projects, project approval dates, project budgets and total fund expenses, shall be included in the four-year service planning and budget process.~~
- ~~d) Council may review the financial status of the CIF as part of The City's four-year service planning and budget discussions and direct that additional funding be allocated to the CIF.~~
- a) The Finance team supporting the Community Services Department will annually prepare a Briefing Report that provides the financial update of the Council Innovation Fund and Council Community Fund as of year-end and provides an overview of the Council approved projects.
- b) The report is approved by Finance and the Chief Financial Officer.
- c) Council may review the financial status of the CCF and direct that additional funding be allocated during The City's four-year service plans and budget or adjustments processes.



## TERMS OF REFERENCE FOR THE COUNCIL COMMUNITY FUND

### Purpose of the Council Community Fund

The Council Community Fund (CCF) provides non-repayable financial support for **community-based** projects that improve quality of life in Calgary.

### Community-based Definition

For the purposes of the CCF, **community-based** is defined as:

*A project that is organized locally, takes place locally and benefits the local community.*

### Guidelines

#### 1. Types of Funding Applications

Applications may be submitted for:

- a) New project grant (up to \$500,000).
- b) Project completion grant (up to \$500,000).

#### 2. Criteria for Successful Funding Applications

Funding applications should demonstrate that the proposal:

- a) meets the **community-based** definition as set out in these Terms of Reference,
- b) supports Council's priorities,
- c) is viable and sustainable in the long term,
- d) is fiscally sound,
- e) will be managed well, and
- f) has not previously received a CCF grant.

Funding applications that demonstrate local community fundraising and leveraging of other funding sources and support will receive additional consideration.

#### 3. Process for Funding Applications

All applications will follow this process.

- a) ~~Applications for CCF grant may be prepared by registered charities or non-profit organizations in good standing and~~ **Registered charities or non-profit organizations in good standing may work with relevant City business units to prepare applications for the CCF grant, which must be sponsored by a member of Council or prepared and sponsored by a member of Council prior to submission to the Chief Financial Office.**
  - **Alternatively, a member of Council may work with the relevant City business unit directly to prepare and sponsor an application, prior to submission to the Chief Financial Office.**
- b) ~~The Chief Financial Office will be the point of contact for all Council sponsored applications.~~
- c) ~~The applicant must complete and submit a CCF application form to the Chief Financial Office. It is the applicant's responsibility to use the prescribed application form, describe the project in the~~

~~context of these guidelines, include detailed documentation, and obtain Council sponsorship.~~

- ~~d) Applications should be submitted to the Chief Financial Office no later than six weeks in advance of the targeted Priorities and Finance Committee (PFC) meeting date.~~
- ~~e) The Chief Financial Office shall forward all applications to Council for review and approval, through a report to the PFC. PFC will recommend approval or refusal to Council based on the criteria as set out in these Terms of Reference.~~
- ~~f) Applicants will be informed of the status of their application once Council has decided to approve or refuse the application.~~
- ~~g) Following application approval, a Contribution or Funding Agreement will be prepared for signing by the applicant and The City of Calgary, laying out the legally binding responsibilities and obligations of both parties. The Agreement will specify that the applicant must return any unused portion of a CCF grant to The City of Calgary.~~
- b) The City business unit must ensure the application is aligned with the Terms of Reference and use of funds.
- c) The City business unit must obtain written Councillor support for the project.
- d) The City business unit will advise the Sr. Executive Advisor to the CFO of their intent to write a report and enquire about available funding. Should requests exceed available funding it would be Council who determines how much a project is funded and or if a project is funded.
- e) The City business unit will write a cover report detailing the project and request for funds.
  - Reports are sent to the CFO (through the Sr. Executive Advisor) for review and approval at least 6 weeks in advance of the preferred Executive Committee meeting.
  - The attachments to the cover report must include the completed application form and a detailed project budget outline and any other relevant or associated documents.
- f) The City business unit will be responsible for requesting that the item be added to the Executive Committee agenda, obtaining all business unit and General Manager sign offs for the report, and notifying the Sr. Executive Advisor to the CFO of the Committee date.

#### 4. Application Outcome

If Approved:

If the application is approved by Council, the City business unit will develop a funding agreement with the applicant, outlining expectations and reporting requirements, and directing that any unused monies are returned back to the fund.

Once the agreement is executed, a copy is provided to the Chief Financial Officer's area (Sr. Executive Advisor) and the Finance team supporting the Community Services department.

If Not Approved:

If the application is not approved by Council, The City business unit will notify the applicant accordingly.

#### 5. Reporting Back to Council on Use of Funds

- a) Within 12 months of project completion, or as otherwise directed by Council, the supporting City business unit must report back to Executive Committee on how the funds were used and highlight the various aspects of the project (e.g., outcomes, success, challenges).



- Unless otherwise directed by Council, the report back will be through a Briefing Report.
- a) The City business unit will be responsible for adding the report to the agenda for Executive Committee and then will advise the Sr. Executive Advisor to the CFO of this date.
- b) Once the report is finalized The City business unit obtains appropriate business unit and Department approvals. The report then proceeds through Executive Committee.

## 6. Annual Reporting and Fund Replenishment

- ~~a) Successful applicants must submit an update report to the Chief Financial Office indicating how the CCF grant was spent and the outcomes of the project, within 12 months of the project end-date.~~
- ~~b) The Chief Financial Office shall submit a summary report to Council through PFC annually, on CCF grants and the overall status of the CCF.~~
- ~~c) A CCF summary report identifying all projects, project approval dates, project budgets and total fund expenses, shall be included in the four-year service planning and budget process.~~
- ~~d) Council may review the financial status of the CCF as part of The City's four-year service planning and budget discussions and direct that additional funding be allocated to the CCF.~~
- a) The Finance team supporting the Community Services Department will annually prepare a Briefing Report that provides the financial update of the Council Innovation Fund and Council Community Fund as of year-end and provides an overview of the Council approved projects.
- b) The report is approved by Finance and the Chief Financial Officer.
- c) Council may review the financial status of the CCF and direct that additional funding be allocated during The City's four-year service plans and budget or adjustments processes.



Planning & Development Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0383

## **Heritage Incentive Reserve Terms of Reference Update**

---

### **PURPOSE**

The purpose of this report is to recommend changes to the Heritage Incentive Reserve's Terms of Reference to make the Heritage grant funding more responsive to the needs of property owners, more effective in addressing urgent conservation concerns and more efficient to administer.

### **PREVIOUS COUNCIL DIRECTION**

On 2012 July 03, through PFC2012-0159, Council approved a revised program for the Heritage Incentive Reserve, expanding eligibility to residential properties and creating the Terms of Reference which governs the administration of the grant program.

Additional previous council direction is listed in Attachment 1.

### **RECOMMENDATION:**

That Executive Committee recommend that Council adopt, by resolution, the Terms of Reference for the Heritage Incentive Reserve (Attachment 2).

### **CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS**

Acting General Manager Debra Hamilton concurs with this report. Updating the Heritage Incentive Reserve will improve The City of Calgary's ability to support property owners in conserving our heritage for the benefit of Calgarians both today and long into the future.

### **HIGHLIGHTS**

- Improving the flexibility and responsiveness of the Historic Resources Conservation grant program, Administration makes Municipal Historic Resource designation a more attractive option for heritage property owners.
- The proposed changes reflect the lessons learned by Administration from ten years of managing the Heritage Incentive Reserve.
- The updated Terms of Reference changes the formula which determines the maximum funding available to a heritage property by eliminating reference to assessed property values, which has had the unintended consequence of limiting grant amounts to deserving properties.
- Creating documents that separate the strategy and administration of the Heritage Incentive Reserve allows processes to be updated more frequently in alignment with other City programs.

### **DISCUSSION**

The Heritage Incentive Reserve was established by Council to be the mechanism used by Administration to support the conservation of privately-owned Heritage Resources. Heritage Resources are sites that have been identified as possessing significant heritage value, and whose preservation is considered to be to the greater benefit of Calgarians. Most Heritage Resources are residential, commercial or industrial buildings, but they can also be landscaped

## **Heritage Incentive Reserve Terms of Reference Update**

---

features and open spaces. Heritage Resources are included on the Inventory of Evaluated Historic Resources, a list of evaluated Heritage Resources managed by civic partner Heritage Calgary. Inclusion on the Inventory of Historic Resources does not bar the renovation or demolition of a Heritage Resource. Only Heritage Resources whose owners have chosen to declare the resource a Municipal Historic Resource have legal protections in place to prevent demolition or major alterations.

The Terms of Reference supply the framework for how funds from the Heritage Incentive Reserve (the “Reserve”) may be used. Until this update, the Reserve has been the mechanism to provide the funding for projects under one grant, The Historic Resources Conservation Grant, with two grant streams under it: The Non-Residential Conservation Grant and the Residential Conservation Grant. Both grant streams are available only to owners of property designated as a Municipal Historic Resources under the Alberta Historical Resources Act and to Heritage Resources in the process of becoming municipally designated.

There are three key changes to the Terms of Reference introduced in this update.

**Key change 1:** Strategy and goals will be separated from administrative information.

Prior to this update, all information and guidelines pertaining to the Historic Resources Conservation Grant Program, and each of the grant streams, were included in the Heritage Incentive Reserve’s Conditions and Restrictions. This information has been removed from the Conditions and Restrictions and moved into two new documents: the Terms of Reference (Attachment 2 - Heritage Incentive Reserve Terms of Reference) and the Grant Guidelines (Attachment 3 - Grant Guidelines). The Terms of Reference is intended to be approved by Council and contains information on the strategic vision of the Heritage Incentive Reserve. The Grant Guidelines are intended to be approved by Administration and will contain information regarding the implementation of the grant streams. Creating two separate documents clarifies the roles of Council and Administration in managing the Heritage Incentive Reserve, enables continuous improvement, and allows the City to quickly respond to the needs of heritage property owners.

**Key change 2:** Allowing Administration to respond to urgent conservation concerns.

Like all buildings, heritage buildings are sometimes unexpectedly damaged and need unscheduled repairs or maintenance. The current Heritage Incentive Reserve Conditions and Restrictions state that grant funds cannot be used for work completed before a Grant Agreement is finalized. The application and agreement process requires advance planning, which is not suitable for situations requiring emergency repairs. This has curtailed Administration’s ability to provide financial assistance for urgent conservation work. The proposed changes allow Administration to exercise discretion to allow grant funding to be used for completed work.

**Key change 3:** Introduction of a new grant stream for Heritage Assets

A Heritage Asset is a privately-owned structure, typically constructed before 1945, that retains a significant portion of its original form, scale, massing, window and door pattern, style, design, architectural details, and/or construction materials, as determined by visual assessment by Heritage Planning. A Heritage Asset may also be a Heritage Resource, but not all Heritage Assets are Heritage Resources. The Heritage Asset Retention Grant targets properties at risk of demolition, as well as heritage building owners who need assistance with small-scale renovation

## **Heritage Incentive Reserve Terms of Reference Update**

---

and maintenance projects. The intent of the new Heritage Asset Retention Incentive Grant is to make the retention of heritage properties more financially feasible and attractive to owners. The introduction of this grant stream will help offset redevelopment pressures and broadens the reach of the Heritage Incentive Reserve's programs to property owners who have not previously engaged with local heritage recognition and/or conservation programs.

The summary table provided (Attachment 4) lists all changes that have been proposed for the governance of the Heritage Incentive Reserve.

Upon approval of the updated Terms of Reference, Administration will complete the Grant Guidelines for the Heritage Asset Retention Incentive.

### **EXTERNAL ENGAGEMENT AND COMMUNICATION**

- |                                     |   |                                     |   |
|-------------------------------------|---|-------------------------------------|---|
| <input type="checkbox"/>            | Public engagement was undertaken        | <input type="checkbox"/>            | Dialogue with interested parties was undertaken     |
| <input checked="" type="checkbox"/> | Public/interested parties were informed | <input checked="" type="checkbox"/> | Public communication or engagement was not required |

Heritage Calgary was informed of the proposed changes to the Terms of Reference and provided a letter of support (Attachment 5).

Engagement on various incentives and the needs of heritage property owners was previously undertaken for the separate Heritage Conservation Tools and Incentives Report PUD2020-0758, as well as through additional engagement on the development of 'Layer 1' incentives (known as the Heritage Incentive Area) through 2022-23. The Heritage Asset Retention Incentive Grant proposed in this update responds to feedback received during the engagement for PUD2020-0758.

No further external engagement was conducted for this report as the proposed changes are administrative in nature.

### **IMPLICATIONS**

#### **Social**

Historic resources create a sense of place and strengthen the shared identity of Calgarians. They are key to fostering community and a feeling of pride and investment by community members. The proposed changes allow Administration to extend the benefits of the Historic Resources Conservation Grant program to a wider variety of properties in more areas of city.

#### **Environmental**

These recommendations will extend the reach of the Heritage Incentive Reserve, ultimately preserving more existing buildings and avoiding the environmental impacts associated with demolition, landfilling building material and construction of new buildings. Heritage conservation also helps retain embodied carbon and energy within our existing buildings, rather than requiring new carbon and energy to manufacture and transport building materials.

## Heritage Incentive Reserve Terms of Reference Update

---

### Economic

Flexible grant programs will distribute financial support more efficiently and effectively and have a greater positive local economic impact. The updated Terms of Reference allow for greater discretion in responding to urgent conservation requests, thus directing more funds towards Heritage Resource owners with the greatest financial need. The Heritage Asset Retention Incentive Grant is intended to spur homeowners to consider small maintenance and renovation projects. Together, these changes will create a positive economic impact for the skilled trades and specialized companies providing services in the heritage conservation sector.

### Service and Financial Implications

#### No anticipated financial impact

This report has no direct financial impacts. Funding for the Heritage Incentive Reserve will continue to be advanced through budget deliberations.

### RISK

If the updated Terms of Reference are not approved, there is a risk that conservation projects meeting the spirit and intent of the Reserve will be rejected. This could result in the loss of Heritage Resources and Assets that would otherwise be conserved through the updated Terms of Reference.

If the updates are successful in increasing the interest and number of grant applications, requests for funds could outstrip the funds available by a significant margin. Recent funding for heritage conservation grants has been insufficient to keep up with existing demand and, while Administration will continue to monitor application volumes, the loss of Calgary's heritage is more likely if funding is not aligned with demand.

### ATTACHMENTS

1. Previous Council Direction
2. Heritage Incentive Reserve Terms of Reference
3. Grant Guidelines
4. Summary of Changes Table
5. Heritage Calgary Letter of Support
6. Terms of Reference Presentation

#### Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Debra Hamilton	Planning and Development Services	Approve
Jill Floen	Law & Legislative Services	Consult
Carla Male	Chief Financial Officer	Inform

# Previous Council Direction Summary

## Heritage Incentive Reserve

### Context

The City of Calgary’s approach to heritage conservation is guided by the Municipal Development Plan and the Calgary Heritage Strategy. These documents highlight the value of heritage, the need to identify and protect heritage assets and the need to encourage heritage conservation through policy tools and financial incentives.

Matching grants provided through the Historic Resource Conservation Grant program serve as The City’s primary financial incentive for encouraging property owners to designate their properties as Municipal Historic Resources. This grant program is governed by the Heritage Incentive Reserve Terms of Reference, which was approved in 2002 and last updated in 2012.

The Heritage Incentive Reserve Terms of Reference governs how grant funds are distributed to owners undertaking heritage conservation work. The Terms of Reference has remained unchanged for over ten years. Updating the Terms of Reference would enhance flexibility for Administration, addressing barriers in accessing the grant and enabling the exploration of new options for utilizing the Heritage Incentive Reserve.

### Previous Council Direction

DATE	REPORT NUMBER	DIRECTION
2012 July 03	PFC2012-0159	<b>Calgary Heritage Strategy Revised Reserve Program</b> Approved proposed amendments to the Heritage Incentive Reserve brought additional Terms of References into effect, expanding grant eligibility to encompass residential homes designated as Municipal Historic Resources.
2009 December 10	FCS2010-01	<b>Financial Reserves Compliance Audit</b> Approved Recommendations require all policies and procedures for reserves be reviewed and updated to consistent standards and clear guidance for the administration of each reserve.
2008 February 04	LPT2007-64	<b>Calgary Heritage Strategy</b> Council adopted all Recommendations in the Strategy, including “Actions – Review existing incentives, particularly the Heritage Incentive Program (matching grant program) and make recommendations to Council to improve the effectiveness.”
2002 April 12	FB2002-27	<b>Proposed Heritage Incentive Program</b> Approved the formation of a heritage incentive reserve fund, to provide matching grants for commercial buildings designated as Municipal Historic Resources
1999 July 26	FB99-39	<b>Incentives for Heritage Preservation</b> Moved that the report’s Recommendations be adopted, which included approving in-principle the provision of financial incentives for certain commercial buildings designated as Municipal Historic Resources.





# TERMS OF REFERENCE

For the HERITAGE INCENTIVE RESERVE

## A Note on Terminology and Document Use

---

The job titles, department names and reporting structure referred to in this document may change in the future. When this document refers to Heritage Planning it means any employees whose responsibilities include the administration of grants for privately-owned Heritage Resources and Heritage Assets. When this document refers to the Manager, City Planning it means the manager responsible for supervising employees with heritage planning and grant administration responsibility.

These Terms of Reference are to be used in tandem with the Grant Guidelines in administering grants funded by the Heritage Incentive Reserve. The Terms of Reference describes the purpose of each grant funded by the Heritage Incentive Reserve, while the Grant Guidelines contain instructions on how to administer the processes required when distributing Heritage Incentive Reserve funds.

These Terms of Reference are intended to supersede all previous Council direction respecting the administration of the Heritage Incentive Reserve.

## Purpose

---

The Heritage Incentive Reserve (the Reserve) is an essential component The City of Calgary's efforts toward encouraging property owners to designate and conserve their heritage properties. The Reserve provides financial assistance to private owners acting as responsible stewards of Calgary's heritage.

The purpose of these Terms of Reference is to provide a basis to effectively administer the Reserve so it can provide a consistent mechanism to allow funding to be paid at the right time for approved projects to owners of heritage properties, in order to:

- promote the rehabilitation and economic re-use of privately-owned heritage properties,
- address inequities that property owners assume when rehabilitating heritage properties,
- revitalize and rehabilitate derelict or underutilized privately-owned heritage properties,
- promote the retention of heritage properties and their integration into evolving communities and commercial districts, and
- incentivize private owners of properties with identified heritage value to designate them as Municipal Historic Resources under the Historical Resources Act of Alberta.

The Reserve distributes grants to two types of heritage properties: Heritage Resources and Heritage Assets.

Heritage Resources are sites that have been identified as possessing significant heritage value, and whose preservation is considered to be to the greater benefit of Calgarians. Heritage Resources are included on the Inventory of Evaluated Historic Resources, a list of evaluated heritage properties managed by civic partner Heritage Calgary. Most Heritage Resources are residential, commercial, or industrial buildings, but they can also be landscaped features and open spaces.

A Heritage Asset is a privately-owned structure, typically constructed before 1945, that retains a significant portion of its original form, scale, massing, window and door pattern, style, design, architectural

details, and/or construction materials, as determined by visual assessment by Heritage Planning. A Heritage Asset may also be a Heritage Resource, but not all Heritage Assets are Heritage Resources.

## Grant Streams

---

The Heritage Incentive Reserve funds the Historic Resources Conservation Grant Program and the Heritage Asset Retention Incentive.

The Historic Resources Conservation Grant Program provides funding to two grant streams:

1. The Residential Grant stream. This grant provides funds to support City-approved conservation projects for privately-owned Heritage Resources originally constructed for residential use. Current residential use is not required for eligibility in this stream.
2. The Non-Residential Grant stream. This grant provides funds to support City-approved conservation projects for privately-owned Heritage Resources not eligible for the Residential Grant stream.

The Heritage Asset Retention Incentive grant stream provides funds for projects which support the retention of Heritage Assets.

## Grant Stream Conditions

---

1.0 The following conditions apply to both the **Residential Grant** stream and the **Non-Residential Grant** stream.

These grants are intended for Municipal Historic Resources designated under the Historical Resources Act, or Heritage Resources in the process of pursuing designation as a Municipal Historic Resource.

### Grant Application Evaluation and Approval Process

Grant applications submitted by Heritage Resource owners to the Heritage Conservation Grant Program are accepted on an ongoing basis and assessed for eligibility by Administration.

### Eligibility and Evaluation Criteria

To be eligible for the grant, the following criteria must be met:

- The applicant is the registered owner or is authorized to act for the registered owner of a Heritage Resource located within the municipal boundaries of the City of Calgary.
- The Heritage Resource must be designated as a Municipal Historic Resource under the Alberta Historical Resources Act or be subject to a legal agreement with The City which precludes the demolition of the resource and alteration of its character-defining elements.
- All municipal taxes and levies owing on the heritage resources must be in good standing at the time of application and the owner of the heritage resource must not have any other outstanding debts owing to the City of Calgary.

The following criteria must be used by Heritage Planning to evaluate all grant proposals in this stream:

- The grant application's adherence to heritage conservation best practices, in alignment with the Standards and Guidelines for the Conservation of Historic Places in Canada, as amended or replaced from time to time.
- The risk to the integrity or viability of the Heritage Resource at the time of application, as determined by Heritage Planning.
- The project's overall viability, including assessed risks, uncertainty associated with financing or the projected timeline, as determined by Heritage Planning.
- The order in which applications are received, with priority given to earlier applications.
- Any additional criteria established in the Grant Guidelines.

### **Grant Recommendations and Decisions**

Final grant recommendations will be made by Heritage Planning and approved by the Manager, City Planning. Successful applicants must, with the owner of the heritage resource if the applicant is not the owner, enter into a Grant Agreement with The City of Calgary, to the satisfaction of The City of Calgary, which will clearly outline the terms of the grant, including accountability and reporting requirements.

2.0 The following conditions apply to the **Heritage Asset Retention Incentive Grant** stream.

### **Grant Application Evaluation and Approval Process**

Grant proposals submitted by property owners to the Heritage Asset Retention Incentive program are accepted on an ongoing basis and assessed for eligibility by Heritage Planning.

### **Eligibility and Evaluation Criteria**

To be eligible for the grant, the following criteria must be met:

- The applicant is the registered owner or is authorized to act for the registered owner of a Heritage Asset located within the municipal boundaries of the City of Calgary.
- All municipal taxes and levies owing on the Heritage Asset (and the legal parcel on which the Heritage Asset is located) must be in good standing at the time of application and the owner of the Heritage Asset must not have any other outstanding debts owing to The City of Calgary.

The following criteria must be used to evaluate all grant proposals in this stream:

- The risk to the integrity or viability of the Heritage Asset at the time of grant application, as determined by Heritage Planning.
- The estimated timeline for project completion and the feasibility of the proposed timeline, as determined by Heritage Planning.
- The project's overall viability, including assessed risks, uncertainty associated with financing or the projected timeline, as determined by Heritage Planning.
- Any additional criteria established in the Grant Guidelines.

### **Grant recommendations and decisions**

Applications for grants will be assessed by Heritage Planning as they are received. Final grant recommendations will be made by Heritage Planning and approved by the Manager, City Planning. Successful applicants must, with the owner of the Heritage Resource if the applicant is not the owner, enter into a Grant Agreement with The City of Calgary, to the satisfaction of The City of Calgary, which will clearly outline the terms of the grant, including accountability and reporting requirements.

### **Grant Guidelines**

The Manager, City Planning may establish one or more Grant Guidelines that are consistent with these Terms of Reference for the Historic Resources Conservation Grant, Residential Grant stream, the Non-Residential Grant stream, and the Heritage Asset Retention Incentive Grant. Grant Guidelines may set out additional criteria, terms and conditions for these grant programs funded by the Heritage Incentive Reserve.

# Grant Guidelines

For all grants funded by the HERITAGE INCENTIVE RESERVE

## A Note on Terminology and Use of Document

---

The job titles, department names and reporting structure referred to in this document may change in the future. When this document refers to Heritage Planning it means any employees whose responsibilities include the administration of grants for privately-owned Heritage Resources and Heritage Assets. When this document refers to the Manager, City Planning it means the manager responsible for supervising employees with heritage planning and grant administration responsibility.

These Guidelines are to be used in tandem with the Heritage Incentive Reserve Terms of Reference.

## Terms and Conditions Applicable to All Grant Streams

---

1. The information provided in the grant application is collected for the purpose of evaluating eligibility for a grant from the Heritage Incentive Reserve. Any personal information collected in the grant application is collected pursuant to section 33(c) of the Alberta **Freedom of Information and Protection of Privacy Act**. All grant decisions, including the name of the grant recipient, the property to which it applies, and the amount of the grant will be available to the public. Any questions about the collection, use or disclosure of your personal information by the City of Calgary in relation to this program may be directed to the FOIP Program Administrator for Planning and Development at [plngbldg@calgary.ca](mailto:plngbldg@calgary.ca) or by telephone at 403-268-5311.
2. The City shall not be liable for any damages, injury or any loss of use or profit to the grant recipient arising out of, or in any way related to, the grant recipient's operations or use of grant funds. The grant recipient shall indemnify The City, its officers, employees and agents, against all costs, damages and expenses incurred as a result of any type of claim or proceedings related to the grant recipient's operations or use of grant funds, unless such costs, damages or expenses arise from the negligence or willful act of an officer, employee or agent of The City.
3. Approval of a grant application does not affect the grant recipients' obligation to determine and obtain all other approvals and permits that are required to undertake the project.
4. The City is entitled, at any time, to impose such additional terms and conditions on the eligibility of a grant applicant or the use of grant funds which, at its sole discretion, it deems appropriate.
5. The grant recipient shall keep and maintain all records, invoices and other documents relating to the grant in a manner consistent with generally accepted accounting principles and clerical practices and shall maintain such records for a period of five (5) years from the last date that any funds advanced pursuant to a fully executed Grant Agreement have been paid to the grant recipient by The City.
6. The grant recipient authorizes Heritage Planning staff and its agents at all reasonable times to inspect and copy any and all records, invoices and documents in the custody or control of the grant recipient which relate to the grant, for a period of five (5) years from the last date that any funds advanced pursuant to a fully executed Grant Agreement have been paid to the grant recipient by The City. This right of inspection includes the right to perform a full or partial audit of these records, as considered appropriate by the Heritage Planning staff.

7. The grant recipient shall, at the request of Heritage Planning staff, repay to the City the whole or any part of the grant, if, as determined by Heritage Planning staff, the grant recipient:
  - a. has knowingly provided false information in their grant application;
  - b. uses grant funds for purposes not approved by Heritage Planning staff; or
  - c. breaches any of the Grant Guidelines or the terms of a Grant Agreement for any Grant Stream.

## Grant Guidelines for the Historic Resources Conservation Grant – Residential and Non-Residential Grant Streams

---

### Terminology

8. Heritage Resources are sites that have been identified as possessing significant heritage value, and whose preservation is considered to be to the greater benefit of Calgarians. Heritage Resources are included on the Inventory of Evaluated Historic Resources, a list of evaluated heritage properties managed by civic partner Heritage Calgary. Most Heritage Resources are residential, commercial, or industrial buildings, but they can also be landscaped features and open spaces.
9. A Heritage Asset is a privately-owned structure, typically constructed before 1945, that retains a significant portion of its original form, scale, massing, window and door pattern, style, design, architectural details, and/or construction materials, as determined by visual assessment by Heritage Planning. A Heritage Asset may also be a Heritage Resource, but not all Heritage Assets are Heritage Resources.
10. A Residential property is defined as a structure that was originally created for low density residential use. The property may have originally been a single family, semi-detached, or duplex residential home.
11. A Non-Residential property is any property that does not meet the definition of a Residential property including, but not limited to, commercial buildings, apartment buildings, multi-residential buildings with more than 2 units, and industrial buildings.

### Grant Guidelines

#### Overview

The Residential and Non-Residential Grant streams of the Historic Resources Conservation Grant are intended to provide funds to support City-approved conservation projects for privately-owned Heritage Resources. Structures are classified as Residential or Non-Residential according to their original use rather than their current use.

A primary goal of the Residential and Non-Residential Grant stream is to encourage private owners to request to have their properties designated as a Municipal Historic Resource. Only after official designation is a property legally protected from demolition or major renovation which alter its historic character. As such, the Residential Grant stream is open only to properties which are included on the Inventory of Historic Resources and are either designated as Municipal Historic Resources or are in the process of obtaining municipal designation and have been protected in the interim by way of a legal agreement registered on title.

#### Funding Limits

The Residential and Non-Residential Grants are matching grants. The amount awarded is conditional, based on the amount contributed towards the project by the applicant.

Grants will cover a maximum of 50% of the approved project costs.

The maximum grant funding available:

- to Non-Residential Heritage Resources is \$1,000,000 in a 15-year period; and
- to Residential Heritage Resources is \$125,000 in a 15-year period.

Property owners or their authorized representative may apply for a grant once in a 5-year period. If an approved project receives less than the maximum funding available, the owners may apply for additional grants every 5 years, until the maximum is reached.

In exceptional circumstances, the Manager, City Planning, in their sole discretion, may approve additional funds above the 15-year maximum by subtracting the additional amount from the funds the Heritage Resource may be eligible for in future 15-year periods.

### **Grant Agreements**

If a grant application is approved, a Grant Agreement will be executed between The City and the applicant that will outline the approved work and any additional specifications of the approval beyond the requirements of the Grant Guidelines. Final and formal grant approval is not effective until the Grant Agreement has been fully executed.

### **Grant Agreement Amendments**

At the discretion of the Manager, City Planning, approved Grant Agreements may be amended to expand the approved scope of work and/or increase the total funding provided to the maximum applicable limit. The amendments may be subject to additional conditions at the discretion of the Manager, City Planning. Amended Grant Agreements must not provide funding above the maximum applicable limit.

### **Eligible Work**

Grants are intended to assist projects which:

- aim to safeguard the character-defining elements of a Heritage Resource;
- help the Heritage Resource retain its heritage value;
- help to extend the physical life and improve the overall condition of a Heritage Resource.

Heritage Planning will review applications to determine if the proposed work is eligible.

All proposed work on the eligible property must, unless otherwise waived in writing by Heritage Planning, conform to standards and best practices as expressed in the Standards and Guidelines for the Conservation of Historic Places in Canada, as amended from time to time.

Grant recipients must obtain all required regulatory approvals, including building and development permits, before start of work

Grant funds are intended to be awarded prior to conservation work being completed. In exceptional circumstances, the Manager, City Planning may approve funding for previously completed work that fulfills the goals of the programs and meets other eligibility requirements.

### **Ineligible Work**

New construction not directly required for the continued use of the Heritage Resource, e.g., additional floors, is not eligible for grant funding.

The grant recipient shall at their own expense correct any work that in the opinion of Heritage Planning staff does not conform to the approved project scope. No grant funds shall be paid for these purposes.

### **Applications**

Applicants will submit their applications to The City in accordance with a format established by the Manager, City Planning. Heritage Planning will review applications to determine if the proposed work is eligible.

Applications must include the following, to the satisfaction of Heritage Planning:

- plans, renderings (if applicable), and written statements of work to be completed;
- photos of the Heritage Resource's current condition;
- cost estimates for the work to be completed. Estimates must be provided by tradespeople with knowledge and experience in heritage conservation work.
- timeline of project milestones.

### **Payments**

The work contemplated in the Grant Agreement, including all payments thereunder, must be completed within 5 years of the date of the executed Grant Agreement, unless an extension is provided by Heritage Planning in writing. Extensions may only be provided at the discretion of Heritage Planning.

The grant recipient shall notify Heritage Planning staff of any proposed changes to the nature of, or budget for, the project and shall use the grant for such altered activities only with prior written consent of Heritage Planning staff.

Any unused portion of the approved grant remains the property of The City.

Grant monies will be paid subject to completion of the work as verified by Heritage Planning, and in accordance with the terms of the Grant Agreement. In exceptional circumstances, payments may be issued before work has been completed, at the discretion of Heritage Planning. In these cases, completion of work will be verified by Heritage Planning at a later date, and funds paid to the applicant shall be returned to The City if work is found to be incomplete.

## **Heritage Asset Retention Incentive Grant Stream**

---

### **Grant Guidelines**



## **Overview**

This goal of the Heritage Asset Retention Incentive grant stream is to encourage the retention of buildings with significant historic character which do not qualify for funding under the Residential or Non-Residential Grant streams. Many of these buildings will not meet the criteria to become Heritage Resources or Municipal Historic Resources but are still valued for their contributions to neighborhood character.

This grant will offer funds to private owners of Heritage Assets for conservation projects in exchange for their participation in a formal agreement precluding demolition or character-altering renovations for a period of 5 years.

## **Funding Limits**

The maximum grant amount available per Heritage Asset is \$20,000.

The applicant is not required to provide matching funds for the grant amount they are awarded.

Applicants may receive a Heritage Asset Retention Incentive Grant only once per eligible property.

If an applicant receives less than the maximum grant amount for the eligible property, they may not apply again to receive additional funds for that property.

Heritage Resource owners who have reached the maximum funding limit under the Residential Conservation Grant for a 5- or 15-year period for their eligible property may apply for a Heritage Asset Retention Incentive Grant. Heritage Resources which have not received the maximum amount under the Residential Conservation Grant must first apply for additional funds under that grant program.

Applicants with open Residential Conservation Grants for the same Heritage Asset (i.e., with an executed Grant Agreement and pending the payment of grant funds) may not apply under the Heritage Asset Retention Incentive program.

Non-Residential Heritage Resources are not eligible for funding under the Heritage Asset Retention Incentive Grant.

## **Grant Agreement**

If a grant application is approved, a Grant Agreement will be executed between The City and the applicant that will outline the approved work and any additional specifications of the approval beyond the requirements of the Grant Guidelines. Final and formal grant approval is not effective until the Grant Agreement has been fully executed.

## **Formal Agreement**

To receive funds under the Heritage Asset Retention Incentive Program, applicants must enter into a Grant Agreement with The City, to the satisfaction of The City, and register a restrictive covenant on the subject property which bars demolition of or character-altering renovations to the Heritage Asset for a period of 5 years. If the conservation project is completed, or good faith attempts were made to complete the project, the restrictive covenant will be discharged at the end of the five-year period.

## **Grant Agreement Amendments**

At the discretion of the Manager, City Planning, approved Grant Agreements may be amended to expand the approved scope of work and/or increase the total funding provided to the maximum limit above. The amendments may be subject to additional conditions at the discretion of the Manager, City Planning. Amended Grant Agreements must not provide funding above the maximum limit.

### **Eligible Work**

Grants are intended to assist projects which:

- help preserve the historic character of Heritage Assets;
- assist in retaining the heritage value of Heritage Assets;
- help to extend the physical life and improve the overall condition of a Heritage Asset.

Grant funds are intended to be awarded prior to conservation work being completed. In exceptional circumstances, the Manager, City Planning may approve funding for previously completed work that fulfills the goals of the programs and meets other eligibility requirements.

Grant recipients must obtain all required regulatory approvals, including building and development permits, before commencing work

### **Applications**

Applications will be submitted to The City in accordance with a format established by the Manager, City Planning. Heritage Planning will review applications to determine if the proposed work is eligible.

### **Payments**

Grant monies will be paid after the Grant Agreement is signed and proof of registration of a restrictive covenant to the satisfaction of the City on title to the lands on which the Heritage Asset is located has been provided to Heritage Planning.

The grant recipient shall notify Heritage Planning staff of any proposed changes to the nature of, or budget for, the project and shall use the grant for such altered activities only with prior written consent of Heritage Planning staff.

Any unused portion of the grant remains the property of The City and must be returned to The City forthwith.

## Summary of Proposed Changes Heritage Incentive Reserve Terms of Reference

In EC2024-0383, Administration is recommending that all existing direction guiding the administration of the Heritage Incentive Reserve and the grant programs funded through the Reserve are superseded by those in two new documents: The Heritage Incentive Reserve Terms of Reference and the Grant Guidelines. This change simplifies administration of grant programs by reducing the number of governing documents and eliminating duplicated rules and contradictory guidelines. The resulting documents will be consistent with Reserve documentation across the organization.

The Summary of Proposed Changes lists all direction in effect before EC2024-0383, the source of the direction, the new location of the direction (if applicable) and if the direction has been updated or altered.

To make the Summary of Proposed Changes more readable, some document and location names have been shortened or replaced with acronyms throughout. The table below provides definitions and additional information to assist in using and interpreting the Summary.

Name of Document or Location	Shortened Name or Acronym in Summary	Description
Heritage Incentive Reserve Conditions	Reserve Conditions	Direction regarding the purpose and administration of the Heritage Incentive Reserve and the Historic Resource Conservation Grant which were entered into the <b>Conditions</b> of the Reserve with PFC2012-0159.
Heritage Incentive Reserve Restrictions	Reserve Restrictions	Direction regarding the purpose and administration of the Heritage Incentive Reserve and the Historic Resource Conservation Grant which were entered into the <b>Restrictions</b> of the Reserve with PFC2012-0159.
Historic Resource Conservation Grant Terms & Conditions	Terms and Conditions	The client-facing terms and conditions for the Historic Resource Conservation Grant, which were included in all grant agreements
Heritage Incentive Reserve Terms of Reference	Terms of Reference	New document introduced with EC2024-0383 which includes statements from the Reserve Conditions, Reserve Restrictions, and Terms and Conditions which address the purpose the Heritage Incentive Reserve as approved by Council.

<p>Historic Resource Conservation Grant Guidelines</p>	<p>Grant Guidelines</p>	<p>New document introduced with EC2024-0383 which includes statements from the Reserve Conditions, Reserve Restrictions, and Terms and Conditions which address the administration of the Heritage Incentive Reserve and the grants funded through the Reserve. The Grant Guidelines can be changed through administrative process and do not need to be approved by Council.</p>
--	-------------------------	---

IMPACTED ASPECT OF THE HERITAGE INCENTIVE RESERVE		PROPOSED CHANGES		
		PREVIOUS LOCATION	MOVED TO	DESCRIPTION OF CHANGE
Grant Programs	<p>The Heritage Conservation Grant has two grant streams: Residential Conservation Grant &amp; Non-Residential Grant</p>	<p>Reserve Conditions &amp; Reserve Restrictions</p>	<p>Terms of Reference / Grant Guidelines</p>	<p>An additional grant stream, the Heritage Asset Retention Incentive grant has been introduced to expand the program to a wider range of projects</p>
Purpose	<p>The Reserve will only be used for its stated purpose to “provide financial incentives for the restoration, preservation and rehabilitation of legally protected Municipal Historic Resources within the legal boundaries of The City of Calgary”.</p>	<p>Reserve Restrictions</p>	<p>Terms of Reference</p>	<p>The revised purpose statement can be found in the Terms of Reference. Removed reference to “of legally protected Municipal Historic Resources” to allow for sites in the process of becoming designated to be eligible, and to allow grant funding for Heritage Assets.</p>
Eligible Sites	<p>Only legally protected Municipal Historic Resources are eligible.</p>	<p>Reserve Conditions</p>	<p>Terms of Reference</p>	<p>Sites must be a Municipally Designated Heritage Resource, in the process of becoming designated, or have entered into a legal agreement with the City of Calgary in order to qualify for funds under the Heritage Conservation Grant.</p> <p>The Heritage Asset Retention Initiative Grant is available to sites which are not municipally designated or in the process of becoming designated.</p>
	<p>Legal protection can be applied for and made a condition of the grant along with all other conditions.</p>			
Pre-Application Requirements	<p>Application must be made by owners of legally protected Municipal Historic Resources within The City of Calgary.</p>	<p>Reserve Conditions</p>	<p>Terms of Reference</p>	<p>Clarifies that designation as a Municipal Heritage Resource is not required at time of application.</p>

	All municipal taxes and levies owing must be paid in full prior to application.			Wording has been updated.
Applications & Process	First come, first serve basis for funding.	Reserve Conditions	Grant Guidelines	Applications are reviewed in the order they are received, grant funds do not need to be distributed on a first come, first serve basis.
	All grants may be paid out in a single payment or in a maximum of 3 phases over the course of a 5-year period, subject to prior approval.	Terms and Conditions	Grant Guidelines	There is no maximum number of payments or phases for grant payments.
Requirements for Payment Processing	Copy of the Municipal Historic Resource Designation Bylaw	Reserve Conditions	Grant Guidelines	Payments for Heritage Conservation Grants can be made before the designation bylaw is complete providing a legal agreement is in place.  N/A for the Heritage Asset Retention Incentive
Record Keeping	If any subsequent incentives are to be awarded to the Municipal Historic Resource they will be added to the file to generate a complete history of all incentive programs used by the site	Reserve Conditions	n/a	Administrative process, not part of the Terms of Reference or Grant Guidelines.
Sign Requirement	All guidelines regarding the content, size, placement and maintenance of signage recognizing the contribution of the Historic Resources Conservation Grant Program	Reserve Conditions	n/a	Sign guidelines will be moved into their own document.
Maximums	There shall be a maximum expenditure of 50% of the approved project costs or 15% of the current assessed value of the property; whichever is the lesser, except for special circumstances approved by Council.	Reserve Restrictions	Grant Guidelines	The 15% of assessed value rule has been removed.  Neither rule applies to the Heritage Asset Retention Incentive

	Applications may be accepted every five years, but the total grant amount cannot exceed 50% of the approved project costs or 15% of the current assessed value of the property; whichever is the lesser, every 15 years except for special circumstances approved by Council.			
Eligible Work	All work related to the restoration, rehabilitation or preservation of the Regulated Portions of the Historic Resource as defined in the applicable designation Bylaw	Reserve Restrictions	Terms of Reference / Grant Guidelines	Work may be approved and commence before the designation bylaw is complete for Heritage Conservation Grants  N/A to the Heritage Asset Retention Incentive
Ineligible Work	Work that is undertaken before a grant application is approved, unless the work comprises professional or technical studies related to the application and is carried out in consultation with Heritage Planning staff	Terms and Conditions	Grant Guidelines	Changed to allow for reimbursement of urgent conservation work, at the discretion of Administration
Terms and Conditions Grant Program Restrictions	Grant Program Restrictions, Application Requirements, Application Assessment, Grant Agreement, Payment of Grants, Use of the Grant, Repayment of Grants	Terms and Conditions	Grant Guidelines	Duplicated and outdated restrictions will be removed, others will remain unchanged.

# Proposed Amendments to Reserve Template

<b>Heritage Incentive Reserve</b>	<b>\$ 1,718</b>
Operating Reserve ('000s)	<u>(2023)</u>
Cashflow	

**Creation Date:** June 17, 2002

**Authorization:** FB2002-27, FCS2004-15, FCS2004-20, PFC2012-0159, PFC2015-0917, and PFC2018-1125, and EC2024-0383

**Confidential Documents:**  yes  no

**Purpose:** To fund the implementation of the Heritage Incentive Program which began in 2003.

~~Grants are provided to non-city owned municipal historic resources to:~~

- ~~• Promote the rehabilitation and economic re-use of buildings designated as Municipal Historic Resources under the Historical Resources Act of Alberta (HRA).~~
- ~~• Address inequities that property owners assume when rehabilitating buildings designated under the HRA.~~
- ~~• Revitalize and rehabilitate derelict or underutilized heritage buildings.~~
- ~~• Revitalize older communities and commercial districts.~~

The Heritage Incentive Reserve (the Reserve) is an essential component the City of Calgary’s efforts toward encouraging property owners to designate and conserve their heritage properties. The Reserve provides financial assistance to private owners acting as responsible stewards of Calgary’s heritage.

It provides a mechanism to allow funding to be paid at the right time for approved projects, to support owners of heritage properties to:

- promote the rehabilitation and economic re-use of privately-owned heritage properties;
- address inequities that property owners assume when rehabilitating heritage properties;
- revitalize and rehabilitate derelict or underutilized privately-owned heritage properties;
- promote the retention of heritage properties and their integration into evolving communities and commercial districts, and

- incentivize private owners of properties with identified heritage value to designate them as Municipal Heritage Resources under the Historical Resources Act of Alberta.

**Conditions:** ~~Specific Conditions relating to use of the Reserve with respect to the grant application process, payment process, and sign requirements are detailed in report PFC2012-0159.~~

Specific Conditions relating to use of the Reserve are detailed in report EC2024-0383.

**Restrictions:** ~~There shall be a maximum expenditure of 50 per cent of the approved project costs or 15 per cent of the current assessed value of the property; whichever is the lesser, except for special circumstances approved by Council. All grants may be paid out in a single payment or over the course of a five year period.~~

~~Applications may be accepted every five years but the total grant amount cannot exceed 50 per cent of the approved project costs or 15 per cent of the current assessed value of the property; whichever is the lesser, every 15 years except for special circumstances approved by Council.~~

Historic Resource Conservation Grant Guidelines document was introduced with EC2024-0383; includes the Reserve Conditions and Restrictions. The Grant Guidelines can be changed through administrative process and do not need to be approved by Council.

External - \$ \_\_ Percentage of reserve - \_\_%

Internal - \$ \_\_ Percentage of reserve - \_\_%

Principal available for use:  yes     no     N/A

Percentage unavailable - \_\_%

Other - \$ \_\_

Unrestricted - \$ \_\_ Percentage of fund - \_\_%

**Related Budget Information:** Operating Department ID: 91771 City and Regional Planning

**Funding Sources:** To be funded annually from operating department ID 91771 City and Regional Planning



Reserve approved to record allocation of investment income:

yes       no

**Authorization  
For Investment**

**Income Allocation:** PFC2018-1125

**Special Reporting  
Requirements:**

None





May 6, 2024

**Executive Committee**

The City of Calgary  
800 Macleod Trail SE  
Calgary, AB T2G 5E6

Dear Mayor Gondek & Committee:

**Re: EC2024-0383 Heritage Incentive Reserve Terms of Reference Update**

As a charitable Civic Partner of The City of Calgary, Heritage Calgary is focused on the research, education, and preservation of our shared heritage, including historic properties both humble and grand, that tell the story of the people and places that shaped our history. We believe heritage is a dynamic process by which identity is experienced, interpreted, and represented, and take pride in working with Calgarians to honour the fabric that we are all a part of.

Heritage Calgary is supportive of the proposed changes to the terms of reference for the heritage incentive reserve.

Changes to the grant program will make designation more attractive for property owners, allow administration to respond to urgent conservation concerns and introduce a new grant stream for heritage assets.

These changes will encourage more property owners to designate their property and allow further flexibility for the City to respond to homeowners more quickly.

Sincerely,

A handwritten signature in blue ink that reads 'Josh Traptow'.

**Josh Traptow**  
**Chief Executive Officer**  
**Heritage Calgary**





# Heritage Incentive Reserve Fund Terms of Reference Update

EC2024-0383  
2024 June 11



# Recommendations

That Executive Committee recommend that Council adopt, by resolution, the Terms of Reference for the Heritage Incentive Reserve (Attachment 2).

## Previous Council Direction

- Heritage Conservation Tools and Incentives PUD2020-0259 restructured the grant program to establish a non-residential stream with dedicated funding.
- Calgary Heritage Strategy Revised Reserve Program PFC2012-0159 updated the parameters for eligibility and consolidated inactive reserves.
- Calgary Heritage Strategy LPT2007-64 recommended a review of the existing Heritage Incentive Program.
- Proposed Heritage Incentive Program FB2002-27 launched the Heritage Incentive Research and a matching grant program.

Knox United Church, designated 1999



# Highlights



Attracting more municipal historic designations



Equitable distribution of grant funds



New Heritage Asset grant program



# Encouraging Municipal Historic Resource Designation

- More flexibility with grant payments
- Increased maximum grant amount for Multi-unit residential Heritage Resources



Fairey Terrace, designated 2018

# Equitable Distribution of Grant Funds

- Removing Assessed Property Value from the funding formula
- More equitable for future heritage resources.



The Blum House, designated 2018

## New Grant Program - Heritage Asset Retention Incentive

- Heritage Asset owners are eligible for grants for conservation projects in exchange for a five-year agreement not to demolish and redevelop the site

A Heritage Asset is a privately-owned structure, typically constructed before 1945, that retains a significant portion of its original form, scale, massing, window and door pattern, style, design, architectural details, and/or construction materials, as determined by visual assessment by Heritage Planning.

Heritage Asset in Parkdale



# New Documentation Structure

The Heritage Incentive Reserve  
Conditions and Restrictions



Approved 2012



2024 Proposal

## The Heritage Incentive Reserve Terms of Reference

- Changes must be approved by Council
- Describes the purpose of the Reserve
- List of available grant programs and their purpose

## Grant Guidelines

- Changes approved by Administration
- Replaces the Terms & Conditions for applicants
- Sets the maximum grant amounts & eligibility requirements



# Recommendations

That Executive Committee recommend that Council adopt, by resolution, the Terms of Reference for the Heritage Incentive Reserve (Attachment 2).



Planning & Development Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0641

## **Tax Incentive Bylaw for Renewable Power Generation on Brownfield Sites**

### **PURPOSE**

The purpose of this report is to bring forward a proposed bylaw to create a property tax incentive for the development of solar and wind assets on brownfield sites within city boundaries, in accordance with Council policy CP2023-04.

### **PREVIOUS COUNCIL DIRECTION**

On 2023 October 17 Council approved the recommendations set out in report EC2023-1120 “Tax Incentives for Renewable Energy Generation Developments on Brownfield Sites” and accompanying policy (CP2023-04). This policy sets out a framework for the tax incentive and includes clause 6.3:

“A bylaw will be drafted at the time of the first approved application.”

### **RECOMMENDATIONS:**

That Executive Committee:

1. Forward this report to the 2024 June 18 Regular Meeting of Council; and
2. Recommend that Council:
  - a. Give three readings to proposed bylaw in Attachment 2 to create and administer a non-residential tax incentive program for renewable electricity development on brownfield sites; and
  - b. Rescind the Tax Incentives for Renewable Power Generation Developments on Brownfield Sites Council Policy CP2023-04.

### **CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS**

Acting General Manager Debra Hamilton concurs with this report. Approval of the proposed bylaw will provide Calgary with a new tool to incentivize development that makes better use of brownfield land, increases Calgary’s non-residential tax base and increases local production of renewable power.

### **HIGHLIGHTS**

- The Renewable Energy Non-Residential Tax Incentive Bylaw would establish a new tax incentive program in Calgary to provide an incentive of 50 per cent of municipal property taxes for five years on new renewable energy development on brownfield sites.
- This incentive aligns to the Calgary Climate Strategy: Pathways to 2050 (Climate Strategy) milestone of increasing renewable generation within city boundaries to 10 per cent by 2030 and 40 per cent by 2050.
- This tax incentive would apply to both new developments or expansion of existing renewable energy developments on brownfield sites greater than five megawatts. The proposed bylaw would supersede the existing Council Policy CP2023-04.
- The proposed bylaw encourages and attracts renewable and low-carbon industries and developments to Calgary, supporting job creation and spending in the local market. In addition, increasing renewable energy generation close to where it is consumed reduces associated infrastructure costs.

## Tax Incentive Bylaw for Renewable Power Generation on Brownfield Sites

- A 50 per cent reduction in municipal taxes would make Calgary competitive for attracting this type of development. The proposed bylaw would incentivize productive and sustainable uses for brownfield sites within Calgary.

### DISCUSSION

ATCO made an application to the program established under Council Policy CP2023-04 for their Deerfoot Solar Farm on 2023 October 18. The ATCO Deerfoot Solar Project is the first project to meet the criteria of the Policy, prompting the development of the proposed bylaw.

The Climate Strategy is intended to accelerate and support Calgary's energy transition and includes a milestone of 10 per cent of total electricity used in Calgary to be generated within city boundaries from renewable sources, such as solar, by 2030. The Municipal Government Act (MGA) section 364.2 permits The City to provide incentives to any non-residential property for the purposes of encouraging development or revitalization. There are several long-term environmental, land use planning and financial benefits associated with the general notion of generating energy and additional, long-term land value on sites that are unsuitable for conventional development.

Administration reviewed bylaws from several jurisdictions within Alberta to inform the development of the proposed bylaw. This broad review has shown that a 50 per cent exemption of the municipal property taxes levied on renewable development for five years would make Calgary competitive for attracting this type of development. This duration and level of incentive also considered the tax responsibility redistributive impact of property tax exemptions, the sufficiency of the incentive to impact property owners' decision to take advantage of the incentive and the overall climate impact of increased renewable energy generation within city boundaries.

Given the analysis contained in Attachment 3, the recommendation is the best option to balance these various considerations to achieve the desired objectives outlined in the Climate Strategy.

This proposed bylaw offers clear criteria for eligibility and continued receipt of the proposed incentive. The criteria are aligned with attracting renewable energy development within city boundaries and utilizing existing brownfield sites and other City policies.

The number of viable sites that meet the relevant size, topography and environmental parameters, is anticipated to be minimal at this time. This bylaw provides certainty to developers, businesses and industries that Calgary is a city that wants to attract future renewable energy development and 'we are open for business'.

### EXTERNAL ENGAGEMENT AND COMMUNICATION

- |   |   |
|---|---|
| <input type="checkbox"/> Public engagement was undertaken                   | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken |
| <input checked="" type="checkbox"/> Public/interested parties were informed | <input type="checkbox"/> Public communication or engagement was not required        |

**Engagement with ATCO Ltd.** – A team of representatives from ATCO was engaged throughout the development of the Council policy CP2023-04 that led to this bylaw being proposed. These discussions were one input that administration considered when determining



## **Tax Incentive Bylaw for Renewable Power Generation on Brownfield Sites**

the level of incentive alongside best-practices in other jurisdictions and other program goals, including delivering value for tax dollars to Calgarians.

**Engagement with other renewable developers** - Administration issued an Expression of Interest (EOI) to the broader market to understand the barriers, challenges and opportunities that exist for further development within city limits. The findings from the EOI were inconclusive due to limited responses.

**Administration engagement** - The core project team included representation from Climate & Environment, Assessment & Tax and Law. This team engaged Waste & Recycling Services, Development, Business & Building Services, Collaboration, Analytics and Innovation, Community Planning and City Clerk's.

**Engagement with other jurisdictions** – Administration connected with other jurisdictions to confirm specific aspects of their bylaws

## **IMPLICATIONS**

### **Social**

It is anticipated that any renewable development installed as a result of the proposed bylaw will have a localized positive impact on air quality benefitting local communities. Redevelopment of brownfield sites can improve the attractiveness of an area, which promotes pride in our communities.

### **Environmental**

Incentivizing the development of renewable energy generation facilities on otherwise underutilized properties supports the objectives of the Calgary Climate Strategy, particularly zero-carbon energy transition.

### **Economic**

Economic implications of this work include the potential to increase tax revenue from brownfield sites. Attracting development of renewables increases the value of land and improvements on land within city limits. These developments help create design, construction and maintenance jobs and increase spending in the local market. Without improvement, these types of brownfields hold low economic value to The City and Calgarians.

### **Service and Financial Implications**

#### **Tax-supported funding**

The proposed bylaw may result in an increase in the non-residential tax base.

The proposed bylaw may have a minimal impact on property taxes. When properties are tax exempt, the responsibility is redistributed to the remainder of the tax base. The particular case study presented with the ATCO solar site is estimated to redistribute approximately \$2.4M over five years in taxes to other non-residential taxpayers. The administration of the program can be managed within existing budgets.

## Tax Incentive Bylaw for Renewable Power Generation on Brownfield Sites

### RISK

**Reputational Risks:** Should Council not pass the proposed bylaw, The City could be seen as changing strategic direction from what was outlined in the Calgary Climate Strategy: Pathways to 2050 and the direction given in Council Policy CP2023-04.

**Environmental Risks:** Environmental risks include developing renewables on contaminated sites that may have the opportunity to be remediated further and developed with a higher and better use. This risk is mitigated by providing a review process whereby applications are reviewed on a case-by-case basis by The City's Contaminated Sites team.

**Significant Program Uptake:** There may be a significant number of privately held Brownfield sites that would be eligible under the criteria set out in the bylaw which The City does not have visibility into. This risk has been largely mitigated by ensuring the program is specific to utility-scale developments (>5MW) and the added scrutiny that is required of these types of projects by the provincial regulator.

### ATTACHMENTS

1. Previous Council Direction and Background
2. Proposed Bylaw
3. Detailed Analysis of Tax Incentive Options
4. Council Policy CP2023-04
5. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Debra Hamilton	Planning and Development Services	Approve
Edwin Lee	Assessment & Tax	Approve
Carolyn Bowen	Climate & Environment	Approve

Author: Cory DeFraine, Climate & Environment

# Previous Council Direction and Background

## Background

The City's Calgary Climate Strategy: Pathways to 2050 indicates that as a part of its zero-carbon energy transition that 40 percent of total electricity used in Calgary is generated within city boundaries from renewable sources. Parallel to this, Bill 7 from 2019 effectively granted permissions for Council to implement a tax incentive by bylaw for non-residential properties.

On February 14th, 2023 a Notice of Motion was carried which outlined that Administration would explore the brownfield ATCO Solar Farms as a pilot for a future incentive program on brownfield sites and return to Council with recommendations, next steps, and lessons learned as a part of a larger program by the end of 2023.

On October 17, 2023 Administration returned to Council with a proposed policy, recommending as next steps to develop a bylaw if a qualifying application were made under the policy. ATCO Ltd. applied on October 18, 2023 with their Deerfoot Solar site, which met the eligibility criteria set out in the policy, triggering the need to develop the proposed bylaw.

## Previous Council Direction

DATE	REPORT NUMBER	DIRECTION
2023 October 17	EC2023-1120	<p>Tax Incentives for Renewable Power Generation Developments on Brownfield Sites</p> <p>That with respect to Report EC2023-1120, the following be adopted:</p> <p>That Council adopt the proposed Council Policy 'Tax incentives for renewable power generation developments on brownfield sites' in Attachment 2.</p>
2023 February 14	EC2023-0131	<p>Notice of Motion - Incentivizing Low Carbon Investments</p> <p>That with respect to Notice of Motion EC2023-0131, the following be adopted:</p> <p>THEREFORE, BE IT RESOLVED that Council direct Administration to explore the brownfield ATCO Solar Farms as a pilot for future incentive programs on brownfield sites and return to Council with recommendations, next steps, and lessons learned as a part of a larger program by Q4 2023.</p>
2022 July 5	CD2022-0465	<p>That with respect to Report CD2022-0465, the following be adopted, as amended:</p>

That Council:

1. Adopt, by resolution, the updated Calgary Climate Strategy – Pathways to 2050 (Attachment 2);
2. Rescind, by resolution, the 2018 Climate Resilience Strategy Mitigation and Adaptation Plans;
3. Direct the Calgary Climate Strategy includes provision for independent, objective audits to support accountability and transparency in reporting to Calgarians on the progress made towards successfully implementing the Strategy;
6. Direct Administration to augment or revise the scope of the Climate Advisory Committee terms of reference to include a broader representation of affected and/or interested parties to allow fulsome public engagement which accompanies action planning and to support the Committee with the necessary administrative staff in order to achieve this goal.

2021 July 5

IGA2021-0823

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

That with respect to Report IGA2021-0823, the following be adopted:

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.

**Proposed Wording for a Bylaw to  
Create and Administer a Non-Residential  
Tax Incentive Program for Renewable Energy Projects on Brownfields**

**PART 1 – SHORT TITLE**

1. This Bylaw may be cited as the “Renewable Energy Non-Residential Tax Incentive Bylaw”.

**PART 2 – INTERPRETATION AND DEFINITIONS**

2. (1) In this Bylaw, unless context otherwise requires:
  - (a) “*Act*” means the *Municipal Government Act*, RSA 2000, c. M-26;
  - (b) “*assessed person*” means a person who is named on an assessment roll for a property in accordance with section 304 of the *Act*;
  - (c) “*City*” means the municipal corporation of The City of Calgary, and includes the geographical area within the boundaries of The City of Calgary where the context so requires;
  - (d) “*Director, Climate & Environment*” means the Chief Administrative Officer of the City of Calgary or the employee of the City of Calgary who has been delegated the authority to exercise the powers, duties, and functions of the Chief Administrative Officer under this Bylaw;
  - (e) “*Environmental Laws*” means all current and future environmental laws, statutes, bylaws and regulations of the Province of Alberta relating to the protection of the environment, or that govern the ownership, charge, management, control, responsibility or liability for substances;
  - (f) “*Linear Property Assessment*” means the portion of a property assessment notice that is the result of an electric power system on that property within the meaning of section 284(1)(k) of the *Act*;
  - (g) “*Municipal Assessor*” means the person appointed as designated officer under Bylaw 49M2007, or that person’s designate;
  - (h) “*Municipal Taxes*” means the property taxes owing on a property under the *Act*, exclusive of the provincial portion;
  - (i) “*Operation Date*” or “*operational*” means property that is considered operational as per section 2(3)(a) of the *Matters Relating to Assessment and Taxation Regulation*, AR 203/2017; and
  - (j) “*Renewable Power Generation Facility*” means a facility that can generate electricity for the purposes of supplying energy into the Alberta electrical grid from the following fuel sources:

- i. solar;
  - ii. wind; and
  - iii. any other renewable fuel source designated as such by the *Director, Climate & Environment*.
- (2) Nothing in this Bylaw relieves a person from complying with any Federal or Provincial law or regulation, other bylaw or any requirements of any lawful permit, order or licence.
- (3) Where this Bylaw refers to another Act, bylaw, regulation or agency, it includes reference to any Act, bylaw, regulation or agency that may be substituted therefore.
- (4) Every provision of this Bylaw is independent of all other provisions and if any provision of this Bylaw is declared invalid for any reason by a Court of competent jurisdiction, all other provisions of this Bylaw shall remain valid and enforceable.

### **PART 3 – TAX INCENTIVE PROGRAM**

3. (1) An *assessed person* is entitled to a tax incentive for that person's property where it meets the eligibility criteria set out in section 5 of this Bylaw as determined by the *Municipal Assessor* following an application made under Part 4 of this Bylaw.
- (2) The term "tax incentive" in subsection (1) means the reduction in *Municipal Taxes* as described in section 4 below.

#### **Scope of Tax Incentive**

4. (1) The tax incentive available under this Bylaw is an exemption of 50% of the *Municipal Taxes* that result from a new *Linear Property Assessment* issued after the construction of a new *Renewable Power Generation Facility* on that property.
- (2) The amount of the new *Linear Property Assessment* is determined with respect to the year prior to the *Operation Date* of the *Renewable Power Generation Facility*.
- (3) The tax incentive does not include any taxes resulting from the value of the land as a portion of the property's assessed value.
- (4) The tax incentive is available each year to a maximum of 5 consecutive taxation years.
- (5) An *assessed person* may apply for an additional 5-year tax incentive for an expansion of the *Renewable Power Generation Facility* on the property where:
  - (a) such expansion increases the assessed value of the *Renewable Power Generation Facility*; and

- (b) the total capacity of the *Renewable Power Generation Facility* remains at or above 5 megawatts in accordance with section 5(1)(c) below.
- (6) An extension of the tax incentive under subsection (5) above is limited to an exemption of 50% of the *Municipal Taxes* resulting from the amount of the *Linear Property Assessment* resulting from the expanded portion of the *Renewable Power Generation Facility*, calculated from the *Operation Date* of the expanded portion.
- (7) The tax incentive does not include tax deferrals.

### Eligibility for Program

- 5. (1) An *assessed person's* property is eligible for a tax incentive where:
  - (a) it is a Brownfield Property as defined in subsection (2) below;
  - (b) it is being developed as a *Renewable Power Generation Facility* and will be used as such for the duration of the tax incentive;
  - (c) the *Renewable Power Generation Facility* has a capacity of no less than 5 megawatts;
  - (d) the *Renewable Power Generation Facility* is not yet *operational* at the time the *assessed person* makes an application under section 7 below;
  - (e) the *assessed person* is not in property tax arrears;
  - (f) the *assessed person* has no ongoing litigation against the *City*, exclusive of assessment complaints and related court proceedings made pursuant to the *Act* or proceedings pursuant to section 364.3 of the *Act*; and
  - (g) the *assessed person* has obtained all required permits for the operation of the *Renewable Power Generation Facility*.
- (2) For the purposes of subsection (1) a "Brownfield Property" means a property where there are substances occurring in concentrations exceeding the maximum acceptable amounts permitted under an *Environmental Law* that are present in, on or under the site and, in addition, the property either:
  - (a) is one where site remediation or redevelopment to a higher and better use is not technically or economically feasible or permitted for the property; or
  - (b) has an approved long term *in-situ* remediation plan being implemented.

### Conditions for Ongoing Receipt

- 6. An *assessed person* receiving a tax incentive under this Bylaw must, for the duration of the tax incentive:

- (a) provide information on an annual basis to the *Municipal Assessor* in the form required by the *Municipal Assessor*;
- (b) continue to operate the property as a *Renewable Power Generation Facility* at or above 5 megawatts, exclusive of minor business interruptions;
- (c) ensure all permits required under section 5(1)(g) are renewed or otherwise kept valid;
- (d) not file for bankruptcy;
- (e) not be in property tax arrears; and
- (f) have no ongoing litigation against the *City*, exclusive of assessment complaints and related court proceedings made pursuant to the *Act* or proceedings pursuant to section 364.3 of the *Act*.

#### **PART 4 – AUTHORITY OF MUNICIPAL ASSESSOR**

##### **Applications**

- 7. (1) Applications for tax incentives under this Bylaw must be made by an *assessed person* in the form required by the *Municipal Assessor*, and must include:
  - (a) a Power Plant Approval from the Alberta Utilities Commission;
  - (b) proof that the property meets the criteria to be considered a Brownfield Property under this Bylaw, such as copies of reports prepared by qualified environmental professionals; and
  - (c) any other information required by the *Municipal Assessor*.
- (2) Applications made prior to this Bylaw being passed pursuant to Council Policy “Tax incentives for renewable power generation developments on brownfield sites” (CP2023-04) are deemed to be valid applications under this Bylaw.

##### **Tax Incentive Decisions**

- 8. (1) The *Municipal Assessor* is authorized to decide if an application for a tax incentive under this Bylaw should be granted or denied.
- (2) When granting an application for a tax incentive, the *Municipal Assessor* must provide a written document to the applicant specifying:
  - (a) why the incentive is granted; and
  - (b) what taxation years the tax incentive applies to.
- (3) The *Municipal Assessor* is authorized to cancel a tax incentive where:



- (a) the *assessed person* provided false or misleading information on an application; or
  - (b) the *assessed person* breached a condition under subsection 6 above or is otherwise found to be ineligible.
- (4) The *Municipal Assessor* must provide a decision with reasons in writing to applicants when denying an application or cancelling an incentive.
- (5) The *Municipal Assessor* may consult with other business units of the *City* in making a decision on an application and must give notice to the Province pursuant to section 364.2(8) of the *Act*.

### **Program Policies**

9. The *Municipal Assessor* is authorized to make policies and procedures implementing this Bylaw.

### **PART 5 – APPEALS**

#### **Appeal Applications**

10. An *assessed person* who is dissatisfied with a decision of the *Municipal Assessor* under this Bylaw may appeal that decision to the Tax Incentive Appeal Board in accordance with bylaw **XXM2024**.

### **PART 6 – COMING INTO FORCE**

11. This Bylaw comes into force on the day it is passed.



# Detailed Analysis of Tax Incentive Options

## Executive Summary

---

This report aims to provide insights into using non-residential incentives enabled by section 364.2 of the *Municipal Government Act (MGA)* to enact a bylaw facilitating property tax exemptions for renewable power development on brownfield sites. The analysis in the report provides a rationale for the proposed exemption structure, level, duration, and additional eligibility considerations.

Following a Notice of Motion ([EC2023-0131](#)) by Councillor Spencer in February 2023, Administration was directed to explore tax incentives for renewable power generation on brownfield sites. In October 2023, Administration brought forward the Council policy "Tax incentives for renewable power generation development on brownfield sites" ([EC2023-1120](#)) which Council then passed. Administration has continued work to develop a bylaw to implement this policy, triggered by an application for the ATCO Deerfoot Solar Project. The objective of the program is to make the best use of Calgary's brownfield sites and provide value to Calgarians while aligning with the zero-carbon energy transition goal of the Calgary Climate Strategy – Pathways to 2050. *MGA* s. 364.2 enables The City of Calgary to create a property tax bylaw to incentivize the development of non-residential properties, including renewable solar power generation, using property tax exemption tools.

Options for exemption structure, level, and duration are explored to balance competitiveness, value for The City and Calgarians, and tax responsibility redistribution. A scan of other Alberta municipalities shows varying approaches to s. 364.2 incentives and eligibility criteria; however, the majority of existing incentives have a duration of up to five years, typically shorter, and decrease the exemption level over time. Any exemption over this duration is at a maximum of 2.5% per year. Calgary would be competitive with other municipalities if it provided an incentive for a five-year duration.

Economic analysis considered the value for The City of different exemption levels and durations. Due to Calgary's limited number of brownfield sites, this incentive program is likely not scalable, and a disproportionately large incentive compared to the available supply of brownfields may not provide additional value to The City. Additionally, the duration and level of exemption have implications for the redistribution of the tax responsibility to other non-residential properties. The annual municipal taxes projected from the Deerfoot solar property range from \$900 thousand to \$1.6 million during operation (on the exemptible portion). The portion exempted under the proposed bylaw would be redistributed to other non-residential properties and would create additional tax responsibility for the duration of the incentive. Further, a Net Present Value (NPV) analysis determined that the highest value for The City in perpetuity would be at the 50% exemption level at a five-year duration.

A brownfield renewable power incentive consisting of a 50% municipal property exemption for five years is recommended to support power development on brownfield sites. This incentive program aligns with the Calgary Climate Strategy, provides value for developers, and minimizes negative impacts to the non-residential property tax base. This program will attract renewable power investment to repurpose underutilized brownfields and provide value for residents.

## Jurisdictional Scan

---

Below are the abridged results from the jurisdictional scan of other Alberta municipalities that have employed a *MGA* s. 364.2 bylaw.

In general, 364.2 exemption programs tend to be five years in duration or shorter (with longer durations compensated for by much smaller exemption amounts, where they exist). Most municipalities have structured the exemption to start with a larger impact and decrease year-over-year. Various jurisdictions have included unique eligibility criteria, included below. These tend to align with an objective of economic development by requiring certain increases to the property value, minimum project capital costs, or employment requirements.

Table 1. Alberta municipalities that have implemented an MGA s. 364.2 bylaw.

Jurisdiction	Exemption	Other Eligibility Criteria
Cardston	100% exemption in the first year, 80% in the second, 60% in the third, 40% in the fourth, 20% in the fifth.	Assessed value must increase by 25% compared to the previous assessment.
Drumheller	50% exemption in the first year, 25% in the second year.	\$50,000 increase from previous improvement assessment, not including land, and has a demonstrable "Return on Investment."
Hinton	100% exemption in the first year, 75% in the second year, 50% in the third, 25% in the fourth.	Increased assessment value by at least 25% by the end of year two from when the development permit was issued.
Lamont County	2.5% exemption up to ten years.	N/A
Fort Saskatchewan	2.5% exemption for up to ten years.	The project must be within a sector considered part of the energy value chain and deploy a capital cost expenditure of \$50 million or more. The project must employ a minimum of 250 workers during construction and 15 permanent positions during operations.
Fort Macleod	100% exemption in the first year, 75% in the second year, 50% in the third year.	\$50,000 increase in assessed value from new construction or expansion.
St Paul	100%/50%/25% exemption for five years depending on the zone.	Only new commercial buildings or improvements assessed over \$200,000, or additions/expansions/ renovations that are greater than or equal to an increase of 25% of the previous assessment.
Strathcona County	1% exemption for up to eleven years.	New project or an expansion project with eligible capital costs of more than \$50 million. Employ over 250 personnel over the course of construction and more than 15 on an ongoing basis after construction is complete.
Strathmore	100% exemption in the first year, 80% in the second, 60% in the third, 40% in the fourth, 20% in the fifth.	The assessment must increase by at least \$10,000,000. Employ 25 individuals. The new development must be at least 2,800 square meters in area on one level.
Sturgeon County	1.5% to 2.5% for up to ten years.	The project must be within the energy value chain or associated infrastructure with capital costs over \$50 million. Employ over 250 personnel over the course of construction and more than 15 on an

		ongoing basis after construction is complete.
Wetaskiwin	75% exemption in the first year, 50% in the second, and 25% in the third.	N/A
Wheatland County	40% exemption for three years.	The improvement assessment must increase by at least \$10,000,000 compared to the base year (land excluded).

### Bylaw Framework from Council Policy

The current Council policy includes most components prescribed by the *MGA*, which will be translated into the bylaw. Most necessary components are either unambiguous or have already been determined:

- The bylaw will narrowly apply to:
  - “Eligible brownfield property” that exceeds maximum acceptable contamination, where no further economically or technically feasible remediation can be done.
  - “Renewable power generation facilities” such as solar and wind.
- The eligibility criteria states that:
  - The applicant must not be in arrears owed to The City nor involved in litigation against The City.
  - All permits are in place and the property is in compliance with the *Safety Codes Act*.
  - The facility has not reached its Commercial Operation Date at the time of the application.
  - The proposed generation facility must exceed 5 megawatts of electrical generation capacity.
    - 5 megawatts of electrical generation capacity is the minimum threshold at which the project must apply and be in compliance with the Alberta Utilities Commission and the Alberta Electric System Operator requirements.
- The property tax incentive will only apply to the new linear property improvement(s).
- The incentive will only apply to the municipal portion of property taxes. The provincial portion of property taxes for electric power systems is exempt from taxation until 2026, inclusive<sup>5</sup>.
- Appointing the Municipal Assessor as the designated officer under Bylaw 49M2007 and the requirements of his authority.
- The appeal process to Council which will be through the new Tax Incentive Appeal Board

### Exemption Level and Duration

With the structure of the Municipal Government Act and the approved Council policy, the remaining components that must be finalized are incentive duration (e.g., 15 years, 10 years, 5 years), incentive level (e.g., 50%, 80%), whether the incentive will remain constant or decrease year-over-year, and if there are additional eligibility criteria that may be appropriate.

#### Exemption Level

Two types of exemptions are considered: a constant level of exemption, and a decreasing level of exemption.

- A constant exemption will be set at a particular level (e.g., 80%) and will remain at this level for the entire duration of the exemption, 15 years.
- A decreasing level of exemption decreases the exemption for each year during the duration of the exemption (e.g., 80% the first year, 50% the second year, 25% the third year, etc.).



A third type, a dynamic level of exemption (an exemption scale), would have significant implementation constraints, including technological and systems limitations, data availability and timing, administrative and monitoring requirements, and would create additional burden during the applications process. Additionally, this type of exemption scale was not identified in the jurisdictional scan. For these reasons, this type of exemption level is not recommended at this time.

### **Exemption Duration**

*MGA* section 364.2(3)(c) allows an exemption to be no longer than 15 consecutive years and enables a subsequent exemption for an additional 15 years. The strategic purpose of the exemption is to incentivize development of under-utilized property, and once the incentive has been granted initially, the development and improvement to the under-utilized property will take place. The exemption duration must provide a meaningful incentive to prospective industry while balancing value for taxpayers and considering market conditions. The main considerations for the duration of the exemption are:

1. creating a competitive taxation environment in Calgary to attract renewable power development,
2. ensuring that the exemption level is set such that it is proportional to the availability of sites, and
3. the impact of redistributing the tax responsibility.

To be competitive with other municipalities in Alberta, a scan of Alberta's towns and counties revealed that most incentives under 364.2 are offered for one to two years, typically up to five years. Further, these incentives usually decrease year-over-year. A few counties offer low (1-2%) incentives for a longer period of up to ten years. The incentives also have requirements that vary from employment requirements, capital cost minimum, and physical area. See above for an abridged jurisdictional scan on the duration of exemptions pursuant to *MGA* s. 364.2.

At this time, a subsequent exemption is not under consideration. A 15-year extension following an initial 15-year exemption period is the longest duration available under s. 364.2. Under current considerations of limited scalability of the exemption program, limited availability of sites, and balancing the interests of Calgarians, a second 15-year exemption does not provide sufficient value for consideration. This is due to the diminishing returns on exemptions with longer durations, as discussed below. Should there be an expansion of scope (i.e., allowing sites other brownfield sites) or a significant increase to the number of brownfield sites available in Calgary, and it would add value to Calgarians to offer an extension, this can be considered at that time.

### **Economic Analysis**

Vacant brownfields provide minimal value to The City and Calgarians. A policy to incentivize development repurposes the brownfield to its highest and best use and increases the property value. As an illustrative example, the Deerfoot ATCO site collected approximately \$13,000 in municipal taxes in 2022, prior to development. In 2024, post-development, municipal taxes are projected to be \$1.2 million. Incentivizing development of Calgary's brownfields creates value for The City.

If Calgary plans to offer the full level of incentive for the entire duration of the exemption, it can be competitive in doing so for 5 years, resulting in higher property tax savings for a company considering investment between competitor jurisdictions. At 10 years, Calgary is exceedingly competitive. At 15 years, the extra incentive does not provide additional competitive value as compared to other jurisdictions. It is also important to note that no directly neighbouring jurisdictions offer an incentive under s. 364.2.

A further consideration is the limited number of suitable brownfield sites available for investment. As this incentive program is not scalable, a disproportionately large incentive would create a mismatch between the demand for sites and their supply, which does not create value for Calgarians, and the excess incentive is an abatable loss for The City. Matching the incentive to the number of brownfield sites will ensure the



greatest use for brownfields and the best value for The City. After the implementation of the bylaw, it would be useful to monitor and see if the exemption should be adjusted.

Finally, though the sites are assumed to operate in perpetuity and there is an expected overall net gain from property taxes collected post-exemption, the duration of the exemption will also have implications for the redistribution of the tax responsibility to other non-residential properties. Though the annual municipal taxes projected from the Deerfoot property range from \$900 thousand to \$1.6 million during operation, which would only represent 0.08-0.15% of the total non-residential tax base, this would be an additional tax responsibility borne by other properties. The duration of the exemption would determine how long this responsibility would be redistributed to other properties and for potential future sites as well. Though this redistribution does not impact The City's property tax revenue, it does minimally increase tax responsibility of other non-residential properties.

### **Net Present Value Analysis at 50% and 80% Constant Exemption Levels and 15-, 10-, and 5-Year Exemption Durations**

As previously mentioned, the level and duration of exemption should match the availability of brownfield sites for future development and should be mindful of trade-offs for providing an exemption level that is too high.

### **Methodology**

Net Present Value (NPV) analysis compares the present value of cash flows throughout the duration of the project with the present value of costs (initial investment). The information is specific to the ATCO Deerfoot site and is meant to provide a sample calculation for consideration. It does not consider all possible sites within The City. This NPV analysis looks at the costs and cash flows to The City in the form of municipal property tax revenue. As power generation is exempt from provincial taxation per the Ministerial Order, provincial property taxes are not calculated. Further, the Designated Industrial Property (DIP) requisition is a flow-through payment collected on all DIP sites and remitted to the province, and as such is excluded from the NPV analysis.

The three sets of tables below show the total amount of tax revenue anticipated at each exemption duration and the impact of a 50% and 80% incentive at that exemption duration. These tables only look at revenue during the length of the exemption and do not include perpetuity after the exemption (unless otherwise noted). Each set of tables first provides the total municipal property tax revenue expected during the exemption period if no exemption was applied (e.g., 15 years, 10 years, 5 years). The second table in each set compares a 50% exemption level to an 80% exemption level at the given exemption duration. The table shows the property taxes that are expected to be collected at the exemption level and exemption duration, the property taxes that will not be collected and will be offered as the incentive, and the net value (revenue) to The City of the indefinite perpetuity after the exemption ends and the site returns to full taxation.

A perpetuity is expected on solar sites as there is no anticipated end-of-life for solar power generation operations. Due to the significant financial burden and regulatory risks associated with new sites, developers are more likely to continue to operate existing sites long term, replacing existing components as they reach end-of-life, rather than decommission at end of lifecycle. These would be considered typical operation and maintenance expenses in the context of solar assets and are low expenditures in comparison to new developments. Additionally, the fuel source for solar assets is essentially limitless, and as such, the assets can theoretically continue to operate indefinitely without depleting feedstock fuel.

Tables 2-7. Net present value analyses of 50% and 80% incentive levels at 15-, 10-, and 5-year durations.

### **15-Year Exemption Duration**



15-Year Exemption (2024-2039)	
Net Present Value of Municipal Taxes - Pre-Exemption (Excluding Perpetuity)	\$11,050,459

Comparison - 15-Year Exemption (2024-2039)	50% Incentive	80% Incentive
Net Present Value of Taxes Collected at X% Incentive	\$5,525,230	\$2,210,092
Net Present Value of Tax Exemption at X% Incentive	\$5,525,230	\$8,840,367
Net Value to The City at X% Incentive Including Perpetuity	\$16,167,971	\$12,852,834

\*Using the Alberta Capital Finance Authority (ACFA) indicative 15-year rate (as at May 1, 2024) of 5.43%<sup>7</sup>.

### 10-Year Exemption Duration

10-Year Exemption (2024-2034)	
Net Present Value of Municipal Taxes - Pre-Exemption (Excluding Perpetuity)	\$8,241,835

Comparison - 10-Year Exemption (2024-2034)	50% Incentive	80% Incentive
Net Present Value of Taxes Collected at X% Incentive	\$4,120,917	\$1,648,367
Net Present Value of Tax Exemption at X% Incentive	\$4,120,917	\$6,593,468
Net Value to The City at X% Incentive Including Perpetuity	\$18,985,659	\$16,513,109

\*Using the ACFA indicative 10-year rate (as at May 1, 2024) of 5.26%.

### 5-Year Exemption Duration

5-Year Exemption (2024-2029)	
Net Present Value of Municipal Taxes - Pre-Exemption (Excluding Perpetuity)	\$4,825,673

Comparison - 5-Year Exemption (2024-2029)	50% Incentive	80% Incentive
Net Present Value of Taxes Collected at X% Incentive	\$2,412,837	\$965,135
Net Present Value of Tax Exemption at X% Incentive	\$2,412,837	\$3,860,539
Net Value to The City at X% Incentive Including Perpetuity	\$24,298,030	\$22,850,328

\*Using the ACFA indicative 5-year rate (as at May 1, 2024) of 5.22%.

The shortest and lowest exemption (5 years at 50%) would provide the largest benefit to The City, with an overall tax value of \$24,298,030 including the perpetuity, while still providing a \$2.4 million discount on property taxes for the developer. The duration of the exemption has a greater impact than the level of exemption; thus, The City could offer a greater level of exemption for a shorter period to boost competitiveness, while incurring a smaller financial impact (i.e., 5 years at 80%).

Alternatively, a decreasing exemption level could begin at a higher level and end at a lower level, provided that the balance of the entire exemption remains consistent with the trade-offs. Considerations for constant exemptions include that they are typically easier to administer, may have a higher cost if the exemption is set at a higher level, and may be marginally less efficient at advancing the goal of attracting renewable energy investment. A decreasing exemption is in line with how most municipalities deliver their s. 364.2 incentives, frontloads the exemption to reward development as opposed to continuous operation and will ease the tax redistribution responsibility year-over-year.

Given the analysis above, the best option to balance these various considerations to achieve the desired objectives outlined in the Climate Strategy is an exemption at a constant 50% level for a 5-year duration.

### Exemption Eligibility Criteria





A scan of eligibility criteria from other jurisdictions (see above) shows that the use of s. 364.2 is primarily to stimulate economic development or revitalization. Aside from similar eligibility criteria to what has already been captured by The City's policy, many municipalities have eligibility criteria that require a minimum capital investment, minimum assessment value growth, employment requirements, or physical size requirements. Solar farms require minimal operational staff post-construction, which makes employment requirements unfeasible. The purpose of this bylaw is primarily to contribute to The City's carbon reduction strategy, and as such, environmental mitigation criteria could be considered (e.g., GHG abatement).

Due to the added complexity of administering additional ongoing eligibility criteria, no additional criteria are recommended. The existing criteria provided by s. 364.2 and those comprised in the bylaw provide sufficient strategic alignment and risk mitigation.

## **Conclusion**

---

The applicable legislation and Council policy, in combination with the City of Calgary's Climate Strategy, provide a high-level structure to the proposed bylaw and property tax incentive program. A s. 364.2 bylaw would create value for The City by making the highest and best use of brownfield sites, attracting renewable energy investment to Calgary, and aligning with the objectives of the Calgary Climate Strategy.

The analysis in this report informs the decision-making regarding the structure and level of the incentive, the duration of the incentive, and any eligibility criteria or conditions to include, in addition to those outlined in the Council policy. These decisions are informed by considerations of the competitive nature of Calgary's taxation environment, comparative programs in other jurisdictions, the tax responsibility redistributive impact of property tax exemptions, the sufficiency of the incentive to impact property owners' decision to take advantage of the incentive, and the overall climate impact of increased renewable power generation within City boundaries.

A brownfield renewable power incentive program of 50% municipal property tax exemption for 5 years will provide an estimated \$2.4 million overall tax incentive to the developer provided in the case study over the length of the exemption duration and would be a net value of \$24.3 million to The City including perpetuity. This incentive program will sufficiently support the development of the ATCO site, bringing 37 megawatts of renewable power generation within City boundaries. Finally, the maximum of 5 years of tax redistributive impacts to the non-residential property tax base will minimize negative impacts to other non-residential property owners.





# Council Policy CP2023-04

**Policy Title:** Tax incentives for renewable power generation developments on brownfield sites  
**Policy Number:** CP2023-04  
**Report Number:** EC2023-1120  
**Adopted by/Date:** October 17, 2023  
**Effective Date:** October 17, 2023  
**Last Amended:** N/A  
**Policy Owner:** Assessment & Tax, Climate and Environment

## 1. POLICY STATEMENT

- 1.1 The City of Calgary is committed to supporting a zero-carbon energy transition for the city, as outlined in the Calgary Climate Strategy: Pathways to 2050.
- 1.2 The City of Calgary aims to enable 10 per cent of total city electricity use generated within city boundaries from renewable sources by 2030, and 40 per cent of total city electricity use generated within city boundaries from renewable sources by 2050.
- 1.3 The City of Calgary is committed to achieving highest and best use of Eligible Brownfield Properties within city boundaries and enabling redevelopment of these sites to incorporate renewable energy.

## 2. PURPOSE

- 2.1 This Council policy addresses the need to:
  - 2.1.1 Increase renewable energy generation within city boundaries by reducing barriers for these types of developments to occur.
  - 2.1.2 Utilize brownfield sites for a higher value where appropriate.
  - 2.1.3 Reduce the need for additional transmission and distribution infrastructure for new generation, with the goal of lowering costs for Calgarians.
  - 2.1.4 Provide a municipal tax-based incentive to improve the financial viability of renewable energy generation within city boundaries.

## 3. DEFINITIONS

- 3.1 Act: the *Municipal Government Act*, RSA 2000 c M-26, as amended.

- 3.2 Applicant: the assessed person or authorized agent for the Assessed Person applying for an incentive.
- 3.3 Application: the documentation necessary for a complete assessment by The City of Calgary of the subject property and proposed renewable power generation facility, as outlined in the applicability section of this policy.
- 3.4 Assessed Person: an assessed person as that term is defined under section 284(1) of the Act.
- 3.5 Base Assessment Year: the year before redevelopment would impact the assessed value of the property.
- 3.6 Commercial Operation Date: The date from which the Machinery and Equipment components of the renewable power generation facility are operational as determined by MRAT and the Act. If the renewable power generation facility does not include Machinery and Equipment, then the date at which the renewable power generation facility is completed as determined in accordance with MRAT and the Act.
- 3.7 Current Improvement Assessment: the assessed value of the property after redevelopment occurs.
- 3.8 Environmental Standard: means any regulatory requirement under applicable law which prohibits contamination or establishes a qualitative or quantitative limit on the presence of contamination.
- 3.9 Eligible Brownfield Property: a titled parcel of land that is suitable for a low impact use including solar and wind farms where:
  - 3.9.1 Substances occurring in concentrations exceeding the maximum acceptable concentrations under an Environmental Standard are present in, on, or under the site; and:
  - 3.9.2 Site remediation or redevelopment to a higher and better use is not technically or economically feasible or permitted; or

- 3.9.3 An approved long-term in-situ remedial action plan is currently and will continue to be implemented.
- 3.10 Machinery and Equipment: machinery and equipment as that term is defined by the Act or MRAT.
- 3.11 MRAT: the *Matters Relating to Assessment and Taxation Regulation, 2018* Alberta Regulation 203/2017, as amended.
- 3.12 Machinery and Equipment: machinery and equipment as that term is defined by the Act or MRAT. Renewable Power Generation Facility: the project on a Subject Property that would generate renewable electricity for the purposes of supplying energy onto the Alberta electrical grid from a fuel source that is considered renewable. The current acceptable renewable fuel sources include:
  - 3.12.1 Solar; and
  - 3.12.2 Wind
  - 3.12.3 Other renewable sources not listed here can be proposed for review during the application process.
- 3.13 Subject Property: a titled parcel of land within city boundaries that is being considered for an incentive under this policy.
- 3.14 Renewable Power Generation Facility: the project on a Subject Property that would generate renewable electricity for the purposes of supplying energy onto the Alberta electrical grid from a fuel source that is considered renewable. The current acceptable renewable fuel sources include:
  - 3.14.1 Solar; and
  - 3.14.2 Wind
  - 3.14.3 Other renewable sources not listed here can be proposed for review during the application process.

#### 4. **APPLICABILITY**

- 4.1 This Council policy applies to properties where:
  - 4.1.1 The Assessed Person must not be in arrears owed to The City.

- 4.1.2 The proposed renewable energy generation facility exceeds 5 megawatts of electrical generation capacity.
- 4.1.3 The Subject Property is not in violation of the *Safety Codes Act* at any time during the taxation years for which the incentive applies.
- 4.1.4 All applicable municipal, provincial or federal approvals and permits are in place with respect to the Subject Property.
- 4.1.5 The registered property owner or Assessed Person is not involved in litigation against The City. Filing of an assessment complaint is not considered a form of litigation under this policy.
- 4.1.6 The assessed value for the Subject Property must increase compared to the Base Assessment Year by an amount that increases the taxes collected on the Subject Property such that the overall collection of taxes does not decrease below the Base Assessment Year taxes collected.
- 4.1.7 The Subject Property meets the definition of Eligible Brownfield Property as outlined in this policy. An application for a Subject Property under this policy must include all environmental reports used to demonstrate the site meets the definition of an Eligible Brownfield Property. All environmental reports submitted must be prepared by a qualified environmental professional and shall be reviewed to the satisfaction of The City of Calgary.
- 4.1.8 The renewable power generation facility on the subject property has not reached its Commercial Operation Date at the time of application.
- 4.1.9 Any additional criteria as determined by Administration to be necessary to provide a tax-based incentive.
- 4.2 This Council policy does not apply if the Assessed Person is in bankruptcy or receivership or an Assessed Person's property is going through foreclosure.

## 5. **LEGISLATIVE AUTHORITY**

- 5.1 Pursuant to section 364.2 of the *Act*, a council may, by bylaw, for the purpose of encouraging the development or revitalization of properties in an assessment class specified in section 297(1)(b) or (d) for the general benefit of the municipality, provide for

- (a) full or partial exemptions from taxation under this Division for property in one or both of those assessment classes, or
- (b) deferrals of the collection of tax under this Division on property referred to in clause (a).

## 6. **PROCEDURE**

6.1 The application must include at a minimum:

6.1.1 Identification of the legal description of the Subject Property

6.1.2 Expected Commercial Operation Date.

6.1.3 Estimated capital construction costs.

6.1.4 Report prepared by a qualified environmental professional that demonstrates that the subject property meets the definition of an Eligible Brownfield Property. At a minimum, report must include, but is not limited to, the following:

6.1.4.1 Summary of soil and groundwater contamination assessment data with comparison to the applicable Alberta Environment & Protected Areas (AEPA) Tier 1 or Tier 2 Soil and Groundwater Remediation Guidelines criteria for the intended land use;

6.1.4.2 Copy of the approved contamination remedial action plan and/or risk management plan for the Subject Property including approval correspondence from the applicable government authority;

6.1.4.3 Rationale as to why further remediation and/or redevelopment to higher and better use is not technically or economically feasible;

6.1.4.4 Copies of all referenced environmental site assessment reports and;

6.1.4.5 Any additional documentation that may be relevant as determined by the applicant and/or The City of Calgary.

6.1.5 Proposed fuel source for the renewable power generation facility.

- 6.1.6 Proposed generation capacity of the renewable power generation facility.
- 6.2 The applicant will submit the application to Administration.
- 6.3 A bylaw will be drafted at the time of the first approved application. This bylaw must:
  - 6.3.1 Set criteria, outlined in section 4.1, to be met for property to qualify for an exemption or deferral,
  - 6.3.2 Establish a process, outlined in section 6.1, for the submission and consideration of applications for an exemption or deferral,
  - 6.3.3 Not provide for an exemption or deferral to have effect in respect of a property for more than 15 consecutive taxation years, but may, if the council considers it appropriate, provide for subsequent exemptions or deferrals of 15 consecutive taxation years or less to be applied for and granted in respect of the property, and
  - 6.3.4 Establish a process for requesting that the council review a decision made under the bylaw, including the period of time within which the request must be made.
- 6.4 Administration will circulate the application made under this policy to the appropriate internal teams to review documentation. All documentation shall be reviewed to the satisfaction of The City of Calgary.
  - 6.4.1 Climate & Environment will:
    - 6.4.1.1 Review the environmental information listed in section 6.1.4 and determine if the site meets the definition of an Eligible Brownfield Property.
    - 6.4.1.2 Review the proposed fuel source for the renewable power generation facility and proposed capacity.
  - 6.4.2 Assessment & Tax will provide:
    - 6.4.2.1 An approval outlining the duration and amount of the municipal tax exemption or deferral; or
    - 6.4.2.2 Reasoning behind rejection of the application.
- 6.5 Administration will notify the applicant of the results of the review, outlining:



- 6.5.1 The municipal tax incentive to be offered under the bylaw; or,
- 6.5.2 The reasons an incentive was not approved.
- 6.5.3 The exemption or deferral in this section must be granted in written form that specifies:
  - 6.5.3.1 the taxation years to which the exemption or deferral applies, which must not include any taxation year earlier than the taxation year in which the exemption or deferral is granted,
  - 6.5.3.2 in the case of a partial exemption, the extent of the exemption, and
  - 6.5.3.3 any condition the breach of which will result in cancellation and the taxation year or years to which the condition applies.
- 6.6 The approved exemption or deferral will take effect no earlier than the commercial operation date.

**7. AMENDMENT(S)**

Date of Council Decision	Report/By-Law	Description

**8. REVIEWS(S)**

Date of Policy Owner's Review	Description





# Tax Incentive Bylaw for Renewable Power Generation on Brownfield Sites

Report # EC2024-0641

Attachment #5



# Previous Council Direction

- On 2022 July 5, Council adopted by resolution the Calgary Climate Strategy – Pathways to 2050, which provided Administration direction to implement the Strategy
- On 2023 February 14, Council directed Administration through a Notice of Motion (EC2023-0131) to explore the ATCO Solar Farms located on brownfield sites as a pilot for future incentive programs on similar brownfield sites and return to Council with recommendations, next steps, and lessons learned as a part of a larger program by Q4 2023.
- On 2023 October 17, Administration returned to Council with recommendation to adopt a proposed Council Policy to incentivize renewable power generation developments on brownfield sites, and as next steps for Administration, to return with a Bylaw if an application was made under the Policy. ATCO applied with their Deerfoot site on 2023 October 18.



That Executive Committee:

- Forward this report to the 2024 June 18 Regular Meeting of Council; and
- Recommend that Council:
  - Give three readings to Proposed Bylaw in Attachment 2 to create and administer a non-residential tax incentive program for renewable electricity development on brownfield sites; and
  - Rescind the Tax Incentives for Renewable Power Generation Developments on Brownfield Sites Council Policy CP2023-04.

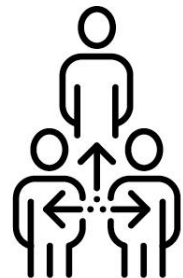


# What are we trying to accomplish?



Support new utility scale renewable developments on brownfield sites within city boundaries

Reduce GHG emissions in line with the Calgary Climate Strategy – Pathways to 2050



Generate investment and economic growth in Calgary



# What is the Bylaw?

- Establishes a tax incentive of 50 per cent of the municipal property taxes on the new linear property assessment related to new renewable development for five years, supporting renewable development on brownfield sites.
- New sites or expansions of existing sites that will have a total combined capacity of greater than 5 megawatts and are not yet operational when an application is made will be eligible
- Additional eligibility requirements:
  - The subject property is a brownfield site
  - Must be wind, solar, or other renewable energy source
  - Applicant must not have ongoing litigation with The City, and must not be in property tax arrears
  - Applicant must have all required permits in place for operation of the facility

# Why Municipal Tax Incentives?

- Attracting new development results in an increase in the non-residential tax base
- Significantly influential on financial business case for developers
- Municipal tax incentives are used in other jurisdictions to attract development
- Part of a larger financial toolkit available to The City to incentivize climate-related outcomes
- The proposed Bylaw is aligned to “The City of Calgary Approach to Property Tax Incentives Pursuant to Bill 7”





That Executive Committee:

- Forward this report to the 2024 June 18 Regular Meeting of Council; and
- Recommend that Council:
  - Give three readings to Proposed Bylaw in Attachment 2 to create and administer a non-residential tax incentive program for renewable electricity development on brownfield sites; and
  - Rescind the Tax Incentives for Renewable Power Generation Developments on Brownfield Sites Council Policy CP2023-04.



Law, Legislative Services & Security Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0506

## **Proposed Tax Incentive Appeal Board Bylaw**

---

### **PURPOSE**

This Report recommends the creation of a Tax Incentive Appeal Board to hear appeals of decisions made under the proposed Renewable Energy Non-Residential Tax Incentive Bylaw.

### **PREVIOUS COUNCIL DIRECTION**

On 2023 October 17, Council adopted Council Policy CP2023-04 on Tax Incentives for Renewable Power Generation Developments on Brownfield Sites.

### **RECOMMENDATION:**

That Executive Committee recommend that Council give three readings to the proposed Tax Incentive Appeal Board Bylaw (Attachment 1).

### **CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS**

The City Solicitor and General Counsel concurs with this Report.

### **HIGHLIGHTS**

- Section 364.2(3)(d) of the *Municipal Government Act* (the “Act”) requires that, if Council provides that a designated officer can refuse to grant tax incentives in the form of an exemption from taxation or a deferral of the collection of tax, or can cancel an exemption or deferral, Council must also establish a process for the review of those decisions.
- The proposed Tax Incentive Appeal Board (“the proposed Board”) would allow applicants for tax incentives who disagree with the Municipal Assessor’s decisions regarding tax incentives to appeal the decisions to an independent and impartial tribunal.
- The proposed Board would be a committee of Council comprised of Public Members who are independent from The City of Calgary Assessment and Tax Business Unit.
- The appeal caseload for the proposed Board is expected to be low and eligibility for appointment to the proposed Board would be limited to members of the Assessment Review Board (“ARB”) and the Licence and Community Standards Appeal Board (“LCSAB”).

### **DISCUSSION**

The Climate and Environment Business Unit of Planning and Development Services is proposing a Renewable Energy Non-Residential Tax Incentive Bylaw which would allow the Municipal Assessor to make decisions regarding tax incentives on non-residential properties. If Council enacts this Bylaw, it must also establish a process for those decisions to be reviewed. Administration is proposing that a Tax Incentive Appeal Board be established to hear appeals of such decisions. Section 203(2)(e) of the Act states that “a council may not delegate a duty to decide appeals imposed on it by this or another enactment or bylaw, whether generally or on a case-by-case basis, unless the delegation is to a council committee and authorized by bylaw.”

### **Proposed Tax Incentive Appeal Board Bylaw**

---

The proposed Board would play a crucial role in ensuring a fair and transparent appeal process. The independence of the proposed Board from the decision-makers whose decisions would be appealed is critical to support public trust and confidence in the appeal process. The proposed Board would be made up of Public Members appointed by Council. Limiting eligibility of the proposed Board's membership to members of the ARB and LCSAB would ensure that the proposed Board has the necessary expertise and experience, while minimizing the workload associated with recruitment and appointments. The proposed Board would consist of between six to ten members who would be appointed for one- or two-year terms.

If Council establishes the proposed Board, the proposed Board will be included in the City Clerk's annual recruitment and advertising campaign for Boards, Commissions and Committees, and the City Clerk's Office will implement a process to solicit expressions of interest from candidates applying to serve on the ARB and LCSAB. Recommendations for appointment to the proposed Board will be brought forward by the City Clerk's Office to Council through Nominations Committee, beginning in Q4 of 2024.

#### **EXTERNAL ENGAGEMENT AND COMMUNICATION**

- |  |   |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken        | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken     |
| <input type="checkbox"/> Public/interested parties were informed | <input checked="" type="checkbox"/> Public communication or engagement was not required |

The General Chair of the ARB and the Chair of the LCSAB were informed about the proposed Board. Both Chairs are supportive of having members from the ARB and LCSAB be eligible for participation on the proposed Board.

#### **IMPLICATIONS**

##### **Social**

The creation of the proposed Board will provide an appeal process for those who wish to have a decision of the municipal assessor reviewed.

##### **Environmental**

Not applicable.

##### **Economic**

Not applicable.

##### **Service and Financial Implications**

As the proposed Board's appeal caseload and related start-up costs are expected to be low, no additional budget is expected to be required to support the proposed Board. The City Clerk's Office will monitor caseload and may bring forward a budget request, if required.

##### **RISK**

None.

Law, Legislative Services & Security Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0506

**Proposed Tax Incentive Appeal Board Bylaw**

---

**ATTACHMENTS**

1. Proposed Wording for a Tax Incentive Appeal Board Bylaw
2. Background and Previous Council Direction
3. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Jill Floen, City Solicitor and General Counsel	Law, Legislative Services and Security	Approve
Katarzyna Martin, Director/City Clerk	Law, Legislative Services and Security	Approve

Author: Lyndsay Morrison, City Clerk's Office



**Proposed Wording for a Bylaw to Establish a  
Tax Incentive Appeal Board Bylaw**

**SHORT TITLE**

1. This Bylaw may be cited as the “Tax Incentive Appeal Board Bylaw”.

**DEFINITIONS**

2. (1) In this Bylaw,
  - (a) “*Act*” means the *Municipal Government Act*, RSA 2000, c. M-26;
  - (b) “*appellant*” means a person who is seeking an appeal to the *Board*;
  - (c) “*assessed person*” has the same meaning as in Bylaw **XXM2024**;
  - (d) “*Board*” means the Tax Incentive Appeal Board established by this Bylaw;
  - (e) “*Chief Administrative Officer*” means the person holding the position of Chief Administrative Officer under Bylaw 52M2022 or the employee of The City of Calgary who has been delegated the authority to exercise the powers, duties, and functions of the position under this Bylaw;
  - (f) “*Council*” means the municipal council of the *City*;
  - (g) “*City*” means the municipal corporation of The City of Calgary;
  - (h) “*City Solicitor and General Counsel*” means the person appointed to the designated officer established by Bylaw 48M2000 or the employee of The City of Calgary who has been delegated the authority to exercise the powers, duties, and functions of that position under this Bylaw;
  - (i) “*City Clerk*” means the person appointed to the designated officer position established by Bylaw 73M94 or the employee of The City of Calgary who has been delegated the authority to exercise the powers, duties, and functions of that position under this Bylaw;
  - (j) “*member*” means a person appointed to the *Board*;
  - (k) “*Municipal Assessor*” means the person appointed to the designated officer position established by Bylaw 49M2007 or the employee of The City of Calgary who has been delegated the authority to exercise the powers, duties, and functions of that position under this Bylaw or Bylaw **XM2024**;

- (2) If this Bylaw refers to any statute, regulation or bylaw, the reference is to the statute, regulation or bylaw as amended, whether amended before or after the commencement of this Bylaw, and includes reference to any statute, regulation or bylaw that may be substituted in its place.

## **ESTABLISHMENT**

3. The Tax Incentive Appeal Board is hereby established as a committee of *Council*.

## **MANDATE**

4. The mandate of the *Board* is to hear appeals of decisions made by the *Municipal Assessor* under Bylaw **XXM2024**, the Renewable Energy Non-Residential Tax Incentive Bylaw, to:
  - (a) deny a tax incentive; or
  - (b) cancel a tax incentive.

## **BOARD COMPOSITION**

5.
  - (1) The *Board* is composed of up to 10 and no fewer than 6 *members* who are appointed by resolution of *Council*.
  - (2) Unless otherwise specified by Council, *members* of the *Board* are appointed for 1 or 2 year terms commencing January 1 and ending December 31.
  - (3) Members of *Council* may not be appointed to the *Board*.
  - (4) *Members* of the *Board* shall not serve more than a cumulative maximum of 10 years.
  - (5) Eligibility for appointment to the *Board* is limited to:
    - (a) members of the Assessment Review Board, excluding the General Chair of that Board; and
    - (b) members of the Licence and Community Standards Appeal Board, excluding the Chair of that Board.

## **VACANCIES**

6.
  - (1) If a vacancy occurs on the Board, *Council* may by resolution appoint a person to fill the vacancy.
  - (2) A person appointed to fill a vacancy pursuant to subsection (1) shall hold office for the remainder of the current term. A partial term served pursuant to this section is not included in the calculation of years served for the purposes of section 5(4).



## REMUNERATION OF MEMBERS

7. (1) The remuneration and expenses payable to each *member* shall be determined by the *City Clerk* in consultation with the Chair.
- (2) The remuneration and expenses payable to the Chair shall be determined by the *City Clerk* in consultation with the *Chief Administrative Officer*.

## BOARD GOVERNANCE AND PROCEDURES

8. (1) The *members* of the *Board* must annually appoint a Chair and Vice-Chair of the *Board* at or prior to the first meeting of the calendar year.
- (2) The Vice-Chair may exercise any of the Chair's authority under this Bylaw if the Chair is unable to act or is absent.
- (3) The *Board* has the power to establish policies and rules of procedure relating to the hearing of appeals, providing that those procedures and policies do not conflict with the *Act*.
- (4) The *Board* may schedule meetings at the call of the Chair or, in the absence of an appointed Chair and Vice-Chair, meetings may be scheduled by the *City Clerk*.
- (5) A panel of the *Board* may seek legal advice from a lawyer who is independent from the parties to a hearing.
- (6) The *City Solicitor and General Counsel* will select and retain the lawyer required for the purposes of subsection (5) above.

## NOTICE OF APPEALS

9. (1) Only the *assessed person* who applied for the tax incentive may file a notice of appeal and act as an *appellant* under this Bylaw.
- (2) A notice of appeal will not be considered as having been filed unless the notice of appeal and applicable fee have been received by the *City Clerk* within the prescribed time period for filing a notice of appeal.
- (3) An *appellant* seeking an appeal must submit a notice of appeal to the *City Clerk* within 30 days after the date on which the *appellant* received the decision of the *Municipal Assessor*.
- (4) A notice of appeal must be in the form required by the City Clerk and include:
  - (a) the name of the *appellant*;
  - (b) the daytime telephone number at which the *appellant* may be reached;
  - (c) an address to which documents in relation to the appeal may be delivered;

- (d) a copy of the decision being appealed including the date it was received; and
- (e) the reasons for the appeal.

## SCHEDULING

10. Upon receiving a notice of appeal, the *City Clerk* will schedule a hearing within 60 days from the date on which the notice of appeal is received and issue a Notice of Hearing.

## HEARING PANELS

11. (1) The Chair will select and schedule panels from *Board* membership to hear appeals.
- (2) The *members* of the *Board* may hear appeals in panels of no more than 3 *members*, so long as quorum requirements are satisfied.
- (3) The quorum of the *Board* is 3 *members* provided that at least 1 *member* of each panel is:
- (a) a member appointed from the Assessment Review Board; and
  - (b) a member appointed from the Licence and Community Standards Appeal Board.
- (4) For greater certainty, no panel can consist of all 3 *members* who are cross-appointed from the same board.
- (5) If quorum is lost during a hearing or before a decision is issued then the appeal will be reheard by the *Board* before a new panel.
- (6) A panel of the *Board* has all the powers, duties, and responsibilities of the *Board* to hear and decide appeals.
- (7) The rules of procedure established by the *Board* may be modified, waived or supplemented by a panel of the *Board* as necessary to ensure procedural fairness in the hearing of an appeal.
- (8) During a hearing, the *Board* may hear from the *appellant* and the *Municipal Assessor*.

## DECISIONS

12. (1) When deciding an appeal, the *Board* may;
- (a) confirm the decision of the *Municipal Assessor* to deny or cancel a tax incentive to the appellant; or
  - (b) direct the *Municipal Assessor* to provide a tax incentive to the appellant.

- (2) A decision of the *Board* under subsection (1) above must comply with the requirements for a tax incentive set out in **Bylaw XM2024** including requirements on eligibility, amount, and conditions for ongoing receipt.
- (3) The *Municipal Assessor* must implement a decision of the *Board*.
- (4) The *Board* must issue a decision within 30 days following the end of a hearing.
- (5) The decision of a majority of the *members* present at the hearing of an appeal constitutes a decision of the *Board*.
- (6) A decision of a panel is a decision of the *Board*.

#### **AUTHORITY OF CITY CLERK**

13. The *City Clerk* is authorized to:
  - (a) provide administrative and operational support to the *Board* and its members as required to support the *Board's* mandate;
  - (b) establish notice of appeal forms;
  - (c) issue hearing notices and other communications on behalf of the *Board*; and
  - (d) issue communications on behalf of the *Board* to the public and media regarding the administration and operation of the *Board*.
14. The *City Clerk* is authorized to establish fees for the operation of the *Board* including, but not limited to:
  - (a) the fee an *appellant* must pay to file a notice of appeal;
  - (b) fees to receive a copy of a recording made of a hearing; and
  - (c) fees to receive copies of filed documents.

#### **TRANSITIONAL**

15. Despite section 10, for the 6 months following the date this Bylaw comes into force, the *City Clerk* may, upon receiving a notice of appeal, schedule a hearing and issue a Notice of Hearing outside of the 60-day time period.

#### **COMING INTO FORCE**

16. This Bylaw comes into force on the day it is passed.



# Background and Previous Council Direction

## Background

Section 364.2 of the *Municipal Government Act, RSA 2000, c. M-26*, allows municipalities to grant tax exemptions and tax deferrals (collectively, “incentives”) to non-residential properties for the purpose of encouraging the development or revitalization of these properties for the general benefit of the municipality. It gives municipalities the discretion to determine how much they wish to reduce or defer taxes for a particular non-residential property.

### **MGA Excerpt:**

#### **Tax incentives for non-residential property**

**364.2(1)** In this section,

- (a) “deferral” means a deferral under this section;
- (b) “exemption” means an exemption under this section.
- (c) repealed 2019 c21 s2.

**(2)** A council may, by bylaw, for the purpose of encouraging the development or revitalization of properties in an assessment class specified in section 297(1)(b) or (d) for the general benefit of the municipality, provide for

- (a) full or partial exemptions from taxation under this Division for property in one or both of those assessment classes, or
- (b) deferrals of the collection of tax under this Division on property referred to in clause (a).

**(3)** A bylaw under subsection (2)

- (a) must set criteria to be met for property to qualify for an exemption or deferral,
- (b) must establish a process for the submission and consideration of applications for an exemption or deferral,
- (c) must not provide for an exemption or deferral to have effect in respect of a property for more than 15 consecutive taxation years, but may, if the council considers it appropriate, provide for subsequent exemptions or deferrals of 15 consecutive taxation years or less to be applied for and granted in respect of the property, and
- (d) if the bylaw provides for any person other than the council, including a designated officer, to refuse to grant an exemption or deferral or to cancel an exemption or deferral,

must establish a process for applications to the council for the review of those decisions and must specify the period of time within which the application must be made.

- (4)** If after reviewing an application the municipality determines that the property meets the requirements for a full or partial exemption or for a deferral, the municipality may grant the exemption or deferral.
- (5)** An exemption or deferral must be granted in a written form that specifies
- (a) the taxation years to which the exemption or deferral applies, which must not include any taxation year earlier than the taxation year in which the exemption or deferral is granted,
  - (b) in the case of a partial exemption, the extent of the exemption, and
  - (c) any condition the breach of which will result in cancellation under subsection (6) and the taxation year or years to which the condition applies.
- (6)** If at any time after an exemption or deferral is granted under a bylaw under this section the municipality determines that the property did not meet or has ceased to meet a criterion referred to in subsection (3)(a) or that a condition referred to in subsection (5)(c) has been breached, the municipality may cancel the exemption or deferral for the taxation year or years in which the criterion was not met or to which the condition applies.
- (7)** Where a municipality refuses to grant or cancels an exemption or deferral, the municipality must send a written notice to the applicant stating the reasons for the refusal or cancellation and, if a review of the decision is available under subsection (3)(d), the date by which any application for that review must be made.
- (8)** Where a municipality grants or cancels an exemption or deferral in respect of designated industrial property, the municipality must notify the provincial assessor and provide any other information requested by the provincial assessor respecting the exemption, deferral or cancellation.
- (9)** Subject to subsection (6), any order referred to in section 127(1.1) and the criteria and conditions on which an exemption or deferral was granted, the exemption or deferral remains valid regardless of whether the bylaw under which it was granted is subsequently amended or repealed or otherwise ceases to have effect.

## Previous Council Direction

---

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2023 October 17	EC2023-1120	Tax Incentives for Renewable Generation Developments on Brownfield Sites  Council adopted Council Policy CP2023-04, Tax Incentives for Renewable Power Generation Developments on Brownfield Sites.







## **Proposed Tax Incentive Appeal Board Bylaw, EC2024-0506**

2024 June 11 Regular Meeting of Executive Committee

## Recommendation:

That Executive Committee recommend that Council give three readings to the proposed Tax Incentive Appeal Board Bylaw (Attachment 1).

# Highlights

- If Council gives the Municipal Assessor the authority to refuse, grant, or cancel tax incentives, they must also establish a process for the review of those decisions.
- The proposed Tax Incentive Appeal Board would hear appeals against tax incentive decisions made by the Municipal Assessor.
- The proposed Board would be a committee of Council comprised of Public Members who are independent from the City of Calgary Assessment and Tax Business Unit.



# Tax Incentive Appeal Board

## Recommendation:

That Executive Committee recommend that Council give three readings to the proposed Tax Incentive Appeal Board Bylaw (Attachment 1).



Operational Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0674

## **Wastewater, Stormwater, and Water Utility Bylaw Amendments**

---

### **PURPOSE**

The purpose of this report is to recommend that Council pass a bylaw making minor changes to improve the Stormwater Bylaw (Attachment 2), Wastewater Bylaw (Attachment 3), and Water Utility Bylaw (Attachment 4). The proposed changes will ensure consistency within the bylaws and provide clarity to enable the City to improve customer communication, compliance, and better protect infrastructure, public health, and the environment.

### **PREVIOUS COUNCIL DIRECTION**

No previous council direction has been provided on this bylaw revision or the proposed amendments.

### **RECOMMENDATION:**

That the Executive Committee recommend that Council:

1. Give three readings to the proposed bylaw in Attachment 2 to amend Bylaw 37M2005, Stormwater Bylaw;
2. Give three readings to the proposed bylaw in Attachment 3 to amend Bylaw 14M2012, Wastewater Bylaw; and
3. Give three readings to the proposed bylaw in Attachment 4 to amend Bylaw 40M2006, Water Utility Bylaw.

### **CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS**

Operational Services General Manager Doug Morgan concurs with this report.

### **HIGHLIGHTS**

- Changes to the stormwater, wastewater and water utility bylaws including small updates to make definitions clearer and ensure City bylaws match with other standards.
- These changes help everyone understand what is expected from Calgarians, businesses, and The City, making sure responsibilities are clear. This will improve communication, protect infrastructure, public health, and the environment.

### **DISCUSSION**

The Water Utility is continually seeking to increase efficiency and effectiveness in the provision of services, while making sure that social, environmental, and economic factors are understood and considered. Administration is recommending that Council approve these changes to the stormwater, wastewater, and water utility bylaws by passing the amending bylaws attached to this report.

The proposed bylaw amendments include:

- Updating commonly used terms to provide clarity to City staff and customers.
- Ensuring consistency between bylaws and other City specifications.
- Providing clarification that will enable The City to effectively communicate requirements to customers, and better protect infrastructure, public health, and the environment.
- Incorporating content from Canadian Standards Association (CSA) standards into the wastewater bylaw to clarify the requirements for operating and maintaining grease

Operational Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0674

## **Wastewater, Stormwater, and Water Utility Bylaw Amendments**

---

interceptors, which are devices that prevent fats, oil, and grease from entering the wastewater system and play an important role in preventing system backups.

- Ensuring full-service food vehicles have proper grey water disposal connections to prevent pollution resulting from improper or leaky connections.

### **EXTERNAL ENGAGEMENT AND COMMUNICATION**

- |  |   |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken        | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed | <input type="checkbox"/> Public communication or engagement was not required        |

The Community Compliance team in Water Services interacts with industrial, commercial, and institutional customers daily and these bylaw changes are based on the information and feedback received through these customer interactions. Communication regarding the requirements food service truck operators has been completed in 2024 through The City's annual Food Truck Blitz.

Internal engagement has been undertaken with other City groups that use these bylaws. The proposed changes have been endorsed by the Wastewater Collection & Treatment Service Team, the Stormwater Collection Service Team, and the Water Distribution and Treatment Service Team which provide governance and oversight for each of these lines of service.

### **IMPLICATIONS**

#### **Social**

These changes will make the rules clearer and improve communication with Calgarians and businesses. The changes will also help The City better protect our infrastructure and river health. This, in turn, helps our downstream neighbours who rely on the Bow River for their water supply.

#### **Environmental**

These changes encourage education and regulatory compliance programs that support The City's commitment to protecting the environment. These changes will help reduce the number of wastewater main blockages and help prevent pollution from entering the stormwater system and the natural environment, which will help protect the Elbow and Bow River ecosystems.

#### **Economic**

There are no anticipated economic impacts resulting from the proposed amendments.



Operational Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0674

## Wastewater, Stormwater, and Water Utility Bylaw Amendments

### Service and Financial Implications

#### No anticipated financial impact

This report recommendation has no direct financial implications to The City's capital or operating budgets. However, providing clarity around the operation and maintenance of grease interceptors could help reduce operations and maintenance costs related to grease in the wastewater collection system over time.

#### RISK

The proposed changes ensure success of The Utility to mitigate or address environmental and infrastructure risks as well as better serve citizens, communities, and customers in a cohesive and collaborative way.

If these bylaw changes are not approved there will be a higher risk of non-compliance, which could have consequences such as sewer backups and the release of prohibited materials into the stormwater system and the environment.

#### ATTACHMENTS

1. Background and Previous Council Direction
2. Proposed Wording for a Bylaw to Amend Bylaw 37M2005 - Stormwater Bylaw
3. Proposed Wording for a Bylaw to Amend Bylaw 14M2012 - Wastewater Bylaw
4. Proposed Wording for a Bylaw to Amend Bylaw 40M2006 - Water Utility Bylaw
5. Summary of Amendments to Stormwater, Wastewater, and Water Utility Bylaws
6. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Doug Morgan, General Manager	Operational Services	Approve
Nancy Mackay, Director	Operational Services - Water Services	Approve
Debra Hamilton, Acting General Manager	Planning and Development Services	Inform
Carolyn Bowen, Director	Planning and Development Services – Climate and Environment	Inform

Authors: Kari Macdonald, Kelly Rowsell



## Background and Previous Council Direction

---

Below are the most recent Stormwater, Water and Wastewater Bylaw amendment approvals, having originated from The City's Water Utility:

On 2005 July 4, Council approved Bylaw 37M2005, the Drainage Bylaw. On 2019 November 29, Council approved Bylaw 41M2019, being a Bylaw of The City of Calgary to amend Bylaw 58M2018, the Drainage Bylaw. In 2021 Council approved Bylaw 41M2021, being a bylaw of The City of Calgary to amend Bylaw 37M2005, which included a title change to Stormwater Bylaw.

On 2006 July 24, Council approved Bylaw 40M2006, the Water Utility Bylaw. On 2019 November 29, Council approved Bylaw 40M2019, being a Bylaw of The City of Calgary to amend Bylaw 57M2018, the Water Utility Bylaw. In 2021 Council approved Bylaw 43M2021, being a bylaw of The City of Calgary to amend Bylaw 40M2006.

On 2012 March 12, Council approved Bylaw 14M2012, the Wastewater Bylaw. On 2019 November 29, Council approved Bylaw 42M2019 Being a Bylaw of The City of Calgary to amend Bylaw 56M2018, the Wastewater Bylaw. In 2021 Council approved Bylaw 42M2021, being a bylaw of The City of Calgary to amend Bylaw 14M2012.



**Proposed Wording for a Bylaw to Amend Bylaw 37M2005  
the Stormwater Bylaw**

1. Bylaw 37M2005, the Stormwater Bylaw, as amended, is hereby further amended.
2. In section 2:
  - (a) in subsection (1)(w), the definition of “remedial order”, the words “and in accordance with Part 2 of the Community Standards Bylaw, Bylaw Number 5M2004” are deleted; and
  - (b) in subsection (p.1), the definition of “owner”, the following is added after subsection (iii) as subsection (iv):
    - “(iv) a business operating on the land or premises;”.
3. In section 4(3)(b), after the word “less”, the following is added:

“, provided that such water does not contain Prohibited Material”.
4. In section 8, after the word “manage”, the following is added:

“, add controls”.
5. In section 11(4), after the word “alter,”, the following is added:

“damage,”.
6. Subsections 18(2), (3), and (4) are deleted and the following is substituted as section 18(4.1):

“(4.1) A Remedial Order written pursuant to this Bylaw may be served in accordance with the Community Standards Bylaw 32M2023.”.
7. This Bylaw comes into force on the day it is passed.



**Proposed Wording for a Bylaw to Amend Bylaw 14M2012,  
the Wastewater Bylaw**

1. Bylaw 14M2012, the Wastewater Bylaw as amended, is hereby further amended.
2. In section 3,
  - (a) in the definition of “CAN/CSA B481”, the word “2007” is deleted and the following is substituted:

“2012”; and
  - (b) in the definition of “owner”, the following is added after subsection (iii) as subsection (iv):

“(iv) a business operating on the land or *premises*”.
3. In section 26:
  - (a) Subsection (4)(b) is deleted and the following is substituted:
    - (b) keep a maintenance log for each *pre-treatment system* on the *premises*, in the form prescribed by the *Director, Water Services*, with a record of every inspection, servicing, and repair;
    - (b.1) keep maintenance logs in accordance with subsection (b) on the *premises* for a minimum of two years; and”; and
  - (b) The following is added after subsection 4(c) as section 26(4.1):

“(4.1) A *person* must not provide false or misleading information on a maintenance log under this *Bylaw*.”.
4. Section 27(1) is deleted in its entirety, and the following is substituted as sections 27(1), (1.1), and (1.2):

“27. (1) An *owner* of a business or a *premises* that is connected directly or indirectly to the *wastewater system*, and where food may be cooked, processed, or prepared, and where a *fixture* or equipment releases *wastewater* that includes *Fats, Oil or Grease* must do the following:

  - (a) install a *FOG interceptor* at a location with *adequate access* on the upstream side of a *monitoring access point* in or on the premises to prevent *FOG* from passing into the *wastewater system*;
  - (b) select and install a *FOG interceptor* which is properly sized and designed in accordance with the *CAN/CSA B481*;

- (c) ensure *FOG interceptor* meets the requirements of the *National Plumbing Code of Canada*;
- (d) ensure the *FOG interceptor* is installed in a location that has *adequate access* for cleaning;
- (e) ensure a minimum of 12in (300mm) clearance between the cover of the *FOG interceptor* and the bottom of the sink or other obstacle;
- (f) monitor, operate, and *properly maintain* a *FOG interceptor* at all times;
- (g) clean all *FOG interceptors* monthly or at an interval required by the *Director, Water Services*; and
- (h) dispose of exhaust hood wash water in a *fixture* that is connected to a *FOG interceptor* or haul such water to a location approved by the *Director, Water Services*.

(1.1) For the purposes of subsection (1) above:

- (a) “*fixture*” means a receptacle, sink, appliance, apparatus, or other device that *releases* or has the potential to *release, wastewater* or *FOG* and includes a floor drain;
- (b) “*adequate access*” means easy access for proper cleaning and removal of *FOG* and sediments, allowing, at a minimum: access by a 50mm (2in) diameter vacuum hose, and for personnel to reach all removable internal components; and
- (c) “*properly maintain*” means removing the entire contents and thoroughly cleaning the *FOG interceptor*.

(1.2) The *Director, Water Services* may:

- (a) prescribe the frequency of *FOG interceptor* cleanings; and
- (b) prescribe approved locations for disposal of hauled hood wash water.”.

5. In section 34(1)(c):

- (a) the word “; and” in subsection (iv) is deleted and the following is substituted:  
“.”; and
- (b) subsection (v) is deleted in its entirety.

6. In section 34.1:



- (a) subsection (2) is deleted and the following is substituted:
  - “(2) The operator of a *full service food vehicle* must dispose of *wastewater* at a location approved by the *Director, Water Services*.”;
- (b) subsection (3) is deleted; and
- (c) after subsection (5), the following is added as section 34.1(6):
  - “(6) The operator of a *full-service food vehicle* must equip that vehicle with a greywater disposal connection as approved by the *Director, Water Services*.”.

7. Sections 43(1), (2) and (3) are deleted and the following is substituted as sections 43(3.1) and 43(3.2):

“(3.1) Where:

- (a) the *Director, Community Planning*;
- (b) the *Director, Water Services*; or
- (c) an *Officer*;

believes a *Person* has contravened any provision of this Bylaw, they may issue to the *Person* a *Remedial Order* to remedy the infraction.

(3.2) A *Remedial Order* issued pursuant to this Bylaw may be served in accordance with the Community Standards Bylaw 32M2023.”.

8. In **Schedule “J” - “Offences and Penalties”**:

(a) after:

Section	Description of Offences	Minimum Penalty	Specified Penalty
“26(4)(a)	Failing to obtain and retain manuals, instructions and specifications related to the installation, operation, maintenance and cleaning of the <i>pre-treatment system</i> installed at the <i>premises</i>	\$100	\$200”

the following is deleted under the headings indicated:

Section	Description of Offences	Minimum Penalty	Specified Penalty
“26(4)(b)	Failing to maintain a maintenance schedule and record of each maintenance for the <i>pre-treatment system</i> installed at a <i>premises</i> for	\$100	\$500”

	a period of two years, including records for disposal of <i>waste residue</i>		
--	---	--	--

and the following is substituted in its place under the headings indicated:

Section	Description of Offences	Minimum Penalty	Specified Penalty
"26(4)(b)	Failure to keep a maintenance log in accordance with this Bylaw	\$100	\$500
26(4)(b.1)	Failure to keep maintenance logs for length of time required	\$100	\$500";

(b) after:

Section	Description of Offences	Minimum Penalty	Specified Penalty
"26(4)(c)	Failing to submit records requested by the <i>Director</i>	\$100	\$500"

the following is deleted under the headings indicated:

Section	Description of Offences	Minimum Penalty	Specified Penalty
"27(1)(a)	Failing to install a <i>FOG interceptor</i> as required by subsection 27(1)(a)	\$500	\$2000
27(1)(b)	Failing to monitor, operate, properly maintain and clean each <i>FOG interceptor</i> as required by subsection 27(1)(b)	\$500	\$1500
27(1)(c)	Failing to ensure that <i>wastewater</i> does not exceed the maximum allowable concentration limits for <i>FOG</i> set out in Schedule C of the <i>Bylaw</i>	\$1000	\$3000
27(1)(d)	Failing to submit <i>interceptor</i> maintenance records requested by the <i>Director</i>	\$100	\$500"

and the following is substituted in its place under the headings indicated:

Section	Description of Offences	Minimum Penalty	Specified Penalty
"27(1)(a)	Failing to install a <i>FOG interceptor</i> at a location with <i>adequate access</i>	\$500	\$2000
27(1)(b)	Failing to select and install a properly designed <i>FOG interceptor</i>	\$500	\$2000
27(1)(c)	<i>FOG interceptor</i> fails to meet requirements of <i>National Plumbing Code of Canada</i>	\$500	\$2000
27(1)(d)	<i>FOG interceptor</i> installed in improper location	\$500	\$2000
27(1)(e)	<i>FOG interceptor</i> installed without appropriate clearance	\$500	\$2000

27(1)(f)	Failing to monitor, operate, and <i>properly maintain a FOG interceptor</i>	\$500	\$1500
27(1)(g)	Failing to clean <i>FOG interceptor</i> at required interval	\$500	\$1500
27(1)(h)	Failing to dispose of exhaust hood wash water in accordance with this <i>Bylaw</i>	\$500	\$1500”;

and

(c) after the following:

Section	Description of Offences	Minimum Penalty	Specified Penalty
“34.1(5)	Failing to provide logbook upon request	\$100	\$200”

the following is added:

Section	Description of Offences	Minimum Penalty	Specified Penalty
“34.1(6)	Failing to equip Food Service Vehicle with a proper greywater disposal connection	\$500	\$1500”.

9. This Bylaw comes into force on the day it is passed.



**Proposed Wording for a Bylaw to Amend Bylaw 40M2006  
the Water Utility Bylaw**

1. Bylaw 40M2006, the Water Utility Bylaw, as amended, is hereby further amended.
2. In section 47(1), the words “is guilty of an offence” are deleted and the following words are substituted:  
  
“commits an offence.”
3. In **Schedule “B” -- OFFENCES: SPECIFIED PENALTIES**, after:

<u>SECTION NUMBER</u>		<u>SPECIFIED PENALTY</u>
“39(4)	Fail to retain test records on-site	\$500”

the following is deleted under the headings indicated:

<u>SECTION NUMBER</u>		<u>SPECIFIED PENALTY</u>
“39(5)	Fail to file passed Testable Cross Connection Control Device test report within thirty days	\$500”

and the following is substituted in its place under the headings indicated:

<u>SECTION NUMBER</u>		<u>SPECIFIED PENALTY</u>
“39(5)	Fail to file passed Testable Cross Connection Control Device test report within five days	\$500”.

4. This Bylaw comes into effect on the day that it is passed.



Bylaw 37M2005 (Stormwater) Amendment	Reason for Change
<p>In section 2:</p> <p>(a) in subsection (1)(w), the definition of “remedial order”, the words “and in accordance with Part 2 of the Community Standards Bylaw, Bylaw Number 5M2004” are deleted; and</p> <p>(b) in subsection (p.1), the definition of “owner”, the following is added after subsection (iii) as subsection (iv): “(iv) a business operating on the land or premises;”.</p>	<p>Update definition of remedial order to align with the definitions in other bylaws.</p> <p>Business owners and operators are responsible for their business' compliance with Calgary's bylaws; updating definition of Owner to include “a business operating on the land or premises.”</p>
<p>In section 4(3)(b), after the word “less”, the following is added:  “, provided that such water does not contain Prohibited Material”.</p>	<p>Clarify that water discharged to the Stormwater System from a pool, pond, or fountain less than 3000 liters cannot contain any chemicals or other pollutants that could harm the environment.</p> <p>This aligns with the requirement that discharged water does not contain “Prohibited Material” with the rest of the bylaw</p>
<p>In section 8, after the word “manage”, the following is added: “, add controls”.</p>	<p>Include the addition of controls for water and sediment as a possible requirement from the Director in the list of actions related to water flowing from a private parcel.</p> <p>These controls are often listed as a requirement in erosion and sediment control plans for construction sites</p>
<p>In section 11(4), after the word “alter”, the following is added: “damage,”.</p>	<p>Expands definition of actions that are not allowed. This is required to cover more instances of bylaw infractions.</p>
<p>Subsections 18(2), (3), and (4) are deleted and the following is substituted as section 18(4.1): “(4.1) A Remedial Order written pursuant to this Bylaw may be served in accordance with the Community Standards Bylaw 32M2023.”.</p>	<p>Remove detailed requirements on remedial orders and refer to the Community Standards Bylaw as the single source for this information.</p> <p>This will avoid potential conflicts from having similar information in several different bylaws.</p>

Bylaw 14M2012 (Wastewater) Amendment	Reason for Change
<p>In section 3, (a) in the definition of "CAN/CSA B481", the word "2007" is deleted and the following is substituted: "2012"; and (b) in the definition of "owner", the following is added after subsection (iii) as subsection (iv): " (iv) a business operating on the land or <i>premises</i>;".</p>	<p>Update CSA standard definition to refer to most current version from 2012 to ensure the most current standards are being referenced in the bylaw.</p> <p>Update definition of Owner to include "a business operating on the land or premises." Since business owners and operators are responsible for their business' compliance with Calgary's bylaws.</p>
<p>In section 26: Subsection (4)(b) is deleted and the following is substituted: "(b) keep a maintenance log for each <i>pre-treatment system</i> on the <i>premises</i>, in the form prescribed by the <i>Director, Water Services</i>, with a record of every inspection, servicing, and repair; (b.1) keep maintenance logs in accordance with subsection (b) on the <i>premises</i> for a minimum of two years; and"; and The following is added after subsection 4(c) as section 26(4.1): "(4.1) A <i>person</i> must not provide false or misleading information on a maintenance log under this <i>Bylaw</i>."</p>	<p>Include specific details on CSA standard <i>CAN/CSA B481</i> so customers to not have to buy that standard to understand the bylaw requirements.</p> <p>This includes specific details on CSA requirements related to the installation, operation, maintenance, and record keeping for grease interceptors at food service establishments. Grease Interceptors prevent fats, oils, and grease from entering the wastewater system, blocking pipes, and causing wastewater backups in City and private infrastructure</p>
<p>Section 27(1) is deleted in its entirety, and the following is substituted as sections 27(1), (1.1), and (1.2): "27. (1) An <i>owner</i> of a business or a <i>premises</i> that is connected directly or indirectly to the <i>wastewater system</i>, and where food may be cooked, processed, or prepared, and where a <i>fixture</i> or equipment releases <i>wastewater</i> that includes <i>Fats, Oil or Grease</i> must do the following: (a) install a <i>FOG interceptor</i> at a location with <i>adequate access</i> on the upstream side of a <i>monitoring access point</i> in or on the <i>premises</i> to prevent <i>FOG</i> from passing into the <i>wastewater system</i>; (b) select and install a <i>FOG interceptor</i> which is properly sized and designed in accordance with the <i>CAN/CSA B481</i>; (c) ensure <i>FOG interceptor</i> meets the requirements of the <u><i>National Plumbing Code of Canada</i></u>; (d) ensure the <i>FOG interceptor</i> is installed in a location that has <i>adequate access</i> for cleaning; (e) ensure a minimum of 12in (300mm) clearance between the cover of the <i>FOG interceptor</i> and the bottom of the sink or other obstacle; (f) monitor, operate, and <i>properly maintain</i> a <i>FOG interceptor</i> at all times; (g) clean all <i>FOG interceptors</i> monthly or at an interval required by the <i>Director, Water Services</i>; and (h) dispose of exhaust hood wash water in a <i>fixture</i> that is connected to a <i>FOG interceptor</i> or haul such water to a location approved by the <i>Director, Water Services</i>. (1.1) For the purposes of subsection (1) above: (a) "<i>fixture</i>" means a receptacle, sink, appliance, apparatus, or other device that <i>releases</i> or has the potential to <i>release, wastewater</i> or <i>FOG</i> and includes a floor drain;</p>	<p>Include specific details on CSA standard <i>CAN/CSA B481</i> so customers to not have to buy that standard to understand the bylaw requirements.</p> <p>This includes specific details on CSA requirements related to the installation, operation, maintenance, and record keeping for grease interceptors at food service establishments. Grease Interceptors prevent fats, oils, and grease from entering the wastewater system, blocking pipes, and causing wastewater backups in City and private infrastructure.</p>



<p>(b) “adequate access” means easy access for proper cleaning and removal of FOG and sediments, allowing, at a minimum: access by a 50mm (2in) diameter vacuum hose, and for personnel to reach all removable internal components; and</p> <p>(c) “properly maintain” means removing the entire contents and thoroughly cleaning the <i>FOG interceptor</i>.</p> <p>(1.2) The <i>Director, Water Services</i> may:</p> <p>(a) prescribe the frequency of <i>FOG interceptor</i> cleanings; and</p> <p>(b) prescribe approved locations for disposal of hauled hood wash water.”.</p>	
<p>In section 34(1)(c):</p> <p>(a) the word “; and” in subsection (iv) is deleted and the following is substituted:“.”; and</p> <p>(b) subsection (v) is deleted in its entirety.</p>	<p>Removes specific requirements related to hauled wastewater manifests that are used for reporting the source and types of wastewater being disposed of at City of Calgary facilities.</p> <p>This edit is needed for consistency since these requirements are clearly stated in the manifest template that wastewater haulers are required to complete, so removing them from the bylaw will mitigate the risk of conflicting information between the bylaw and the manifest.</p>
<p>In section 34.1: subsection (2) is deleted and the following is substituted:</p> <p>“(2) The operator of a <i>full service food vehicle</i> must dispose of <i>wastewater</i> at a location approved by the <i>Director, Water Services</i>.”;</p> <p>subsection (3) is deleted; and after subsection (5), the following is added as section 34.1(6):</p> <p>“(6) The operator of a <i>full-service food vehicle</i> must equip that vehicle with a greywater disposal connection as approved by the <i>Director, Water Services</i>.”.</p>	<p>Adds some needed definition about how food trucks operate within the Wastewater bylaw.</p> <p>Clarifies that it is the operator of a full-service food vehicle (food truck) who is responsible for meeting current bylaw requirements.</p>
<p>Sections 43(1), (2) and (3) are deleted and the following is substituted as sections 43(3.1) and 43(3.2):</p> <p>“(3.1) Where:</p> <p>(a) the <i>Director, Community Planning</i>;</p> <p>(b) the <i>Director, Water Services</i>; or</p> <p>(c) an <i>Officer</i>;</p> <p>believes a <i>Person</i> has contravened any provision of this Bylaw, they may issue to the <i>Person</i> a <i>Remedial Order</i> to remedy the infraction.</p> <p>(3.2) A <i>Remedial Order</i> issued pursuant to this Bylaw may be served in accordance with the Community Standards Bylaw 32M2023.”.</p>	<p>Remove detailed requirements on remedial orders and refer to the Community Standards Bylaw as the single source for this information.</p> <p>This will avoid potential conflicts from having similar information in several different bylaws.</p>

Bylaw 14M2012 (Wastewater) Amendment (...continued) In Schedule "J" - "Offences and Penalties":				Reason for Change
(a) after:				Update Offences and Penalties section to align with changes made in other sections of the bylaw.
<b>Section</b>	<b>Description of Offences</b>	<b>Minimum Penalty</b>	<b>Specified Penalty</b>	
"26(4)(a)	Failing to obtain and retain manuals, instructions and specifications related to the installation, operation, maintenance and cleaning of the <i>pre-treatment system</i> installed at the <i>premises</i>	\$100	\$200"	
the following is deleted under the headings indicated:				
<b>Section</b>	<b>Description of Offences</b>	<b>Minimum Penalty</b>	<b>Specified Penalty</b>	
"26(4)(b)	Failing to maintain a maintenance schedule and record of each maintenance for the <i>pre-treatment system</i> installed at a <i>premises</i> for a period of two years, including records for disposal of <i>waste residue</i>	\$100	\$500"	
and the following is substituted in its place under the headings indicated:				
<b>Section</b>	<b>Description of Offences</b>	<b>Minimum Penalty</b>	<b>Specified Penalty</b>	
"26(4)(b)	Failure to keep a maintenance log in accordance with this Bylaw	\$100	\$500	
26(4)(b.1)	Failure to keep maintenance logs for length of time required	\$100	\$500";	
(b) after:				
<b>Section</b>	<b>Description of Offences</b>	<b>Minimum Penalty</b>	<b>Specified Penalty</b>	
"26(4)(c)	Failing to submit records requested by the <i>Director</i>	\$100	\$500"	
the following is deleted under the headings indicated:				
<b>Section</b>	<b>Description of Offences</b>	<b>Minimum Penalty</b>	<b>Specified Penalty</b>	
"27(1)(a)	Failing to install a <i>FOG interceptor</i> as required by subsection 27(1)(a)	\$500	\$2000	
27(1)(b)	Failing to monitor, operate, properly maintain and clean each <i>FOG interceptor</i> as required by subsection 27(1)(b)	\$500	\$1500	
27(1)(c)	Failing to ensure that <i>wastewater</i> does not exceed the maximum allowable concentration limits for <i>FOG</i> set out in Schedule C of the <i>Bylaw</i>	\$1000	\$3000	
27(1)(d)	Failing to submit <i>interceptor</i> maintenance records requested by the <i>Director</i>	\$100	\$500"	

and the following is substituted in its place under the headings indicated:

Section	Description of Offences	Minimum Penalty	Specified Penalty
"27(1)(a)	Failing to install a <i>FOG interceptor</i> at a location with <i>adequate access</i>	\$500	\$2000
27(1)(b)	Failing to select and install a properly designed <i>FOG interceptor</i>	\$500	\$2000
27(1)(c)	<i>FOG interceptor</i> fails to meet requirements of <i>National Plumbing Code of Canada</i>	\$500	\$2000
27(1)(d)	<i>FOG interceptor</i> installed in improper location	\$500	\$2000
27(1)(e)	<i>FOG interceptor</i> installed without appropriate clearance	\$500	\$2000
27(1)(f)	Failing to monitor, operate, and <i>properly maintain</i> a <i>FOG interceptor</i>	\$500	\$1500
27(1)(g)	Failing to clean <i>FOG interceptor</i> at required interval	\$500	\$1500
27(1)(h)	Failing to dispose of exhaust hood wash water in accordance with this <i>Bylaw</i>	\$500	\$1500";

and

(c) after the following:

Section	Description of Offences	Minimum Penalty	Specified Penalty
"34.1(5)	Failing to provide logbook upon request	\$100	\$200"

the following is added:

Section	Description of Offences	Minimum Penalty	Specified Penalty
"34.1(6)	Failing to equip Food Service Vehicle with a proper greywater disposal connection	\$500	\$1500".

<b>Bylaw 40M2006 (Water Utility) Amendment</b>			<b>Reason for Change</b>																		
<p>In section 47(1), the words "is guilty of an offence" are deleted and the following words are substituted:</p> <p>"commits an offence."</p>			<p>Updates wording to the preferred language in bylaw.</p>																		
<p>In <b>Schedule "B" -- OFFENCES: SPECIFIED PENALTIES</b>, after:</p> <table border="1"> <thead> <tr> <th><u>SECTION NUMBER</u></th> <th></th> <th><u>SPECIFIED PENALTY</u></th> </tr> </thead> <tbody> <tr> <td>"39(4)</td> <td>Fail to retain test records on-site</td> <td>\$500"</td> </tr> </tbody> </table> <p>the following is deleted under the headings indicated:</p> <table border="1"> <thead> <tr> <th><u>SECTION NUMBER</u></th> <th></th> <th><u>SPECIFIED PENALTY</u></th> </tr> </thead> <tbody> <tr> <td>"39(5)</td> <td>Fail to file passed Testable Cross Connection Control Device test report within thirty days</td> <td>\$500"</td> </tr> </tbody> </table> <p>and the following is substituted in its place under the headings indicated:</p> <table border="1"> <thead> <tr> <th><u>SECTION NUMBER</u></th> <th></th> <th><u>SPECIFIED PENALTY</u></th> </tr> </thead> <tbody> <tr> <td>"39(5)</td> <td>Fail to file passed Testable Cross Connection Control Device test report within five days</td> <td>\$500".</td> </tr> </tbody> </table>				<u>SECTION NUMBER</u>		<u>SPECIFIED PENALTY</u>	"39(4)	Fail to retain test records on-site	\$500"	<u>SECTION NUMBER</u>		<u>SPECIFIED PENALTY</u>	"39(5)	Fail to file passed Testable Cross Connection Control Device test report within thirty days	\$500"	<u>SECTION NUMBER</u>		<u>SPECIFIED PENALTY</u>	"39(5)	Fail to file passed Testable Cross Connection Control Device test report within five days	\$500".
<u>SECTION NUMBER</u>		<u>SPECIFIED PENALTY</u>																			
"39(4)	Fail to retain test records on-site	\$500"																			
<u>SECTION NUMBER</u>		<u>SPECIFIED PENALTY</u>																			
"39(5)	Fail to file passed Testable Cross Connection Control Device test report within thirty days	\$500"																			
<u>SECTION NUMBER</u>		<u>SPECIFIED PENALTY</u>																			
"39(5)	Fail to file passed Testable Cross Connection Control Device test report within five days	\$500".																			

Calgary



# Wastewater, Stormwater, Water Utility Bylaw Update Report

EC2024-0674

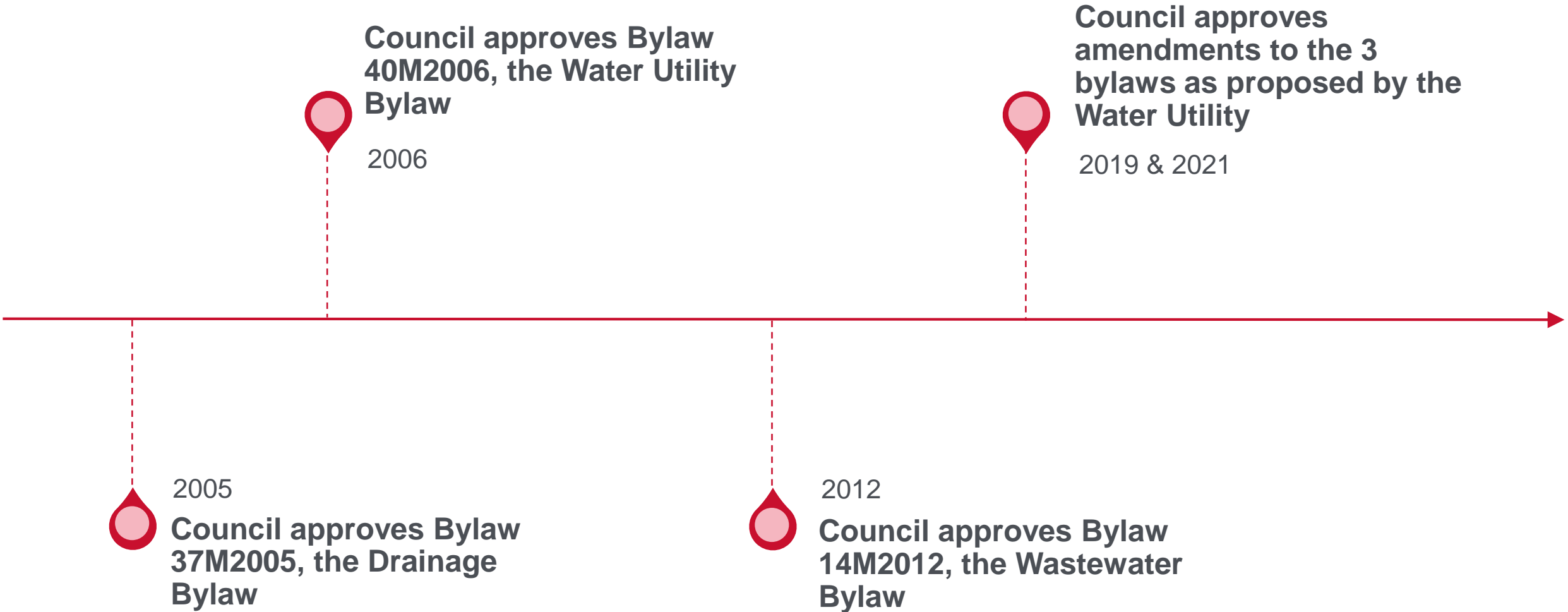
2024 June 11

## That the Executive Committee recommend that Council:

1. Give three readings to the proposed bylaw to amend Bylaw 37M2005, Stormwater Bylaw
2. Give three readings to the proposed bylaw to amend Bylaw 14M2012, Wastewater Bylaw
3. Give three readings to the proposed bylaw to amend Bylaw 40M2006, Water Utility Bylaw



# Background and Previous Council Direction



# Objectives

1. **Clarify expectations** of citizens, customers and The City to strengthen collaboration, accountability, transparency and promote continuous improvement.
2. **Facilitate communication** with customers on specific bylaw requirements.
3. **Provide clarity and consistency** in plain language across all the Utility Bylaws.
4. **Improve response mechanisms** to promote compliance and help reduce risks to infrastructure, the environment and public health.



# Highlights: Amendments



**Water Utility Bylaw**



**Wastewater Bylaw**



**Stormwater Bylaw**

## **That the Executive Committee recommend that Council:**

1. Give three readings to the proposed bylaw to amend Bylaw 37M2005, Stormwater Bylaw
2. Give three readings to the proposed bylaw to amend Bylaw 14M2012, Wastewater Bylaw
3. Give three readings to the proposed bylaw to amend Bylaw 40M2006, Water Utility Bylaw

Planning & Development Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0665

## **Securing Calgary's Water Future – City-wide Outdoor Watering Schedule**

### **PURPOSE**

Advancing water conservation is essential to maintaining a reliable water supply today and for future generations. This report proposes the immediate implementation of an Outdoor Watering Schedule ('Watering Schedule') through the Water Utility Bylaw (Attachment 2 & 3) to proactively reduce water usage, raise awareness of efficient watering practices and support water conservation as a normal part of everyday life for Calgarians. The Watering Schedule allows outdoor sprinkler use any two days per week up to a maximum of three hours per day between 8:00pm and 10:00am totalling up to six hours per week. Watering with a spray nozzle or by hand may continue any day and at any time. Additional amendments are proposed to ensure clarity and equity when implementing Stage one to four Outdoor Water Use Restrictions.

### **PREVIOUS COUNCIL DIRECTION**

In alignment with Council's direction to advance priority water demand strategies from the Drought Resilience Plan in the 2023-2026 business cycle (CD2023-0756) (Attachment 1), this report brings forward amendments to the Water Utility Bylaw, which proposes reductions in non-essential outdoor water use. These activities also support Calgary's Water Security Framework (UCS2019-1539) and Calgary's Climate Strategy: Pathways to 2050 (CD2022-0465) objectives to provide safe, secure and reliable water supply in a changing climate.

### **RECOMMENDATION:**

That the Executive Committee recommend that Council:

1. Give three readings to the proposed bylaw in Attachment 2 to amend Bylaw 40M2006, the Water Utility Bylaw; and
2. Direct Administration to return in Q1 2025 to Community Development Committee with an updated Water Efficiency Plan including a renewed suite of water conservation tools to manage Calgary's water use in a changing climate and growing population, following engagement.

### **CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS**

Acting General Manager Debra Hamilton and General Manager Doug Morgan concur with the recommendations of this report. Approval of the proposed amendments and implementation of a Watering Schedule are key to helping secure Calgary's water future.

### **HIGHLIGHTS**

- Our water supply is changing and river flows will be very different in the future because of a changing climate.
- Administration's efforts to prepare and respond to drought risks have underscored a need for additional water conservation tools to proactively reduce community-wide water use and enhance community preparedness for transitioning into Outdoor Water Use Restrictions if/when required. Proposed amendments to the Water Utility Bylaw include:

## **Securing Calgary's Water Future - City-wide Outdoor Watering Schedule**

---

1. New authority to the Director, Water Services to declare a Water Schedule to proactively respond to drought and/or manage seasonal water demand and reduce outdoor water use and;
  2. Updates to Outdoor Water Use Restrictions to improve clarity and equity of outdoor water use for customers.
- If approved, Administration intends to implement the Watering Schedule for the summer 2024 season, effective immediately, supported by a city-wide communications campaign.
  - As a commitment through Calgary's Drought Resilience Plan, Administration will present an updated Water Efficiency Plan to Council in Q1 2025 followed by more comprehensive proposed amendments to the Water Utility Bylaw as needed which would factor in long-term water conservation goals. Engagement on elements of the Water Efficiency Plan will take place in Q3 2024.

### **DISCUSSION**

Calgary is a big city on a small river.

The City committed to reducing its water consumption by 30 per cent over 30 years and achieved this target 10 years ahead of schedule, while serving a city and regional customer base that has grown by half a million people. While we have made great progress over the last twenty years, we need to do more to ensure that the water needs of Calgary's expected future population of two million people are met in the face of a changing climate bringing increased frequency and severity of drought conditions, changing water supply patterns and longer, hotter, drier summers.

Administration's recent efforts to prepare and respond to drought risk have underscored a need for additional water conservation tools to proactively reduce community-wide water use and better equip our community to transition into Outdoor Water Use Restrictions if/when required. At the same time, changes to the Water Utility Bylaw have been identified that will improve equity in how the restricted activities in Schedule E are applied to citizens and businesses, allow for consistent application of the bylaw, and clarify permitted uses for customers when The City needs to rely on more stringent outdoor water use restrictions stages.

Amendments will provide an immediate opportunity to make a change by managing seasonal water demand, and better preparing The City to support long-term drought resilience, even during times of normal water supply. They include:

1. The addition of a Watering Schedule (section 19.1 and Schedule D.1)
  - Provides new authority to the Director, Water Services to implement a Watering Schedule to proactively respond to drought and/or manage seasonal water demand and reduce outdoor water use. This schedule incorporates best practices for efficient outdoor watering in a dry climate permitting outdoor sprinkler use any two days per week up to a maximum of three hours per day between the hours of 8:00pm and 10:00am, totaling six hours of sprinkler time. Watering with a spray nozzle or by hand may continue any day and at any time.

## **Securing Calgary's Water Future - City-wide Outdoor Watering Schedule**

---

- The Watering Schedule will be enforceable under the Water Utility Bylaw (failure to comply will be a bylaw offence); however, bylaw enforcement will continue to take an education-first approach.
- The Watering Schedule familiarizes customers with prescribed watering times, enhancing community preparedness for transitioning into Outdoor Water Use Restrictions if/when required.

### 2. Amendments to Outdoor Water Use Restrictions (section 20 and Schedule "E")

- Changes to Outdoor Water Use Restrictions address implementation challenges experienced in 2023. Changes will increase equity in how the bylaw is applied to Calgarians and businesses, allowing for consistent application of the bylaw, and clarify permitted outdoor water uses for customers.
- Key changes include clarifying permitted water use for construction and renovation; allowing water use for new tree and shrub establishment; and allowing testing and auditing of irrigation systems.
- Stages one through four of Outdoor Water Use Restrictions will remain unchanged.
- These changes will support The City's drought response in 2024 and will ensure consistency with the new Schedule D.1.

Should Council pass these amendments on June 18, 2024, Administration intends to declare a city-wide Watering Schedule, supported by a city-wide communications campaign. The Watering Schedule will remain in place throughout the summer (2024) unless more restrictive measures are required due to worsening drought conditions or operational needs in which case the Director, Water Services would consider enacting Outdoor Water Use Restrictions.

Throughout the 2024 outdoor water use season, Administration will evaluate how the use of Schedule D.1 and the updated Schedule E impact customers and water demand trends in Calgary. This information will be used to guide the Water Efficiency Plan policies, programs and tactics, including finalizing a permanent long term water schedule for Calgary. Input from customers and partners in the development of these solutions will occur through the Water Efficiency Plan engagement.

### **EXTERNAL ENGAGEMENT AND COMMUNICATION**

- |  |   |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken        | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed | <input type="checkbox"/> Public communication or engagement was not required        |

Internal engagement has been undertaken with bylaw users and affected business units, including endorsement from the Water Treatment & Supply Service Team. Public feedback from over 700 service requests and Councillor inquiries during the 2023 outdoor water use restrictions informed proposed changes, aiming to enhance clarity and equity for customers.

## **Securing Calgary's Water Future - City-wide Outdoor Watering Schedule**

---

Administration continually conducts research and engagement on matters related to Utility programs. In 2021, during the Drought Resilience Plan engagement, Calgarians showed strong support (71%) for outdoor watering schedules. In 2023, Administration conducted surveys and focus groups with residential customers, who supported the rationale for outdoor water restrictions and emphasized the importance of early, clear communication prior to implementing stricter measures.

### **IMPLICATIONS**

#### **Social**

The amendments will limit Calgarians outdoor water use during specified times of day, which will require a shift in habits and may limit some convenient watering practices. However, the Watering Schedule will help proactively raise awareness of efficient watering practices and support water conservation as a normal part of everyday life for Calgarians. The proposed amendments to Schedule E will clarify regulations and promote equitable water use across the four stages of restrictions.

#### **Environmental**

The amendments support bylaw compliance to better protect public health, the environment, and infrastructure. Environmental benefits include protecting river health and supporting Calgary's downstream neighbours who also rely on the river for a sustainable water supply. In addition, amendments will support maintaining the health of the urban tree canopy and green infrastructure in Calgary.

#### **Economic**

Administration will continue to monitor the economic impact of limiting outdoor water use for both operations and customers, being cognisant that water use restrictions can have disproportionate impacts on certain industries including the landscape and irrigation industry in Calgary. The City remains committed to mitigate these impacts where possible.

#### **Service and Financial Implications**

##### **No anticipated financial impact**

This report recommendation has no direct financial implications to The City's capital or operating budgets. Water conservation efforts may lead to increased expenditure (communication, education, enforcement) and reduced revenues as demand decreases. The Utility lines of service have sustainment reserves to manage revenue variability.

### **RISK**

The risks of a limited water supply for a growing population in Calgary are becoming increasingly apparent. Seasonal demand management pressures persist largely due to outdoor water use, placing strains on infrastructure and rivers. Implementing a watering schedule can proactively mitigate these risks by limiting outdoor water use during specific times and promoting efficient watering practices to minimize water loss. These community-wide actions increase our resilience to drought and readies our community to enter into more stringent restrictions if needed.

Planning & Development Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0665

**Securing Calgary's Water Future - City-wide Outdoor Watering Schedule**

---

**ATTACHMENTS**

1. Background and Previous Council Direction
2. Proposed Wording for a Bylaw to Amend Bylaw 40M2006 - the Water Utility Bylaw
3. Summary of Proposed Water Utility Bylaw Amendments
4. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Debra Hamilton, Acting General Manager	Planning and Development Services	Approve
Doug Morgan, General Manager	Operational Services	Approve
Carolyn Bowen, Director	Planning and Development Services – Climate and Environment	Approve
Nancy Mackay, Director	Operational Services - Water Services	Approve

Authors: Kari MacDonald, Sarah Marshall, Kelly Rowsell





# Background and Previous Council Direction

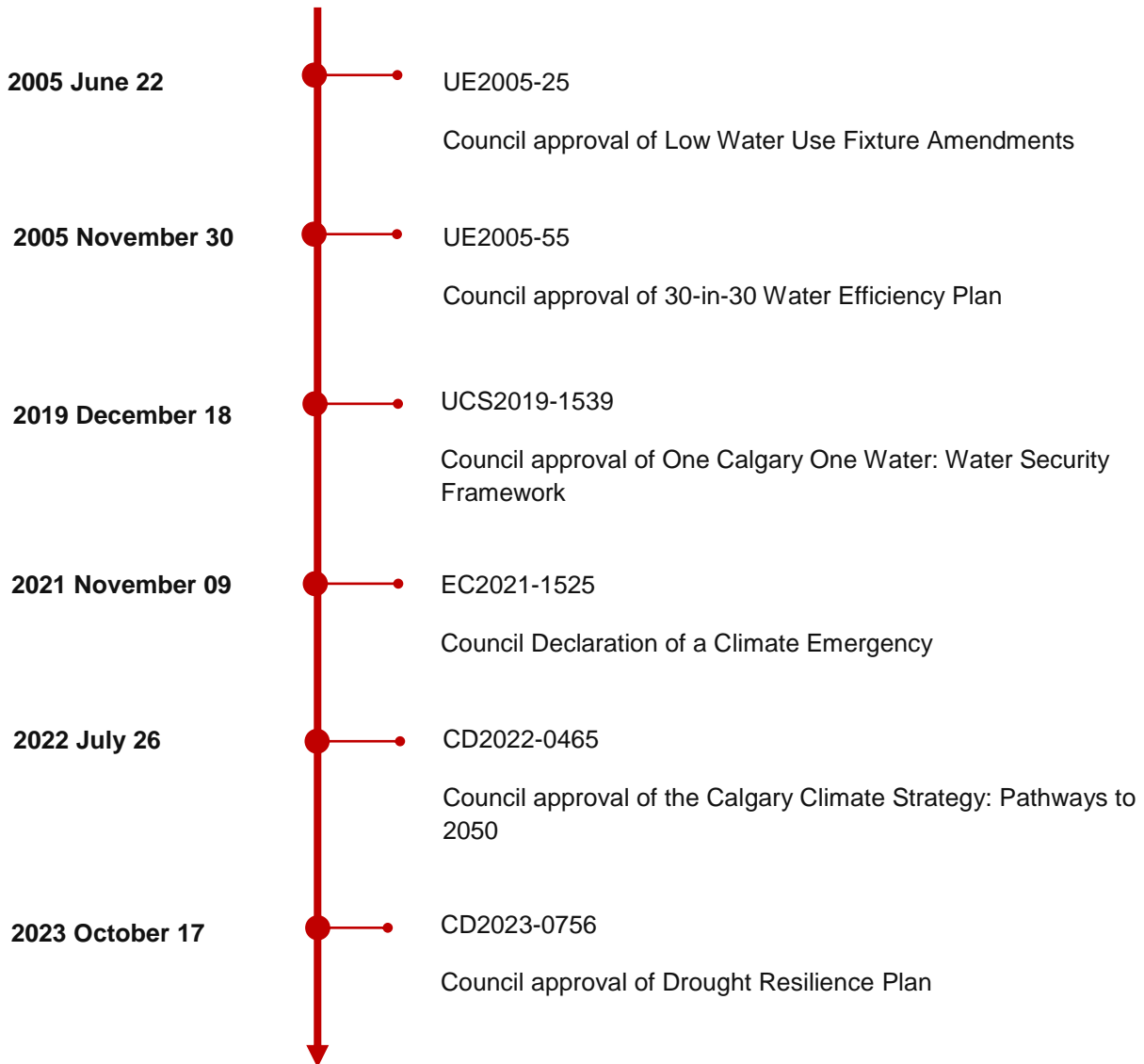
## Background

In alignment with Council's direction to advance priority water demand strategies from the Drought Resilience Plan in the 2023-2026 business cycle (CD2023-0756), this report brings forward amendments to the Water Utility Bylaw, which proposes reductions in non-essential outdoor water use to manage and maintain a stable supply of water. These activities also support Calgary's Water Security Framework (UCS2019-1539) and Calgary's Climate Strategy: Pathways to 2050 (CD2022-0465).

## Previous Council Direction

Previous Council Direction is outlined in a timeline in Figure 1.

**Figure 1: Timeline – Water Conservation related decisions at The City of Calgary**



## Bylaws, Regulations, Council Policies

---

### Water Utility Bylaw:

#### **Part VII: Water Conservation**

Legislates the mandatory inclusion of water efficient fixtures in all new construction or renovation.

#### **Part VIII: Emergencies and Outdoor Water Use Restrictions**

Provides authority to The City of Calgary to declare mandatory outdoor water use restrictions should there be a reason to require reduced water usage, including drought conditions. Schedule "E" of the Bylaw outlines permitted water activities across the four stages of mandatory outdoor water use restrictions.

#### **Part XII: Water Meters**

Legislates the mandatory metering of flat rate water customers.

### **Council Declaration of a Climate Emergency**

Calls for The City to accelerate the timelines for climate action to reduce greenhouse gas emissions, develop strategic business plans and budgets across all departments for climate risk reduction opportunities, and collaborate and engage with First Nations communities.

**Proposed Wording for a Bylaw to Amend Bylaw 40M2006  
the Water Utility Bylaw**

1. Bylaw 40M2006, the Water Utility Bylaw, as amended, is hereby further amended.
2. In section 2(1), subsections (gg) and (hh) are deleted and the following is substituted:

(gg) “Tier One Water Managed Site” means a site for which watering is applied through a system approved by the Director, Water Services in accordance with section 20.1 of this Bylaw;

(hh) “Tier Two Water Managed Site” means a site for which watering is applied through a system approved by the Director, Water Services in accordance with section 20.1 of this Bylaw;”.

3. The following is added after section 19 as section 19.1:

“OUTDOOR WATERING SCHEDULE

**Declaration of Outdoor Watering Schedule**

- 19.1. (1) The Director, Water Services is authorized to declare an outdoor watering schedule as set out in Schedule “D.1” to apply in the City based on one or more of the following criteria:
- (a) to respond to drought conditions; or
  - (b) to reduce demands on the Water System when there is an anticipated or actual period of increased usage.
- (2) In the event there is reason to declare an outdoor watering schedule, the Director, Water Services may declare such schedule effective immediately.
- (3) When an outdoor watering schedule is declared, Potable Water usage restrictions set out in Schedule “D.1” are in effect.

**Notice of Outdoor Watering Schedule**

- (4) In the event of a declaration of an outdoor watering schedule made pursuant to this section, the Director, Water Services:
  - (a) shall cause public notice indicating the outdoor watering schedule and the date such schedule came or will come into effect to be given in any one or more of the following manners:
    - (i) City of Calgary press release;
    - (ii) notice on The City of Calgary website;

- (iii) advertising in one or both major daily newspapers in circulation in the City;
  - (iv) circulation of flyers; or
  - (v) signage; and
- (b) shall, after determining that the reason or reasons to require reduced outdoor Potable Water usage has sufficiently abated, declare an end to an outdoor watering schedule and shall cause public notice of such declaration to be given in the manner described in subsection (a).

### **Prohibition**

- (5) When an outdoor watering schedule is declared, an Owner or Occupier of a Parcel or Premises must not allow the use of Potable Water supplied through the Water System for any activity or application prohibited in Schedule "D.1".
  - (6) The declaration of an outdoor watering schedule under this section is no longer in effect upon the declaration of an outdoor water use restriction under section 20."
4. Section 20 is deleted in its entirety, and the following is substituted as sections 20 and 20.1:

### **"OUTDOOR WATER USE RESTRICTIONS**

#### **Declaration of Restrictions**

20. (1) In the event that the Director, Water Services believes there is a reason to require reduced Potable Water usage, the Director, Water Services may declare an outdoor water use restriction.
- (2) The declaration of an outdoor water use restriction by the Director, Water Services may apply to:
- (a) the entire City;
  - (b) specific zones or geographic areas of the City; or
  - (c) other specific locations as defined by the Director, Water Services.
- (3) In the event there is reason to declare an outdoor water use restriction, the Director, Water Services may declare such restriction effective immediately.

#### **Notice of Restrictions**

- (4) In the event of a declaration of an outdoor water use restriction made pursuant to this section, the Director, Water Services:
- (a) shall determine that the outdoor water use restriction is a Stage One (Low risk to water supply), Stage Two (Moderate risk to water supply), Stage Three (High risk to water supply) or Stage Four (Severe risk to water supply) outdoor water use restriction, and the permitted activities shall be those referenced in Schedule “E” to this Bylaw;
  - (b) shall cause public notice indicating the stage of outdoor water use restriction and the date such restrictions came or will come into effect to be given in any one or more of the following manners:
    - (i) City of Calgary press release;
    - (ii) notice on The City of Calgary website;
    - (iii) advertising in one or both major daily newspapers in circulation in the City;
    - (iv) circulation of flyers; or
    - (v) signage;
  - (c) may declare different stages of outdoor water use restrictions in different areas.
  - (d) shall, if changing the areas of application or stages of restrictions in any area or lifting a declaration of outdoor water use restrictions, cause a public notice to be given in a manner described in subsection (b); and
  - (e) shall, after determining that the reason or reasons to require reduced water usage has sufficiently abated, declare an end to an outdoor water use restriction and shall cause public notice of such declaration to be given in a manner described in subsection (b).

**Prohibition**

- (5) When an outdoor water use restriction is in effect, an Owner or Occupier of a Parcel or Premises must not allow the use of Potable Water supplied through the Water System for any activity or application prohibited in the following stage of restrictions in Schedule “E” to this Bylaw:
- (a) Stage One (Low risk to water supply);
  - (b) Stage Two (Moderate risk to water supply);
  - (c) Stage Three (High risk to water supply); or

- (d) Stage Four (Severe risk to water supply).
- (6) Where an outdoor water use restriction is in effect, the activities permitted in Schedule “E” shall only apply to core business operations and shall not apply to landscaping activities which are not a core function of a specific business or enterprise.

### **Permitted Activities During Restrictions**

- (7) Despite Schedules “D.1” or “E”, at any stage of an outdoor water restriction, the following activities are permitted:
  - (a) Potable Water use for washing down sidewalks, walkways, driveways, exterior building surfaces or other outdoor surfaces, where necessary to comply with health and safety requirements; and
  - (b) Potable Water use to apply pesticides where required by the *Weed Control Act*, RSA 2000, c. W-5, or other legislation governing the control of invasive species.
- (8) In section 20(7) above, “health and safety requirements” means:
  - (a) washing away bodily fluids (such as urine, excrement and vomit) subject to the requirements of the Stormwater Bylaw 37M2005; or
  - (b) washing required by Occupational Health and Safety legislation and regulations.

### **WATER MANAGED SITES PROGRAM**

- 20.1 (1) The Director, Water Services is authorized to establish a water managed sites program for Customers that use automatic irrigation systems that meet water efficiency standards including:
  - (a) setting the form and content of applications to the program;
  - (b) establishing standards that must be met for water efficiency including form and types of irrigation auditing, performance reporting, and establishing standards for Tier One and Tier Two Customers;
  - (c) rejecting applicants that do not meet program requirements and issuing certificates to Customers accepted into the program; and
  - (d) establishing policies and procedures implementing the program.
- (2) The Director, Water Services may issue certificates under the water managed sites program accepting a Customer as either:

- (a) a Tier One Water Managed Site; or
- (b) a Tier Two Water Managed Site.

**Outdoor Watering Schedule and Outdoor Water Use Restrictions – Certificate Holders**

- (3) When an outdoor watering schedule or outdoor water use restriction is in effect, an Owner or Occupier of a Parcel or Premises who holds a valid and subsisting certificate as a Tier One or Tier Two Water Managed System may use Potable Water supplied through the Water System in accordance with the requirements in Schedules “D.1” and “E” for either Tier One or Tier Two certificate holders as applicable.”.

5. In **Schedule “B” -- OFFENCES: SPECIFIED PENALTIES**, after the following:

<b><u>SECTION NUMBER</u></b>		<b><u>SPECIFIED PENALTY</u></b>
“18(1)(c)	Allow spray or stream of Potable Water to run into street or sidewalk or parcel	\$200”

the following is added under the headings indicated:

<b><u>SECTION NUMBER</u></b>		<b><u>SPECIFIED PENALTY</u></b>
“19.1(5)	Outdoor use of water contrary to the outdoor watering schedule	\$400”.

6. After **Schedule “D” – COLLECTION AND CUT-OFF FEES**, the following is added as Schedule “D.1”:

**“SCHEDULE “D.1” – OUTDOOR WATERING SCHEDULE**

	<b>Activity</b>	<b>Application Method</b>	<b>Application By</b>	<b>Outdoor Watering Schedule</b>
1.	Watering of lawns	Any	All Customers except those listed below	Only two days per week to a maximum of 3 hours per day between the hours of 2000h and 1000h
		Irrigation by Water Managed Site (automatic irrigation system)	Tier One or Two Certificate Holders	Allowed
2.	Watering of gardens, trees, and shrubs (lawns excluded)	Irrigation with sprinkler, connected to a hose or automatic irrigation system	All Customers except those listed below	Only two days per week to a maximum of 3 hours per day between the hours of 2000h and 1000h
			Tier One or Two Certificate Holders – Irrigation by Water Managed Sites	Allowed
		Spring-loaded type nozzles and drip irrigation with automatic shut-off connected to hose	All Customers	Allowed
		Hand-held container (i.e., watering can, bucket)	All Customers	Allowed
3.	Watering of new grass (sod or seed) <i>Seed within 21 days</i> <i>Sod within 45 days</i>	Any	All Customers	Allowed
4.	Watering of new trees and shrubs during establishment period (5 years)	Any	All Customers	Allowed
5.	Watering of plants for commercial sale	Any	Nurseries, garden centers, turf and tree farms and market gardens	Allowed
6.	Testing and auditing of irrigation systems	Not Applicable	All Customers	Allowed”.



7. Schedule “E” – OUTDOOR WATER USE RESTRICTIONS is deleted in its entirety and the following is substituted:

“SCHEDULE “E” – OUTDOOR CITY POTABLE WATER USE RESTRICTIONS

	Activity	Application Method	Application By	Stage One Low risk to water supply	Stage Two Moderate risk to water supply	Stage Three High risk to water supply	Stage Four Severe risk to water supply
1.	Watering of lawns	Any	All Customers except those listed below	Only one day per week to a maximum of <b>2 hours per day</b> between the hours of 2000h and 1000h (based on a Schedule as determined by the Director, Water Services)	Only one day per week to a maximum of <b>1 hour per day</b> between the hours of 2000h and 1000h (based on a Schedule as determined by the Director, Water Services)	Not Allowed	Not Allowed
			City of Calgary Operations	Not Allowed	Not Allowed	Not Allowed	Not Allowed
		Irrigation by a Tier One Water Managed Site	Tier One Certificate holders	Allowed  Must reduce watering programs by 10%	Allowed  Must reduce watering programs by 20%	Allowed  Must reduce watering programs by 30%	Not Allowed
		Irrigation by a Tier Two Water Managed Site	Tier Two Certificate holders	Allowed  Must reduce watering programs by 15%	Allowed  Must reduce watering programs by 25%	Allowed  Must reduce watering programs by 35%	Not Allowed
2.	Watering of gardens, trees and shrubs (lawns excluded)	Irrigation with sprinkler, connected to a hose or automatic irrigation system	All Customers except those listed below.	Only one day per week to a maximum of <b>2 hours per day</b> between the hours of 2000h and 1000h (based on a	Only one day per week to a maximum of <b>1 hour per day</b> between the hours of 2000h and 1000h (based on a	Not Allowed	Not Allowed

	<b>Activity</b>	<b>Application Method</b>	<b>Application By</b>	<b>Stage One Low risk to water supply</b>	<b>Stage Two Moderate risk to water supply</b>	<b>Stage Three High risk to water supply</b>	<b>Stage Four Severe risk to water supply</b>
				Schedule as determined by the Director, Water Services)	Schedule as determined by the Director, Water Services)		
			Tier One Certificate holders – Irrigation by Water Managed Sites	Allowed  Must reduce watering programs by 10%	Allowed  Must reduce watering programs by 20%	Allowed  Must reduce watering programs by 30%	Not Allowed
			Tier Two Certificate holders – Irrigation by Water Managed Sites	Allowed  Must reduce watering programs by 15%	Allowed  Must reduce watering programs by 25%	Allowed  Must reduce watering programs by 35%	Not Allowed
		Spring-loaded type nozzles or drip irrigation with automatic shut-off connected to hose	All Customers	Allowed	Allowed	Not Allowed	Not Allowed
		Hand-held container (i.e., watering can, bucket)	All Customers	Allowed	Allowed	Allowed	Not Allowed
3.	Watering of New Grass (sod or seed) <i>Sod within 21 days</i> <i>Seed within 45 days</i>	Irrigation with sprinkler, connected to a hose or automatic irrigation system	All Customers except those listed below	Allowed	Allowed	Not Allowed	Not Allowed
			Tier One Certificate holders – Irrigation by Water Managed Sites	Allowed  Must reduce watering programs by 10%	Allowed  Must reduce watering programs by 20%	Allowed  Must reduce watering programs by 30%	Not Allowed
			Tier Two Certificate holders – Irrigation by Water Managed Sites	Allowed.  Must reduce watering programs by 15%	Allowed.  Must reduce watering programs by 25%	Allowed.  Must reduce watering programs by 35%	

	<b>Activity</b>	<b>Application Method</b>	<b>Application By</b>	<b>Stage One Low risk to water supply</b>	<b>Stage Two Moderate risk to water supply</b>	<b>Stage Three High risk to water supply</b>	<b>Stage Four Severe risk to water supply</b>
		Spring-loaded type nozzles or drip irrigation with automatic shut-off connected to hose and hand-held containers	All Customers	Allowed	Allowed	Allowed	Not Allowed
4.	Watering of new trees and shrubs during establishment period (5 years)	Irrigation with sprinkler, connected to a hose or automatic irrigation system	All Customers except those listed below	Allowed	Allowed	Not Allowed	Not Allowed
			Tier One Certificate holders – Irrigation by Water Managed Sites	Allowed Must reduce watering programs by 10%	Allowed Must reduce watering programs by 20%.	Allowed Must reduce watering programs by 30%	Not Allowed
			Tier Two Certificate holders – Irrigation by Water Managed Sites	Allowed. Must reduce watering programs by 15%	Allowed Must reduce watering programs by 25%	Allowed Must reduce watering programs by 35%	Not Allowed
		Spring-loaded type nozzles or drip irrigation with automatic shut-off connected to hose and hand-held containers	All Customers	Allowed	Allowed	Allowed	Not Allowed
5.	Watering of plants for commercial sale	Any	Nurseries, garden centers, turf and tree farms and market gardens	Allowed	Allowed	Allowed	Not Allowed
6.	Testing and auditing of Irrigation systems	Not applicable	All Customers	Allowed	Allowed	Not Allowed	Not Allowed
			Tier One and Two Certificate Holders and Applicants to the Water Managed Sites Program undergoing Irrigation Auditing	Allowed	Allowed	Allowed	Not Allowed

	<b>Activity</b>	<b>Application Method</b>	<b>Application By</b>	<b>Stage One Low risk to water supply</b>	<b>Stage Two Moderate risk to water supply</b>	<b>Stage Three High risk to water supply</b>	<b>Stage Four Severe risk to water supply</b>
7.	Water use on Integrated Pest Management Test Sites	Any	City of Calgary Operations at Pest Management Test Sites	Allowed	Allowed	Not Allowed	Not Allowed
8.	Wash down sidewalks, walkways, and driveways for any reason other than those permitted by section 20(7)	Any	All Customers	Not Allowed	Not Allowed	Not Allowed	Not Allowed
9.	Washing exterior building surfaces, including windows	Any	All Customers	Allowed	Allowed	Not Allowed	Not Allowed
10.	Washing of vehicles outdoors, subject to the Stormwater Bylaw 37M2005	Spring-loaded type nozzles with automatic shut-off connected to hose and hand-held containers	All Customers	Allowed	Allowed	Not Allowed	Not Allowed
			Vehicles subject to washing requirements under environmental or health and safety regulations	Allowed	Allowed	Allowed	Allowed
11.	Filling of Fountains and other Decorative Features	Any	All Customers	Not Allowed	Not Allowed	Not Allowed	Not Allowed
12.	Filling of outdoor hot tubs, swimming and wading pools	Any	All Customers	Allowed	Allowed	Not Allowed except with permission from the Director, Water Services	Not Allowed except with permission from the Director, Water Services
13.	Water use for construction or renovation purposes	Any	All Customers	Allowed	Allowed	Allowed	Not Allowed except with permission from the Director, Water Services
14.	Outdoor snow or ice making	Any	All Customers	Allowed	Allowed	Not Allowed except with permission	Not Allowed, except with permission from the

	<b>Activity</b>	<b>Application Method</b>	<b>Application By</b>	<b>Stage One Low risk to water supply</b>	<b>Stage Two Moderate risk to water supply</b>	<b>Stage Three High risk to water supply</b>	<b>Stage Four Severe risk to water supply</b>
						from the Director, Water Services	Director, Water Services
15.	Watering of livestock	Any	Farm Operations	Allowed	Allowed	Allowed	Allowed
16.	Essential hydrant and main flushing	Any	The City of Calgary Operations	Allowed	Allowed	Allowed	Allowed
17.	Essential street, bridge and transit infrastructure cleaning and washing	Any	The City of Calgary Operations	Allowed	Allowed	Allowed	Allowed".

TEXT FOR DISCUSSION ONLY

8. This Bylaw comes into effect on the day that it is passed.

TEXT FOR DISCUSSION ONLY

## Summary of Proposed Water Utility Bylaw Amendments: Securing Calgary's Water: City-Wide Outdoor Watering Schedule

### 1) Watering Schedule

- Add *Schedule D.1 Outdoor Water Use Schedule* which allows watering with sprinklers between 8pm and 10am two days per week, for up to 3 hours per day and a maximum of 6 hours per week.
- Aligned allowable times for watering with sprinklers in *Schedule E Outdoor Water Use Restrictions* to the hours between 8pm and 10am.

### 2) Water Use for Construction

- Update description of “water use for construction purposes including grading compaction and dust control” to “water use for construction and renovation purposes”.
- Add ability to provide Director permission for water use during construction in Stage 4 OWR
- Add ability to test and audit irrigation systems any time in Stage 1 & 2 OWR, up to Stage 3 for Water Managed Sites and program applicants.

### 3) Outdoor Surface Washing

- Combine “washing exterior building surfaces” and “washing windows” into a new category – “Washing exterior building surfaces including windows”.
- Allow all customers to wash exterior building surfaces and windows in Stage 1 & 2 instead of just specific businesses or customer types being allowed.
- Update restrictions related to washing outdoor surfaces (sidewalks, walkways, driveways) to allow all customers to do this as it relates to ensuring public health and safety (e.g. cleaning c-train platforms, exterior walls, sidewalks, patios etc.)

### 4) Washing of Vehicles Outdoors

- Allow washing of vehicles with water only in Outdoor Water Restrictions Stages 1 & 2

### 5) Drip Irrigation

- Add drip irrigation to the application method: “spring loaded nozzles *and drip irrigation* with automatic shut off connected to hose”.

### 6) Pesticide and Herbicide Use

- Remove restrictions around the use of water for the application of pesticide and fertilizer.
- Add language around pesticide use for the control of Invasive Species and weeds under the Weed Control Act.

### 7) Watering Lawns, Gardens, Trees & Shrubs

- Separate activities for “watering of lawns” and “watering of gardens, trees and shrubs”
- Add new activity for “watering new trees and shrubs” to align with the existing activity for “watering of new grass”. This is allowed outside of the hours of 8pm to 10am to establish new plantings.
- Watering new grass and new trees and shrubs in Stage 3 will only be permitted by spring loaded nozzle connected to hose or handheld container.

### 8) Cleaning transit infrastructure

- Add transit infrastructure to activity “Essential street, bridge and *transit infrastructure* cleaning”

ISC: UNRESTRICTED







# Securing Calgary's Water Future: City-wide Outdoor Watering Schedule

EC2024-0665

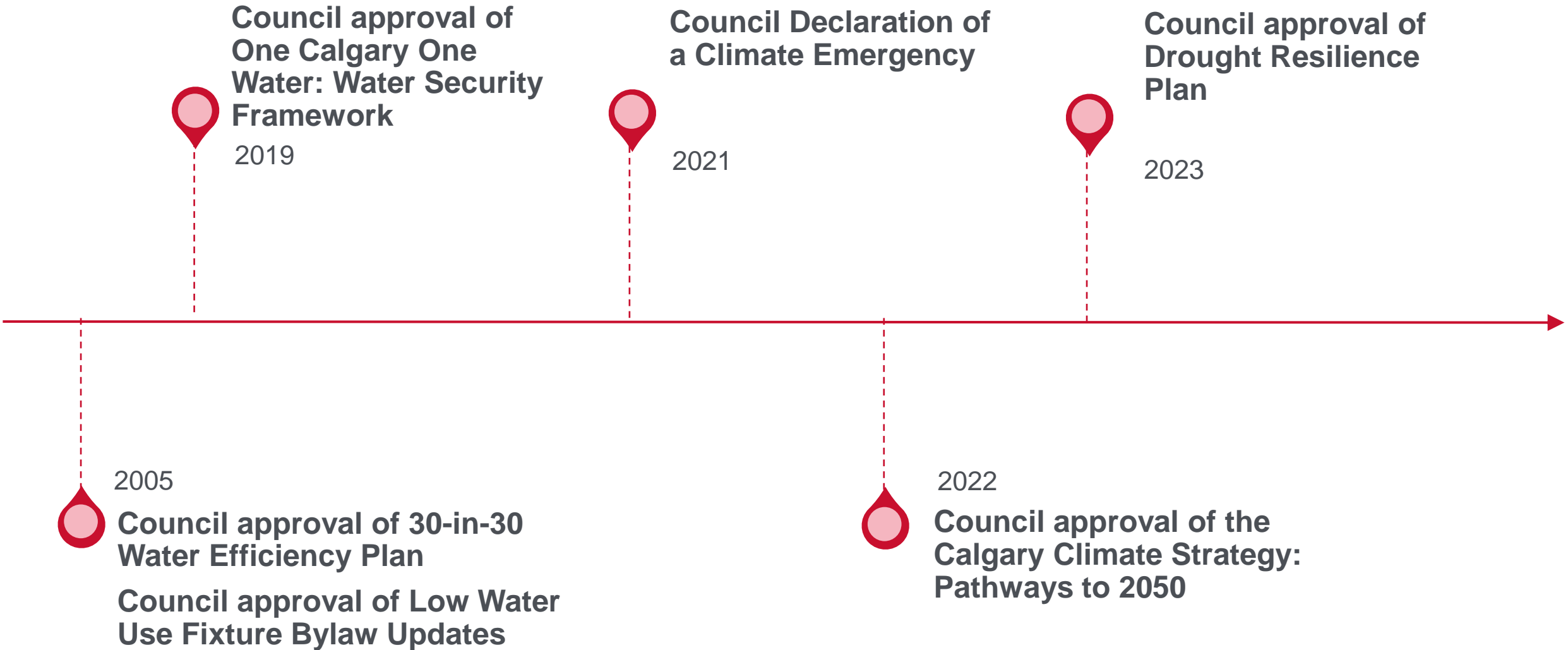
2024 June 11

## **That the Executive Committee recommend that Council:**

1. Give three readings to the proposed bylaw to amend Bylaw 40M2006, Water Utility Bylaw
2. Direct Administration to return in Q1 2025 to Community Development Committee with an updated Water Efficiency Plan including a renewed suite of water conservation tools to manage Calgary's water use in a changing climate and growing population, following engagement.



# Background and Previous Council Direction





# Calgary's Water Conservation Successes

Calgary has achieved its 30 in 30 water efficiency target 10 years ahead of schedule, while serving a city and regional customer base that has grown by half a million people.

✓ Regulations

✓ Infrastructure & Operations

✓ Financial Tools & Incentives

✓ Education

OFFICE CONSOLIDATION

**THE WATER UTILITY BY-LAW 40M2006**

TABLE OF CONTENTS

PART	PAGE
PART I: GENERAL MATTERS .....	1
SHORT TITLE .....	1
INTERPRETATION AND DEFINITIONS .....	2
PART II: CONTINUATION OF THE WATER SYSTEM .....	6
PART III: RESPONSIBILITIES OF THE CITY AND CUSTOMERS .....	7
PART IV: GENERAL AUTHORITY OF THE DIRECTORS .....	8
PART V: RATES AND FEES .....	9
RESIDENTIAL METERED .....	10
RESIDENTIAL FLAT & TEMPORARY .....	10
IRRIGATION WATER .....	11
GENERAL SERVICE .....	11
OUTSIDE CITY .....	12
BULK WATER STATIONS .....	12
BUILDING CONSTRUCTION .....	12
FIRE HYDRANTS .....	12
PART VI: PAYMENTS .....	12
PART VII: WATER CONSERVATION .....	13
LOW WATER USE FIXTURES .....	13
ONCE-THROUGH COOLING .....	14
WATER WASTAGE .....	14
PART VIII: EMERGENCIES AND OUTDOOR WATER USE RESTRICTIONS .....	15
EMERGENCIES .....	15
OUTDOOR WATER USE RESTRICTIONS .....	15



Take it out.  
Cash it in.

The City of Calgary Residential Toilet Replacement Rebate program.

Make the switch to a WaterSense labelled, high-efficiency toilet and you could qualify for a **\$50** rebate.

Apply for your rebate online at [calgary.ca/toilet](http://calgary.ca/toilet). It's quick and easy.

Print applications are also available for mail-in or fax-in by visiting [calgary.ca/toilet](http://calgary.ca/toilet) or by contacting 311.

Protecting what's precious. Land. Air. Water.

Onward! By 2033, per capita water use will be reduced from 2003 levels by 30 per cent.

Calgary

**Use your water meter to check for household leaks**

1. Turn off all taps and water appliances in your home.
2. Check the water indicator – this could be a gear, triangle or needle on the face of the meter. If it keeps turning you have a leak in your house.
3. Check your toilet, taps, humidifier, hot water heater, water softener and other water using devices for leaks.
4. Visit [calgary.ca/waterleaks](http://calgary.ca/waterleaks) to learn more about addressing leaks.

Check for leaks every six months. It can save water and money.

Five ways to create a more beautiful and relaxing yard:

- Use good soil, and lots of it, to make plants happy
- Pick flowers and shrubs intended for Calgary's climate
- Put the right plants in the right place
- Use mulch to retain moisture and for added beauty
- Water wisely – avoid watering in the heat of the day

To learn more visit [calgary.ca/yardsmart](http://calgary.ca/yardsmart)

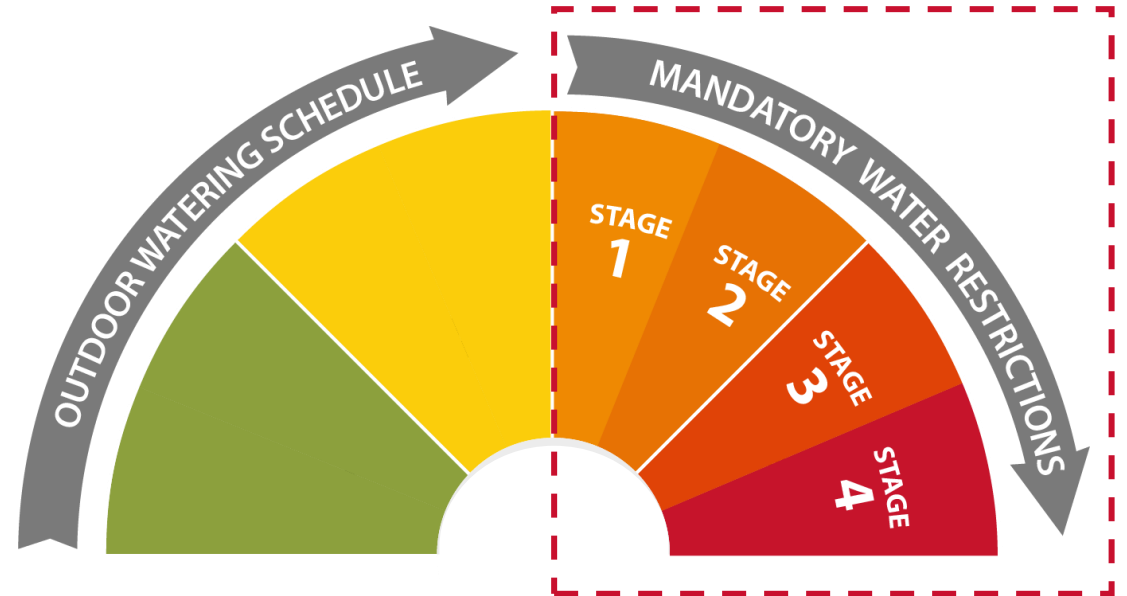
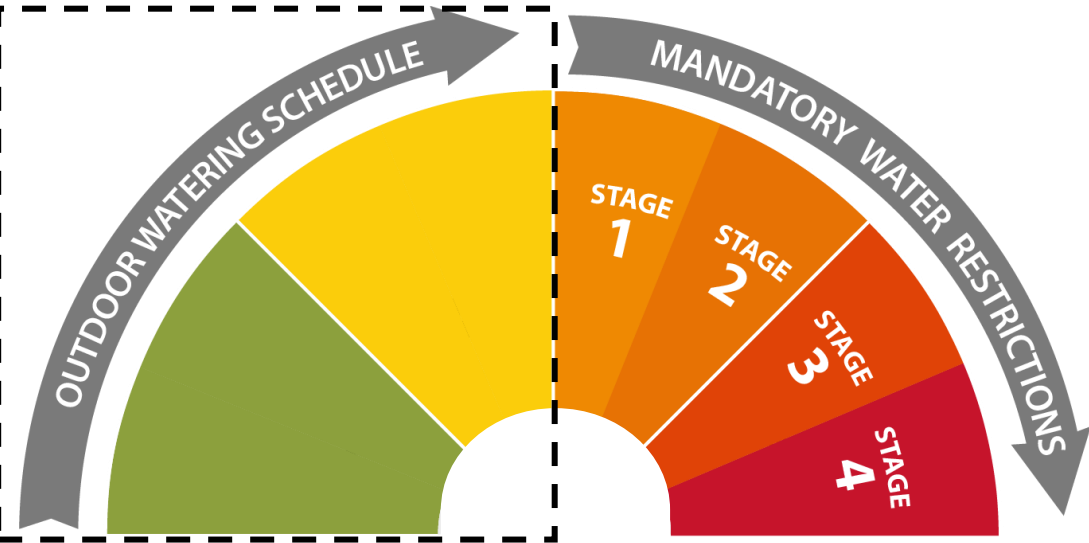


# Water Utility Bylaw – Two Key Changes

Water Utility Bylaw changes provide flexible response to drought; manage seasonal water demand; support long-term drought resilience; and meet temporary operational requirements.

✓ **Addition of a new Outdoor Watering Schedule**

✓ **Updates to Outdoor Water Use Restrictions (Schedule E)**





# Addition of a new Outdoor Watering Schedule

- Incorporates best practices for **efficient outdoor watering** in a dry climate
- Intent to **implement in 2024 summer**
- Enhances **community preparedness** for potential transition to restrictions

## Watering your lawn (any method)



Water any two days per week



Water up to three hours at a time  
(six hours per week total)



Water between 8 p.m. – 10 a.m.

## Allowed any day, any time



Hand watering gardens with a spring-loaded nozzle, drip irrigation or watering can
















































Newly planted grass, trees and shrubs (any method)



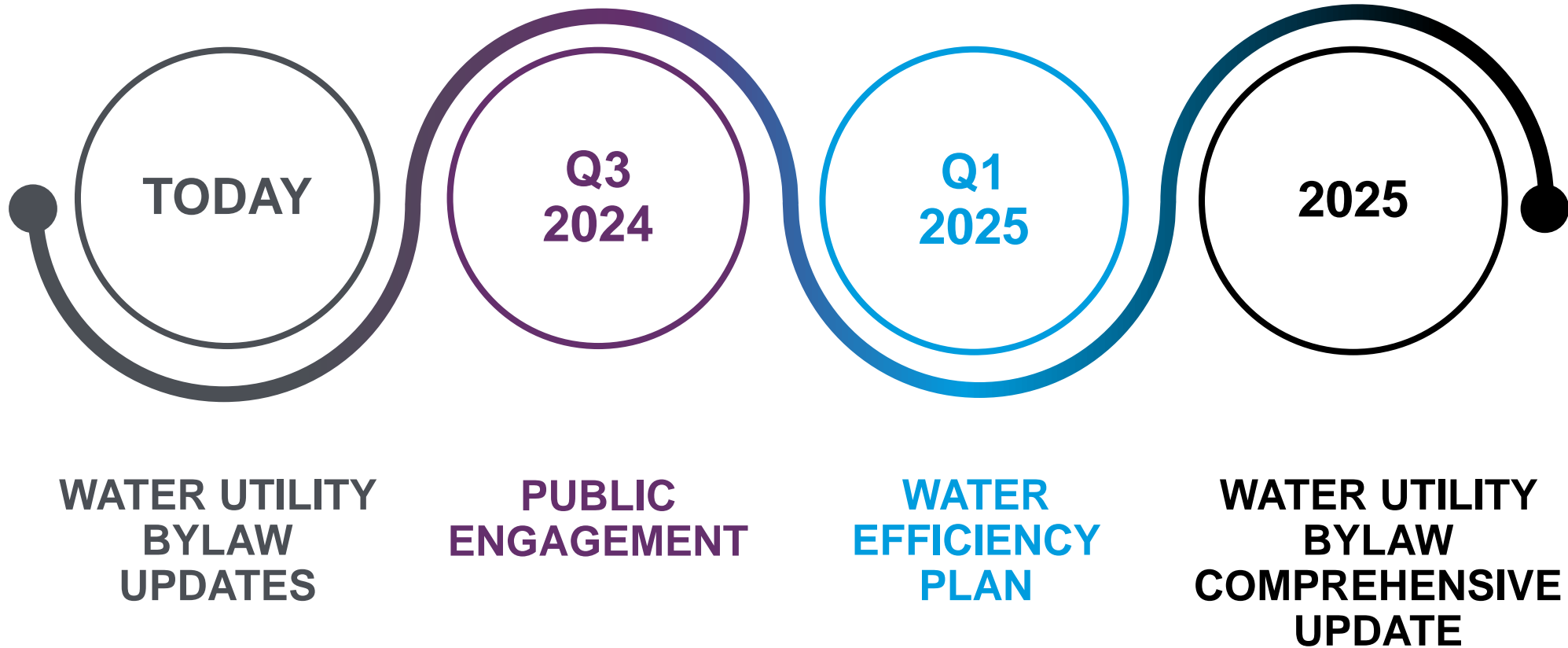
# Updates to Outdoor Water Use Restrictions (Schedule E)

- Address implementation challenges from 2023
- Clarify permitted uses
- Align watering times to new Outdoor Watering Schedule
- Improve The City’s drought response

Outdoor Water Restriction Stages	Stage 1 Low risk to water supply	Stage 2 Moderate risk to water supply	Stage 3 High risk to water supply	Stage 4 Severe risk to water supply
 <b>Sprinklers for lawns, gardens, trees and shrubs</b> Includes automatic irrigation system	2 hr/week 	1 hr/week 		
	<b>Even house number:</b> Either Wednesday or Saturday  <b>Odd house number:</b> Either Thursday or Sunday  <b>Water between:</b> 8 p.m. – 10 a.m.			
<b>Hoses with spray nozzle for gardens, trees and shrubs</b> Includes drip irrigation with automatic shut off	 Any day/time	 Any day/time		
<b>Hand watering gardens, trees and shrubs</b>	 Any day/time	 Any day/time	 Any day/time	
 <b>Newly planted grass, trees and shrubs</b> Sod within 21 days Seed within 45 days Trees and shrubs less than 5 years old	 Any day/time Any watering method	 Any day/time Any watering method	CONDITIONAL Allowed only by hose with spray nozzle, automatic shut-off drip irrigation, or hand-held container	
 <b>Testing and auditing irrigation systems</b>	 Any day/time	 Any day/time		
<b>Washing outdoor building surfaces and windows</b>				
<b>Washing cars outdoors</b> Using water only	 Any day/time	 Any day/time		
<b>Washing sidewalks, driveways or walkways</b>				
<b>Filling outdoor pools or hot tubs</b>	 Any day/time	 Any day/time		
<b>Filling fountains and other decorative features</b> Excludes bird baths and residential ponds				
 <b>Water use for construction or renovation</b>	 Any day/time	 Any day/time	 Any day/time	



# Advancing Water Conservation in Calgary





## **That the Executive Committee recommend that Council:**

1. Give three readings to the proposed bylaw to amend Bylaw 40M2006, Water Utility Bylaw
2. Direct Administration to return in Q1 2025 to Community Development Committee with an updated Water Efficiency Plan including a renewed suite of water conservation tools to manage Calgary's water use in a changing climate and growing population, following engagement.



Planning & Development Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0692

## Response to Motion Arising from Rezoning for Housing - Resources and Workplan Implications

---

### PURPOSE

The purpose of this report is to provide a high-level summary of the overall budget, resources and workplan implications of the final Council amendments made to the original recommendations of CPC2024-0213, as well as of the preliminary costs associated with the Rezoning for Housing initiative.

### PREVIOUS COUNCIL DIRECTION

On 2024 May 14, Council approved citywide rezoning, with amendments, through the Public Hearing Meeting of Council for CPC2024-0213. A further Motion Arising directed Administration to bring a summary of the cumulative budget, resource and workplan implications resulting from the final Council amendments made to the original recommendations on CPC2024-0213 to the 2024 June 11 Executive Committee.

### RECOMMENDATIONS:

That the Executive Committee recommend that Council:

1. Reconsider its decision respecting Recommendation 9 in report CPC2024-0213 from the 2024 May 14 Special Meeting of Council "That Council direct Administration, in alignment with Home is Here recommendation 4.B.2, speed up approval processes as appropriate, in order to continue to support the construction of more housing, to bring forward amendments to Land Use Bylaw 1P2007 that exempts freehold/fee simple townhouse and rowhouse developments within newly developing greenfield communities from the need to obtain a development permit by end of 2024 Q3.";
2. Direct Administration, in alignment with Home is Here recommendation 4.B.2, speed up approval processes as appropriate, in order to continue to support the construction of more housing, to bring forward amendments to Land Use Bylaw 1P2007 that exempts freehold/fee simple townhouse and rowhouse developments within newly developing greenfield communities from the need to obtain a development permit, with an update to Council by end of 2024 Q3; and
3. Direct Administration to forward any budget implications with respect to the additional Rezoning for Housing recommendations for consideration in the upcoming mid-cycle adjustments process.

### CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS

Acting General Manager Debra Hamilton concurs with this report.

### HIGHLIGHTS

- Council approved Rezoning for Housing (CPC2024-0213) with twelve additional recommendations and three Motions Arising. One of the Motions Arising directed Administration to provide a summary of the budget, resource and workplan implications of those additional recommendations to Executive Committee.

## Response to Motion Arising from Rezoning for Housing - Resources and Workplan Implications

---

- The preliminary assessment of costs associated with these resource and workplan implications has been estimated at \$4.7 million. Further information on the assessment is provided in Attachment 2. Detailed estimates will be conducted as Administration continues to determine and refine the implications, resulting in a comprehensive budget request as part of the upcoming mid-cycle budget adjustments process.
- Recommendation 9 added to report CPC2024-0213 is not achievable within the directed timeframe. Administration recommends Council reconsider Recommendation 9 only, and direct Administration to provide an update on this work by the end of 2024 Q3.
- A preliminary cost estimate for Rezoning for Housing is \$1.275 million (Attachment 3).

## DISCUSSION

### Recommendation and Amendments

Following the 2024 April 22 Public Hearing, Council approved the recommendations in CPC2024-0213, while adding 12 additional recommendations. Council also approved amendments to Bylaw 21P2024 regarding parking. The additional recommendations were:

- Enhancing R-CG public engagement and education
- Enhancing development permit processes and timelines for rowhouses and townhouses
- Updating Local Area Plan sequencing
- Addressing issues related to privacy
- Re-engaging on updates to approved Local Area Plans
- Infrastructure and Planning Committee quarterly briefing
- Community Development Committee annual report
- Exempting rowhouses and townhouses from development permits in greenfield communities
- Evaluating appropriate zoning for all City-owned parks
- Reinstating the Civic Census Program
- Enhancing development permit public notification systems
- Including Secondary suites and backyard suites in density calculations

Some recommendations impact the City Building Program, and the Zoning Bylaw in particular, such as those on including suites in density calculations and evaluating park zoning. While some of this work is underway, additional time will be required. It will not be possible to deliver the new Zoning Bylaw in its entirety by the end of 2024. An extension of the timeline will provide the opportunity for further engagement and education, both internally and externally, on these additional recommendations and on feedback received to date on existing document drafts.

Recommendation 9, which would exempt rowhouses and townhouses from development permits in greenfield communities, is not achievable within the approved timeframe. Administration is committed to bringing a status update to Council by the end of 2024 Q3, when more information on the implications of this work will be available.

## Response to Motion Arising from Rezoning for Housing - Resources and Workplan Implications

---

### Preliminary Rezoning for Housing Costs

In addition to the Motion Arising, Administration was asked about Rezoning for Housing costs up to and including the Public Hearing. The costs are incremental above regular salary and wage costs. They include overtime, other non-salary and wage costs.

Details on the preliminary costs are outlined in Attachment 3.

Costs to Prepare the Public Hearing	\$945,000
Costs of the Public Hearing (April 22 – May 14)	\$330,000
<b>Total Preliminary Rezoning for Housing Costs</b>	<b>\$1,275,000</b>

### EXTERNAL ENGAGEMENT AND COMMUNICATION

- |  |   |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken        | <input type="checkbox"/> Dialogue with interested parties was undertaken                |
| <input type="checkbox"/> Public/interested parties were informed | <input checked="" type="checkbox"/> Public communication or engagement was not required |

Public engagement was not required to complete this report.

### IMPLICATIONS

#### Social

Not Applicable

#### Environmental

Not Applicable

#### Economic

Not Applicable

#### Service and Financial Implications

#### Other: New operating and capital

There are no financial implications directly as a result of this report. Administration's initial assessment has highlighted the need for new operating and capital budget to implement several of the additional recommendations, which would be brought forward for consideration during the upcoming mid-cycle adjustments process. Three of the largest budget asks would be implementing and sustaining the Planner Liaison program, reinstating the Civic Census program and exempting rowhouse and townhouse development from development permits in greenfield communities.

Planning & Development Services Report to  
Executive Committee  
2024 June 11

ISC: UNRESTRICTED  
EC2024-0692

## Response to Motion Arising from Rezoning for Housing - Resources and Workplan Implications

---

### RISK

It is imperative that the additional recommendations approved by Council are adequately resourced and budgeted. Insufficient resources may put pressure on existing workplans, resulting in a lower quality of projects underway and hindering the implementation of new processes. This could also impact the effectiveness of the amendments and reduce their benefits for Calgarians.

### ATTACHMENTS

1. Background and Previous Council Direction
2. Estimated Resource and Workplan Implications
3. Preliminary Rezoning for Housing Costs
4. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Debra Hamilton	Planning and Development Services	Approve
Katie Black	Community Services	Consult
Stuart Dalgleish	Chief Operating Office	Consult

Author: Calvin Chan, Community Planning, Planning and Development Services

# Background and Previous Council Direction

## Background

On 2023 September 16, Council approved *Home is Here – The City of Calgary’s Housing Strategy 2024-2030 (CD2023-0749)*, a comprehensive plan to increase housing supply to meet demand and increase housing affordability. Part of the Strategy directed Administration to bring forward citywide land use changes to provide a greater range of housing choice for Calgarians. The resulting report, *Calgary’s Housing Strategy 2024-2030 – Land Use Amendment Citywide, LOC2024-0017, and Land Use Bylaw Amendments (CPC2024-0213)*, otherwise known as Rezoning for Housing, was heard at the 2024 April 22 Public Hearing.

The 2024 April 22 Public Hearing for Rezoning for Housing was the most extensive Public Hearing in Calgary’s history. Over approximately three weeks, more than 700 speakers presented and over 6,000 written submissions were received. Following the Public Hearing, Council approved Administration’s recommendations, and added 12 additional recommendations. Council also approved some amendments to Bylaw 21P2024 to address parking concerns.

## Previous Council Direction

At a Special Meeting of Council on 2024 May 14, Council gave third reading to Bylaw 21P2024, as amended, and approved three Motions Arising. This report responds to the second Motion Arising, which directed Administration to return to Executive Committee on 2024 June 11 with a report that summarizes the cumulative budget, resource and workplan implications resulting from the Council amendments made to the original recommendations of CPC2024-0213.

### Approved recommendations:

For reference, the table below lists the verbatim approved recommendations of Report CPC2024-0213 as well as the three Motions Arising. Bold text indicates amendments to the original recommendations:

<p>2024 April 22 Public Hearing</p>	<p>CPC2024-0213 approved recommendations</p>	<p>That Council:</p> <ol style="list-style-type: none"> <li>1. Give three readings to Proposed Bylaw 21P2024 for amendments to the Land Use Bylaw 1P2007 (Attachment 3), including:             <ol style="list-style-type: none"> <li>a. Textual amendments (Section 1 and 3, Attachment 3);</li> <li>b. Redesignation (Section 2 and Schedule A, Attachment 3) of parcels <i>located at</i> various addresses from the:                 <ol style="list-style-type: none"> <li>i. Residential – Contextual Large Parcel One Dwelling (R-C1L(s)), the Residential – Contextual One Dwelling (R-C1(s)), the Residential – Contextual Narrow Parcel One Dwelling (R-C1N), the Residential – Contextual One/Two Dwelling (R-C2) districts, and Residential – Grade Oriented Infill (R-CGex) to Residential – Grade-Oriented Infill (R-CG) District.</li> <li>ii. Residential One Dwelling (R-1(s)), Residential – Narrow Parcel One Dwelling (R-1N), and Residential</li> </ol> </li> </ol> </li> </ol>
---	--	---

		<p>– One/Two Dwelling (R-2) to Residential – Low Density Mixed Housing (R-G) District.</p> <p>iii. Residential – Contextual Large Parcel One Dwelling (R-C1L(s)), the Residential – Contextual One Dwelling (R-C1(s)), the Residential – Contextual Narrow Parcel One Dwelling (R-C1N), the Residential – Contextual One/Two Dwelling (R-C2) districts, Residential – Grade-Oriented Infill (R-CG) District, and Residential – Grade Oriented Infill (R-CGex) Districts to Housing – Grade Oriented (H-GO) District;</p> <p>c. Procedural amendments to delete redundant districts from the Land Use Bylaw (Section 4, Attachment 3);</p> <p><b>2. In order to create a more robust public engagement process for discretionary uses in the R-CG land use district, direct Administration to:</b></p> <p>a. <b>Review and enhance The City of Calgary Applicant Outreach Toolkit in collaboration with interested community associations, residents and industry to improve transparency in community outreach and engagement for development permit applications in R-CG districts, using this process to either create an incentive or requirement for community engagement prior to a formal application submission, with an update to Council by end of 2024 Q3;</b></p> <p>b. <b>Create a Rowhouse How-to Guide with input from interested community associations, residents and industry that identifies contextually appropriate design strategies (including but not limited to building height, placement and treatment of windows, air conditioners, waste &amp; recycling bins and landscaping), with an update to Council by end of 2024 Q4;</b></p> <p>c. <b>Explore incentives for an expedited application timeline for those applications that demonstrate strong collaboration with community and compliance with process (as per the Outreach Tool and Rowhouse How-to Guide), with an update to Council by end of 2024 Q4; and</b></p> <p>d. <b>Determine the necessary resources and any associated funding required to fully implement and sustain a Community Planning Planner Liaison program as previously discussed with some inner-city communities and report back to Council no later than the end of 2024 Q3 for any resource and budget requests</b></p> <p><b>3. Direct Administration to utilize or leverage an existing community and industry working group to mutually seek efficiencies in the development permit process to expedite development permit timelines, while making townhouse and rowhouse development permits more consistent and</b></p>
--	--	---



		<p>standardized in RCG areas to create transparency and predictability for applicants and the public;</p> <ol style="list-style-type: none"><li>4. Direct Administration to sequence the completion of Local Area Plans in the developed areas of the city by:<ol style="list-style-type: none"><li>a. Identifying the areas with the most demand based on the number of applications; and</li><li>b. Prioritizing these areas in the sequencing of future Local Area Plans;</li></ol></li><li>5. Direct Administration to consider changes to the Land Use Bylaw, including provisions related to the current R-G, R-CG and H-GO districts, to address issues related to privacy for adjacent neighbours identified through this report as part of its reporting to Council on the City Building Program;</li><li>6. Direct Administration to review all plans already completed as part of the current Local Area Planning program, and engage with affected communities, to determine whether any amendments to the Local Area Plans are warranted as a result of the proposed rezoning, and report back to Infrastructure and Planning Committee with an interim update no later than 2025 Q1;</li><li>7. Direct Administration to prepare a quarterly briefing on the implementation of the Rezoning for Housing initiative to Infrastructure and Planning Committee beginning 2025 Q1 including:<ol style="list-style-type: none"><li>a. The effect of Rezoning for Housing on housing supply, including the number of permits issued for new low-density residential units in R-G/R-CG and H-GO districts;</li><li>b. Timelines for permit approvals; and</li><li>c. A summary of public letters received on development permits enabled by Rezoning for Housing including the overall number in support or opposition and recurring themes of concerns raised;</li></ol></li><li>8. Direct Administration to report back annually to Community Development Committee starting no later than 2026 Q2 with a report on the Rezoning for Housing Initiative that includes:<ol style="list-style-type: none"><li>a. Impacts of the Rezoning for Housing program at increasing housing supply;</li><li>b. Impacts of the Rezoning for Housing program at speeding up permit approval timelines;</li><li>c. Community and industry feedback that Administration has received related to Rezoning for Housing; and</li><li>d. Recommendations to address issues in the Land Use Bylaw, Local Area Planning program, and permit approvals that have arisen from Rezoning for Housing;</li></ol></li></ol>
--	--	---

		<p>9. <b>Direct Administration, in alignment with Home is Here recommendation 4.B.2, speed up approval processes as appropriate, in order to continue to support the construction of more housing, to bring forward amendments to Land Use Bylaw 1P2007 that exempts free hold/fee simple townhouse and rowhouse developments, that meet the requirements of land use bylaw 1P2007, within newly developing greenfield communities from the need to obtain a development permit by end of 2024 Q3;</b></p> <p>10. <b>Direct Administration to review all City-owned parks and evaluate the appropriate district and include a recommendation to rezone with the implementation of the new Zoning Bylaw;</b></p> <p>11. <b>Direct Administration to research and return to Council before the 2025 Mid-Cycle Budget program with recommendations (including budget and organizational accountability) to resurrect the municipal census program with the intention of conducting a Calgary biennial census in 2027 and thereafter;</b></p> <p>12. <b>Direct Administration to investigate and report back on options to improve the public notification systems and information provided to users through the City’s planning and development information systems (i.e., DMAP, Calgary.ca, etc.), and report back by 2025 Q4;</b></p> <p>13. <b>Direct Administration to:</b></p> <ul style="list-style-type: none"> <li>a. <b>Include Secondary Suites and Backyard Suites in density calculations in the new Zoning Bylaw, and that minimum density requirements be updated in zones where suites are allowed to reflect this change; and</b></li> <li>b. <b>Report back to Council in Q1, 2025 with a scoping report that includes:</b> <ul style="list-style-type: none"> <li>i. <b>the overall unit count/density calculation for each community that includes secondary suites and backyard suites as units.</b></li> <li>ii. <b>a list of all departments that have calculations based off unit count and the implications of unit counting for all other City departments (fee for service, fee calculations);</b></li> </ul> </li> </ul>
<p>2024 May 14 Special Meeting of Council</p>	<p>Motion Arising related to CPC2024-0213</p>	<p>That with respect to Report CPC2024-0213, the following Motion Arising be adopted:</p> <p>That Council direct Administration to augment Home is Here recommendation 1.C.13.I by tracking Development Permit applications on RC-G parcels city-wide to identify areas where increased densification requires infrastructure investment</p>

		(including but not limited to water, roads, and parks), and bring forward the most appropriate funding tool to ensure growth is supported with proper infrastructure, with a report back to Council through Infrastructure and Planning Committee once each year at the end of the year.
2024 May 14 Special Meeting of Council	Motion Arising related to CPC2024-0213	That with respect to Report CPC2024-0213, the following Motion Arising be adopted:  That Council direct Administration to bring a summary of the cumulative budget, resource and workplan implications resulting from the final Council amendments made to the original recommendation on CPC2024-0213 to the 2024 June 11 Executive Committee.
2024 May 14 Special Meeting of Council	Motion Arising related to CPC2024-0213	That with respect to Report CPC2024-0213, the following Motion Arising be adopted:  That Council request that the Mayor write a letter to the Minister of Municipal Affairs on behalf of Council requesting that the development permit appeal period specified in section 686(1)(a) of the <i>Municipal</i>



# Estimated Resource and Workplan Implications

Council directed Administration to provide an overview of the estimated budget, resources and workplan implications resulting from the additional recommendations to the Rezoning for Housing land use amendment. The cost estimates are preliminary. Further detailed estimates will be conducted as Administration continues to determine the scope and resources of each recommendation. The estimated budget for each item includes additional staffing, support work from different business units and capital funding to cover any necessary equipment or technology upgrades.

**Table 1: Summary of Estimated Budget, Resource and Workplan Implications.**

1. Give three readings to Proposed Bylaw 21P2024 for amendments to the Land Use Bylaw 1P2007 (Attachment 3), including:
  - a. Textual amendments (Section 1 and 3, Attachment 3);
  - b. Redesignation (Section 2 and Schedule A, Attachment 3) of parcels located at various addresses from the:
    - i. Residential – Contextual Large Parcel One Dwelling (R-C1L(s)), the Residential – Contextual One Dwelling (R-C1(s)), the Residential – Contextual Narrow Parcel One Dwelling (R-C1N), the Residential – Contextual One/Two Dwelling (R-C2) districts, and Residential – Grade Oriented Infill (R-CGex) to Residential – Grade-Oriented Infill (R-CG) District.
    - ii. Residential One Dwelling (R-1(s)), Residential – Narrow Parcel One Dwelling (R-1N), and Residential – One/Two Dwelling (R-2) to Residential – Low Density Mixed Housing (R-G) District.
    - iii. Residential – Contextual Large Parcel One Dwelling (R-C1L(s)), the Residential – Contextual One Dwelling (R-C1(s)), the Residential – Contextual Narrow Parcel One Dwelling (R-C1N), the Residential – Contextual One/Two Dwelling (R-C2) districts, Residential – Grade-Oriented Infill (R-CG) District, and Residential – Grade Oriented Infill (R-CGex) Districts to Housing – Grade Oriented (H-GO) District;

## **Main Rezoning for Housing Recommendation (including amendments to parking requirements)**

### **Workplan Implications**

Administration does not anticipate additional impacts beyond what was anticipated to achieve the 2024 August 6 effective date. System updates, including application intake and mapping, are underway. Internal training will ensure staff are well-equipped to provide accurate information and guidance to the public.

### **Resourcing:**

**Lead Department:** Planning & Development Services

**Supporting Business Units or Divisions:** Mapping Services, Communications, Learning & Development, PDS Service Excellence, Creative Services

**Estimated Budget:** No additional budget requirement has been identified at this time

**2a.** Review and enhance The City of Calgary Applicant Outreach Toolkit in collaboration with interested community associations, residents and industry to improve transparency in community outreach and engagement for development permit applications in R-CG districts, using this process to either create an incentive or requirement for community engagement prior to a formal application submission, with an update to Council by end of 2024 Q3;

### **Applicant Outreach Toolkit**

#### **Workplan Implications**

This recommendation is net new work, and given the immediacy of the due date, may require resources to be reassigned, potentially impacting application review and local area planning project timelines. Beyond the initial update, budget is required for staff and engagement costs to complete this work.

#### **Resourcing:**

**Lead Business Unit:** Community Planning

**Supporting Business Units or Divisions:** Communications, Engage

**Estimated Budget:** \$112,000

**2b.** Create a Rowhouse How-to Guide with input from interested community associations, residents and industry that identifies contextually appropriate design strategies (including but not limited to building height, placement and treatment of windows, air conditioners, waste & recycling bins and landscaping), with an update to Council by end of 2024 Q4;

### **Rowhouse How-to Guide**

#### **Workplan Implications**

This recommendation is net new work, and given the immediacy of the due date, may require resources to be reassigned, potentially impacting application review and local area planning project timelines. Beyond the initial update, budget is required for staff, engagement and material costs to complete this work.

#### **Resourcing:**

**Lead Business Unit:** Community Planning

**Supporting Business Units or Divisions:** Land Use Bylaw, Urban Design, Growth Infrastructure Planning, Communications, Creative Services, Engage, Communications

**Estimated Budget:** \$694,000

**2c.** Explore incentives for an expedited application timeline for those applications that demonstrate strong collaboration with community and compliance with process (as per the Outreach Tool and Rowhouse How-to Guide), with an update to Council by end of 2024 Q4; and

### **Expedited Application timeline**

#### **Workplan Implications**

Administration has identified that additional resources are needed to explore, create and sustain an expedited application timeline. The majority of this work should occur in 2a and 2b. Subject to those findings staff resources, systems and process changes may be required to implement an expedited process.

#### **Resourcing:**

**Lead Business Unit:** Community Planning

**Supporting Business Units or Divisions:** PDS Service Excellence

**Estimated Budget:** To be determined

**2d.** Determine the necessary resources and any associated funding required to fully implement and sustain a Community Planning Planner Liaison program as previously discussed with some inner-city communities and report back to Council no later than the end of 2024 Q3 for any resource and budget requests;

### **Planning Liaison**

#### **Workplan Implications**

This recommendation is net new work, and given the immediacy of the due date, may require resources to be reassigned, potentially impacting application review and local area planning project timelines. Beyond the initial update, budget is required for staff, engagement and material costs to complete this work. An initial assessment identifies that eight additional full-time staff may be needed to establish and maintain an effective program.

#### **Resourcing:**

**Lead Business Unit:** PDS Service Excellence

**Supporting Business Units or Divisions:** Community Planning

**Estimated Budget:** \$932,000

3. Direct Administration to utilize or leverage an existing community and industry working group to mutually seek efficiencies in the development permit process to expedite development permit timelines, while making townhouse and rowhouse development permits more consistent and standardized in RCG areas to create transparency and predictability for applicants and the public;

### Enhancing Development Permit Processes and Timelines for Rowhouses and Townhouses

#### Workplan Implications

An initiative is currently in progress focusing on reducing development permit processing timelines for rowhouse and townhouse applications and improving customer experience. The work will leverage existing community and industry relationships better to understand their experiences and challenges in the processes.

The ongoing work primarily focuses on analysis and identifying potential opportunities. If the analysis reveals the need for system changes, additional resources may be necessary for implementation.

#### Resourcing:

**Lead Business Unit:** PDS Service Excellence

**Supporting Business Units or Divisions:** Engage

**Estimated Budget:** No additional budget requirement has been identified at this time.

4. Direct Administration to sequence the completion of Local Area Plans in the developed areas of the city by:  
a. Identifying the areas with the most demand based on the number of applications; and  
b. Prioritizing these areas in the sequencing of future Local Area Plans;

### Updating Local Area Plan Sequencing

#### Workplan Implications

Local area plans are sequenced with recommendations from the Established Areas Growth and Change Strategy, with particular considerations for equity in planning and major infrastructure projects, such as new LRT lines. Adding areas with demand based on applications specifically will not result in the need for additional resources.

#### Resourcing:

**Lead Business Unit:** Community Planning

**Supporting Business Units or Divisions:** City & Regional Planning

**Estimated Budget:** No additional budget required at this time



5. Direct Administration to consider changes to the Land Use Bylaw, including provisions related to the current R-G, R-CG and H-GO districts, to address issues related to privacy for adjacent neighbours identified through this report as part of its reporting to Council on the City Building Program;

### Addressing Issues Related to Privacy

#### Workplan Implications

This work will be included in the scope of the Zoning Bylaw as part of the City Building Program.

#### Resourcing:

**Lead Business Unit:** City & Regional Planning

**Supporting Business Units or Divisions:** Community Planning, Engage

**Estimated Budget:** No additional budget required at this time

6. Direct Administration to review all plans already completed as part of the current Local Area Planning program, and engage with affected communities, to determine whether any amendments to the Local Area Plans are warranted as a result of the proposed rezoning, and report back to Infrastructure and Planning Committee with an interim update no later than 2025 Q1;

### Re-engaging on Updates to Approved Local Area Plans

#### Workplan Implications

The re-engagement of approved local area plans will be completed with existing resources, which may lead to a delay in launching new local area plans as the re-engagement will be prioritized. Administration's re-engagement approach will focus on collecting feedback to determine whether amendments are warranted based on Council's direction, including updates to local investments and improvements captured within Chapter 3 of the Local Area Plans. The estimated timeline for the re-engagement will be up to 12 months for all three approved local area plans.

#### Resourcing:

**Lead Business Unit:** Community Planning

**Supporting Business Units or Divisions:** Growth Infrastructure Planning, City Planning Policy, Engage, Communications

**Estimated Budget:** \$60,000

7. Direct Administration to prepare a quarterly briefing on the implementation of the Rezoning for Housing initiative to Infrastructure and Planning Committee beginning 2025 Q1 including:

- a. The effect of Rezoning for Housing on housing supply, including the number of permits issued for new low-density residential units in R-G/R-CG and H-GO districts;
- b. Timelines for permit approvals; and
- c. A summary of public letters received on development permits enabled by Rezoning for Housing including the overall number in support or opposition and recurring themes of concerns raised;

### Infrastructure and Planning Committee Quarterly Briefing

#### Workplan Implications

The scope of this recommendation will require additional resources to collect, summarize and report quarterly.

#### Resourcing:

**Lead Business Unit:** Community Planning

**Supporting Business Units or Divisions:** Partnerships, Growth Infrastructure Planning

**Estimated Budget:** \$117,000

8. Direct Administration to report back annually to Community Development Committee starting no later than 2026 Q2 with a report on the Rezoning for Housing Initiative that includes:
- a. Impacts of the Rezoning for Housing program at increasing housing supply;
  - b. Impacts of the Rezoning for Housing program at speeding up permit approval timelines;
  - c. Community and industry feedback that Administration has received related to Rezoning for Housing; and
  - d. Recommendations to address issues in the Land Use Bylaw, Local Area Planning program, and permit approvals that have arisen from Rezoning for Housing;

### Community Development Committee Annual Report

#### Workplan Implications

Administration does not anticipate impacts on the existing workplan for carrying out the associated work.

#### Resourcing:

**Lead Business Unit:** Partnerships

**Supporting Business Units or Divisions:** Community Planning, City & Regional Planning

**Estimated Budget:** No additional budget requirement has been identified at this time

9. That Council direct Administration, in alignment with Home is Here recommendation 4.B.2, speed up approval processes as appropriate, in order to continue to support the construction of more housing, to bring forward amendments to Land Use Bylaw

1P2007 that exempts free hold/fee simple townhouse and rowhouse developments within newly developing greenfield communities from the need to obtain a development permit by end of 2024 Q3.

### Exempting Rowhouses and Townhouses from Development Permits in Greenfield Communities

#### Workplan Implications

This recommendation is net new work and not achievable within the timeframe noted. To undertake this work, additional time and resources are needed, including both operational and capital budget.

Should the due date remain as is, this work will impact application review timelines and existing continuous improvement projects.

#### Resourcing:

**Lead Business Unit:** City & Regional Planning

**Supporting Business Units or Divisions:** Growth Infrastructure Planning, PDS Service Excellence, Building Safety

**Estimated Budget:** \$1,413,000

10. Direct Administration to review all City-owned parks and evaluate the appropriate district and include a recommendation to rezone with the implementation of the new Zoning Bylaw;

### Evaluating Appropriate Zoning for All City-owned Parks

#### Workplan Implications.

The identification and rezoning of City-owned parks could be completed within the scope of, and during the implementation phase of the new Zoning Bylaw. The estimated budget is for mapping resources.

#### Resourcing:

**Lead Business Unit:** City & Regional Planning

**Supporting Business Units or Divisions:** Growth Infrastructure Planning, Parks

**Estimated Budget:** \$102,000

11. Direct Administration to research and return to Council before the 2025 Mid-Cycle Budget program with recommendations (including budget and organizational accountability) to resurrect the municipal census program with the intention of conducting a Calgary biennial census in 2027 and thereafter;

### Reinstating the Civic Census Program

#### Workplan Implications

This recommendation is net new work. A scoping report is required to determine the appropriate methodology and resources to reinstate the Civic Census. Different methods and funding sources will be researched so implementation can be as efficient and flexible as possible. While the advantages to bringing back this function are wide ranging and go far beyond Rezoning for Housing, significant capital and operating costs will be required, likely starting in 2025 and 2026.

#### Resourcing:

**Lead Business Unit:** City & Regional Planning

**Supporting Business Units or Divisions:** Corporate Analytics and Innovation

**Estimated Budget:** \$1 million for scoping the methodology and one time capital and operating costs once a methodology is determined, with an estimated range between \$3 - \$7 million for the first collection.

12. Direct Administration to investigate and report back on options to improve the public notification systems and information provided to users through the City's planning and development information systems (i.e., DMAP, Calgary.ca, etc.), and report back by 2025 Q4;

### Enhancing Development Permit Public Notification Systems

#### Workplan Implications

The analysis work is in progress and funded under the existing continuous improvement workplan. Additional capital funding needs for enhancement and implementation will be identified once the analysis work is completed.

The scope of the project includes prioritizing opportunities to improve information sharing and awareness across digital and physical spaces. It also involves researching, prototyping, testing and implementing with interested parties.

#### Resourcing:

**Lead Business Unit:** PDS Service Excellence

**Supporting Business Unit/s or Division/s:** Engage

**Estimated Budget:** No additional budget requirement has been identified at this time.

13.

- a. Include Secondary Suites and Backyard Suites in density calculations in the new Zoning Bylaw, and that minimum density requirements be updated in zones where suites are allowed to reflect this change; and

- b.** Report back to Council in Q1, 2025 with a scoping report that includes:
- i.** the overall unit count/density calculation for each community that includes secondary suites and backyard suites as units;
  - ii.** a list of all departments that have calculations based off unit count and the implications of unit counting for all other City departments (fee for service, fee calculations).

### **Including Secondary Suites and Backyard Suites in Density Calculations**

#### **Workplan Implications**

**13a.** The scope of the recommendation is included in the new Zoning Bylaw project. Work includes updating terminology to include suites in density calculations, recalculating minimum and maximum density requirements in each zone, and reviewing potential impacts to policy.

**13b.** This is net new work. Resources are likely required for impacted business units. To date, four business units have identified that their work uses unit calculations and resources may be required to carry out the scoping report work.

#### **Resourcing:**

**Lead Business Unit:** City & Regional Planning

**Supporting Business Units or Divisions:** Community Planning, Forecasting and Analytics

**Estimated Budget:** \$291,000



# Preliminary Rezoning for Housing Costs

Preliminary Rezoning for Housing Costs (estimated as of May 22, 2024)	
<b>COSTS TO PREPARE THE PUBLIC HEARING</b>	
<b>Administration Staff Costs</b>	
<i>Overtime Salaries &amp; Wages</i>	\$ 186,000
<b>Non-Staff Costs</b>	
<i>Mailing</i>	590,000
<i>Advertising &amp; Promotion</i>	136,000
<i>Meetings and Meals</i>	33,000
<b>Total Non-Staff Costs</b>	<b>\$ 759,000</b>
<b>Total Rezoning for Housing Costs (Pre-Public Hearing)</b>	<b>\$ 945,000</b>
<b>COSTS OF THE PUBLIC HEARING (APRIL 22 – MAY 14)</b>	
<b>Administration Staff Costs</b>	
<i>Overtime Salaries &amp; Wages</i>	\$ 210,000
<b>Non-Staff Costs</b>	
<i>Technical Support</i>	63,000
<i>Other Support Services</i>	34,000
<i>Meetings and Meals</i>	23,000
<b>Total Non-Staff Costs</b>	<b>\$ 120,000</b>
<b>Total Public Hearing Costs</b>	<b>\$ 330,000</b>
<b>TOTAL PRELIMINARY REZONING FOR HOUSING COSTS</b>	<b>\$ 1,275,000</b>





Calgary



# Response to Motion Arising from Rezoning for Housing - Resources and Workplan Implications

EC2024-0692

June 11, 2024



## Previous Council Direction

That with respect to Report CPC2024-0213, the following Motion Arising be adopted:

That Council direct Administration to bring a summary of the cumulative budget, resource and workplan implications resulting from the final Council amendments made to the original recommendation on CPC2024-0213 to the 2024 June 11 Executive Committee.

That the Executive Committee recommend that Council:

1. Reconsider its decision respecting Recommendation 9 in report CPC2024-0213 from the 2024 May 14 Special Meeting of Council “That Council direct Administration, in alignment with Home is Here recommendation 4.B.2, speed up approval processes as appropriate, in order to continue to support the construction of more housing, to bring forward amendments to Land Use Bylaw 1P2007 that exempts freehold/fee simple townhouse and rowhouse developments within newly developing greenfield communities from the need to obtain a development permit by end of 2024 Q3.”;
2. Direct Administration, in alignment with Home is Here recommendation 4.B.2, speed up approval processes as appropriate, in order to continue to support the construction of more housing, to bring forward amendments to Land Use Bylaw 1P2007 that exempts freehold/fee simple townhouse and rowhouse developments within newly developing greenfield communities from the need to obtain a development permit, with an update to Council by end of 2024 Q3; and
3. Direct Administration to forward any budget implications with respect to the additional Rezoning for Housing recommendations for consideration in the upcoming mid-cycle adjustments process.

## Amended Recommendations – Rezoning for Housing

# 12

Additional  
Recommendations

- Enhancing R-CG public engagement and education
- Enhancing development permit processes and timelines for rowhouses and townhouses
- Updating Local Area Plan sequencing
- Addressing issues related to privacy
- Re-engaging on updates to approved Local Area Plans
- Infrastructure and Planning Committee quarterly briefing
- Community Development Committee annual report
- Exempting rowhouses and townhouses from development permits in greenfield communities
- Evaluating appropriate zoning for all City-owned parks
- Reinstating the Civic Census Program
- Enhancing development permit public notification systems
- Including Secondary suites and backyard suites in density calculations

## Workplan Implication Highlights

# 7

Workplan  
Implications

- **Enhancing R-CG public engagement and education**
- Enhancing development permit processes and timelines for rowhouses and townhouses
- Updating Local Area Plan sequencing
- Addressing issues related to privacy
- **Re-engaging on updates to approved Local Area Plans**
- **Infrastructure and Planning Committee quarterly briefing**
- Community Development Committee annual report
- **Exempting rowhouses and townhouses from development permits in greenfield communities\***
- **Evaluating appropriate zoning for all City-owned parks**
- **Reinstating the Civic Census Program**
- Enhancing development permit public notification systems
- **Including Secondary suites and backyard suites in density calculations**

\* Requires reconsideration



# Estimated Total Resources

**\$4.7 million**  
Estimated Total Budget

- *Staff*
- *System Upgrades*
- *Communications*
- *Engagement*



# Preliminary Rezoning for Housing Costs

**\$944,000**

Cost to prepare the Public Hearing

**\$331,000**

Costs of the Public Hearing

- *Staff Overtime*
- *Postcards*
- *Legislative Mail-outs*
- *Venues, Catering and Other*
- *Display Boards/Posters*
- *Digital Advertising & Social Media*
- *Technical Support*

**\$1,275,000**

**Total Preliminary Cost**



That the Executive Committee recommend that Council:

1. Reconsider its decision respecting Recommendation 9 in report CPC2024-0213 from the 2024 May 14 Special Meeting of Council “That Council direct Administration, in alignment with Home is Here recommendation 4.B.2, speed up approval processes as appropriate, in order to continue to support the construction of more housing, to bring forward amendments to Land Use Bylaw 1P2007 that exempts freehold/fee simple townhouse and rowhouse developments within newly developing greenfield communities from the need to obtain a development permit by end of 2024 Q3.”;
2. Direct Administration, in alignment with Home is Here recommendation 4.B.2, speed up approval processes as appropriate, in order to continue to support the construction of more housing, to bring forward amendments to Land Use Bylaw 1P2007 that exempts freehold/fee simple townhouse and rowhouse developments within newly developing greenfield communities from the need to obtain a development permit, with an update to Council by end of 2024 Q3; and
3. Direct Administration to forward any budget implications with respect to the additional Rezoning for Housing recommendations for consideration in the upcoming mid-cycle adjustments process.





**Report Number:** EC2024-0715

**Meeting:** Executive Committee

**Meeting Date:** 2024 June 11

## NOTICE OF MOTION

**RE: Councillors' Budgets and Expenses - Hosting**

**Sponsoring Members of Council:** Councillor Chabot and Councillor McLean

---

WHEREAS Councillors' Budgets and Expenses – Out of town Travel Policy PAC007, Effective Date: 2003 October 28 was rescinded with the coming into force of Bylaw 36M2021 on May 10, 2021.

AND WHEREAS section 17 (5) of Bylaw 36M2021 provides, with respect to hosting by Councillors, that "Hosting when travelling is limited to \$100 per day per *Councillor* and this amount may be accrued over the course of the trip (e.g., for a four day trip, \$400 is available for hosting)."

AND WHEREAS the amount in this bylaw has not changed since PAC007 which also specified \$100 per day (under section V "Miscellaneous"). PAC007 was first adopted in 2003 and last amended in 2015 prior to being rescinded by Bylaw 36M2021.

AND WHEREAS this amount is not reflective of current meal prices or inflationary costs.

AND WHEREAS Councillors Chabot and McLean have incurred expenses totaling \$846.18 each and such expenses were reasonable because: In the Councillors' opinions, these expenses should have been considered business expenses due to the appointment by Council to act as the City of Calgary's representatives.

AND WHEREAS these expenses were denied by the CFO's delegate under Bylaw 36M2021 for exceeding the \$100 daily limit on hosting;

AND WHEREAS the Councillors submitted their claims as a business expense due to the nature of the expense being that their participation was as designated representatives for the City of Calgary.

AND WHEREAS Bylaw 36M2021 delegates authority to Executive Committee to review and approve expenses denied by the CFO's delegate pursuant to section 14 which reads:

### **Executive Committee**

14. (1) The Executive Committee is responsible for:

- (a) deciding any appeals brought by *Councillors* of decisions made by the *CFO's* designate to deny an expense claim or seek reimbursement of an expenditure made on the Corporate Credit Card; and
- (b) approving or denying further expenditures by *Councillors* who have exceeded their annual *Ward Budget*.

(2) Decisions of the Executive Committee are final.

(3) Appeals to the Executive Committee may be brought by a *Councillor* by way of notice of motion provided to the City Clerk two (2) weeks prior to the Committee meeting date and copied to the *CFO* and the City Clerk or delegate.

AND WHEREAS Councillors Chabot and McLean wish to appeal the denial of the expense noted above through this Notice of Motion, which has been provided to the City Clerk two weeks prior to the June 11, 2024, meeting of Executive Committee pursuant to section 10(j) and 14(1) of the bylaw.

NOW THEREFORE BE IT RESOLVED that Executive Committee approve the Councillors' supplementary expenses of \$346.18 dollars each, in excess of the \$500.00 hosting allowance, as a reasonable expense for the reasons listed above.

AND FURTHER BE IT RESOLVED THAT Executive Committee recommend that Council direct administration to bring forward amendments to the hosting provisions of Bylaw 36M2021 through Council Services Committee no later than Q4 2024 that reflect similar rules for hosting as those recently made for meal allowances, namely, that the hosting allowance be applied as a recommended amount and not a restricted amount, and that it is updated to reflect current market conditions.

### NOTICE OF MOTION CHECKLIST

The checklist is a tool intended to support the sponsor(s) of a Notice of Motion. The items listed below are important considerations when crafting and submitting a Notice of Motion. It is also intended to support other Members of Council, as the same considerations are important when reaching a decision on a Notice of Motion.

The checklist is therefore an opportunity for the sponsor(s) to:

- consider what advice might be helpful to them in formulating their proposal; and
- share key points about the advice received with their Council colleagues, to inform their deliberations.

This document is recommended to be provided to City Clerks alongside every Notice of Motion and will become part of the Corporate record. It is at the discretion of the sponsor(s) to decide with whom to consult and what information to include.

Title of the Motion:

There are two classifications of a Notice of Motion (Check the one that applies):

Regular

Urgent (Include details in Urgency Rationale box below)

Is this Notice of Motion Confidential? (Include details in Procedural box below)

Financial and Other Resource Capacity
Additional Financial Resources required.
Legal / Legislative
“Hosting when travelling is limited to \$100 per day per <i>Councillor</i> and this amount may be accrued over the course of the trip (e.g., for a four day trip, \$400 is available for hosting)”
Technical Content

n/a
Procedural (Including reasons for confidentiality)
36M2021
Other Considerations
<p>NOW THEREFORE BE IT RESOLVED that the hosting provisions consider applying the same principles that Council adopted with regard to the meal allowance. Such that the hosting allowance be applied as a recommended amount and not a restricted amount.</p> <p>AND FURTHER BE IT RESOLVED that Hosting while travelling amounts be amended to be reflective of current economic realities and return to Council through Council Services Committee no later than June 13, 2024.</p> <p>AND FURTHER BE IT RESOLVED that the Executive Committee recommend to Council to review and decide whether the costs incurred by members of Council during the Carnival Trip be approved as a business expense versus a hosting expense.</p>
Urgency Rationale
n/a



**Report Number:** EC2024-0719

**Meeting:** Executive Committee

**Meeting Date:** 2024 June 11

## NOTICE OF MOTION

**RE: Transitioning the Business Advisory Committee**

**Sponsoring Members of Council:** Councillor Sharp and Councillor Spencer

---

WHEREAS the Business Advisory Committee was established by Council by resolution after considering Notice of Motion C2018-1219, "Business Advisory Committee" on 2018 October 15;

AND WHEREAS the Business Advisory Committee has made significant progress towards its mandate of reducing perceived City of Calgary barriers that interested business parties face in their everyday operations;

AND WHEREAS Administration has indicated that it will continue to undertake work to reduce barriers for business, to consult with the business community, and to report to Council on this work;

NOW THEREFORE BE IT RESOLVED that Council direct Administration to report back to the Business Advisory Committee with a final report and recommendations to disband the Business Advisory Committee and its subcommittees, and to rescind its Terms of Reference, no later than 2024 September 6.



### NOTICE OF MOTION CHECKLIST

The checklist is a tool intended to support the sponsor(s) of a Notice of Motion. The items listed below are important considerations when crafting and submitting a Notice of Motion. It is also intended to support other Members of Council, as the same considerations are important when reaching a decision on a Notice of Motion.

The checklist is therefore an opportunity for the sponsor(s) to:

- consider what advice might be helpful to them in formulating their proposal; and
- share key points about the advice received with their Council colleagues, to inform their deliberations.

This document is recommended to be provided to City Clerks alongside every Notice of Motion and will become part of the Corporate record. It is at the discretion of the sponsor(s) to decide with whom to consult and what information to include.

Title of the Motion:                      Transitioning the Business Advisory Committee

There are two classifications of a Notice of Motion (Check the one that applies):

Regular

Urgent (Include details in Urgency Rationale box below)

Is this Notice of Motion Confidential? (Include details in Procedural box below)

Financial and Other Resource Capacity
This Notice of Motion carries no financial implications. Administration has the capacity to complete the requested report.
Legal / Legislative
Council has the authority to establish or disband Council Committees.
Technical Content

N/A
Procedural (Including reasons for confidentiality)
N/A
Other Considerations
Administration was consulted in the drafting of this Notice of Motion.
Urgency Rationale
N/A



**Corporate Planning and Financial Services Briefing to  
Executive Committee  
2024 June 11**

**ISC: UNRESTRICTED  
EC2024-0695**

**Long Range Financial Plan Performance Measures**

---

**PURPOSE OF BRIEFING**

This is the first monitoring report to Council on the 2021-2032 Long Range Financial Plan (LRFP) approved on 2022 January 18. The LRFP provides a plan to support the achievement of The City’s long-term financial goals of sustainability and resilience. By monitoring and managing pressures and challenges that affect The City’s principal corporate risks, especially the risks to Financial Sustainability, we are better able to avoid undesirable impacts and capitalize on opportunities as they present themselves while continuing to focus on delivering services to Calgarians. As identified in the 2021-2032 LRFP report, The City needs to continually develop and implement actions that support the financial strategies identified in the plan. One of the tools used to accomplish this is the monitoring of the LRFP performance measures as they provide a fiscal health check that track progress against the strategies.

**SUPPORTING INFORMATION**

The main focus of this report is to provide the results of the performance measures developed for tracking and monitoring the progress of the LRFP against the five financial strategies of flexibility, efficiency, sufficiency, integration and credibility. A total of 12 have been identified; five related to capital, six related to operating and one measure that tracks against both. While some of the measures have defined targets established by Council Policy, most of the performance measures quantify success in terms of progress over time. There are currently seven measures that are on track, two measures with room for improvement, one with significant concern and two integration measures that are a work in progress.

	Significant Concern	Room for Improvement	On Track	To be Determined
Flexibility	0	1	4	
Efficiency	0	0	2	
Sufficiency	0	1	1	
Credibility	1	0	0	
Integration *				2
<b>Total Measures by Result/ Progress</b>	<b>1</b>	<b>2</b>	<b>7</b>	<b>2</b>

\* 2 Integration measures are a work in progress; targets to be determined (TBD)

The measure of significant concern and the resulting implications and future actions is:

- Perceived value of property tax by Calgarians as good value as reported in the Survey of Calgarians. This has been declining over the last 11 years with a more significant drop of 6 per cent from fall of 2022 to fall of 2023. This measure is important because it measures the credibility of The City in terms of its ability to maintain and enhance public confidence in the municipal corporation’s ability to provide services and infrastructure at expected levels, in proportion to the municipal taxes Calgarian’s pay. Identified future actions include continuing to measure and report this information as well as continue to progress the current ongoing work throughout The City to address the key drivers. This includes:
  - targeted efforts to improve services and programs in areas that have received lower satisfaction ratings including transit safety and service levels, affordable housing and streets;

- ongoing communication to demonstrate the value of Council’s service investments that are tied to key priorities;
- sharing progress, achievements and good news stories that enhance Calgarians’ lives; and
- moving from a two month to a year round campaign that shares service value stories and communicates value for tax dollars in order to increase reach and engagement with Calgarians.

The two measures with room for improvement and the resulting implications and future actions are:

- Percentage of uncommitted Fiscal Stability Reserves to gross tax-supported operating expenditures, net of recoveries. An identified future action to address this measure is to complete a reserve strategy review by the end of 2024 and implement changes to recommended reserve balances and targets, while maintaining reserve balances closer to the targeted 15 per cent in the interim until this review is completed.
- Percentage of municipal property tax to operating revenue. This has been flat for 11 years indicating that the search for new revenue sources has not produced tangible results, or there are barriers to implementation. The identified future action is to consider implementing some of the tools under the [Municipal Fiscal Gap Report](#), recognizing the limited ability of The City to do so unilaterally and the need for Provincial changes to permit many of the tools identified.

The integration strategy is defined as ensuring The City prioritizes investment on a corporate basis, considering the interaction of services in meeting outcomes, and the financial constraints under which The City operates are fully considered when engaging in policy making and decision making. Defining performance for this strategy is difficult as there are no clear, objective measures and little to no existing data. Two measures have been included to track progress against the integration strategy which are the percentage of new operating investment per year that is approved during the November Service Plans and Budget deliberations and the percentage of 2023-2026 new capital reviewed and allocated by Infrastructure Calgary Steering Committee (ICSC).

- For 2023, 91.6 per cent of new operating investment was approved during the November Service Plans and Budget deliberations. The trend over the five years of data for this measure has been varied, though trending upwards in the last two years which is a positive result as it indicates more integrated spending decisions are being made.
- For the 2023-2026 capital budget cycle, 78.4 per cent of new capital was reviewed and allocated by ICSC, with 19.5 per cent (tax supported) only being reviewed and not allocated, and 2.1 per cent added by Council that was not reviewed or allocated by ICSC.

Future actions for both integration measures include continuing to develop and refine these measures and targets with review of the new operating and capital investment during the budget cycles.

Progress against each one of these measures will highlight enhancements to more integrated decision making within ELT and Council which will lead to better outcomes for Calgarians. As part of the ongoing implementation of the LRFP, these will be updated annually, and a report provided to Council and ELT. The next planned update is in Q2 2025 and will include all measures updated for 2024 actuals.

In addition, capital and operating projections for the LRFP will be updated and shared with Council later in 2024 when we have more clarity on the impacts of mid cycle updates and key projects.

# **BRIEFING**

## **ATTACHMENTS**

1. Previous Council Direction and Background
2. Long Range Financial Plan Performance Measures Report

Author: Lisa Chrest, Corporate Budget Office

General Manager Carla Male concurs with the information in this Briefing.



# Background and Previous Council Direction

This attachment provides background to the historical context of the Long Range Financial Plan process and gives an overview of the Council direction to which this report responds.

## Background

In May 2004, Council approved the development of a Long Range Financial Plan (LRFP) for The City. The first LRFP was received by Council in 2007 to identify the systemic issues that present barriers to The City of Calgary's financial sustainability. It was followed by updates in 2008, 2009, 2011, and 2015. Since 2011, the LRFP updates have run concurrently and integrated with the Business Planning and Budgeting cycles, and other long-term planning initiatives at that time such as the Infrastructure Status Report and Strategic Growth and Capital Investment. It was also included as a deliverable of the Leadership Strategic Plan and Build Calgary initiatives.

The LRFP updates in 2008, 2009, 2011 and 2015 followed similar methodology established in the initial 2007 LRFP and provided both updated financial projections and revised strategies for the plan. In 2018, the projections in the LRFP were updated to support the development of service-based budgeting and planning cycle of 2019-2022 for One Calgary, while the strategies in the plan were not updated.

The 2021-2032 LRFP update reflected the significant changes that had happened to Calgary's economy since the last strategic update which included the economic downturn, downtown office vacancy and assessment value reduction, tax shift, COVID-19 pandemic and its immediate shock on municipal services; and longer-term factors, such as demographic shifts, growth of knowledge economy, technological changes, and long-term influence of COVID-19 post pandemic. This LRFP update reflected the implementation of service planning and budgeting and the impact of external changes on municipal revenues and expenditures through the development of the "bottom-up" methodology and extensive work and engagement with services. The strategies that were outlined in the LRFP update were also approved by Council as directional support for future cycles of the Service Plans and Budget Planning process.

As identified in the 2021-2032 LRFP report, The City needs to continually develop and implement actions that support the necessary financial strategies identified in the plan. One of the tools that can be used to accomplish this is the development and monitoring of the LRFP performance measures as a fiscal health check of the LRFP. These measures have been provided with 11 years of historical data, analysis and resulting trends noted. Measures where there is room for improvement and ones with significant concern have been identified with implications and suggested future actions that can be implemented to maintain the financial sustainability and resilience of The City of Calgary. Capital and operating projections for the LRFP will be updated and shared with Council later in 2024 when we have more clarity on the impacts of mid cycle updates and key projects.

## Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2004 May 03	FCS2004-30	Long Range Financial Plan Council approved the development of a Long Range Financial Plan for The City of Calgary.
2004 September 13	FCS2004-53	Long Range Financial Plan Project Update Council approved that the Phase 1 report of the Long Range Financial Plan be provided to the June 2005 Council meeting.
2005 June 13	FCS2005-23	Long Range Financial Plan Project Update Council approved deferral of the Phase 1 report on the Long Range Financial Plan until early 2007.
2007 March 14	FCS2007-14	Calgary's First Long Range Financial Plan Council approved the recommendations that: 1. Receive The City's first Long Range Financial Plan (LRFP) for information; 2. Request that implementation of the financial strategies identified in the LRFP be delivered in upcoming three-year cycles; and 3. Request Administration to provide an updated LRFP to Council in advance of the guideline setting process for the 2009-2011 business cycle.
2008 April 9	FCS2008-12	Long Range Financial Plan 2008 Update Council received the LRFP 2008 Update for information and directed the Administration to bring the next update prior to the business plan and budget adjustment meeting in 2009 and prior to the guideline setting process for the 2012-2014 business plan and budget cycle.
2009 November 4	FCS2009-46	Long Range Financial Plan 2009 Update for 2010-2019 Council received the LRFP 2009 Update for information.
2011 November 9	FCS2011-30	Long Range Financial Plan 2011 Update Council received the LRFP 2011 Update for information.
2015 September 21	C2015-0781	Build Calgary Update A Finance Update was included in the Build Calgary Update and presented to Council, including 10-year financial projections of capital funding gap and operating budget gap, as well as Long Range Financial Plan strategies and implementation actions. Council received the report for information.

2021 November 9	EC2021-1489	<p>2021-2032 Long Range Financial Plan</p> <p>The Executive Committee received the 2021-2032 Long Range Financial Plan presentation and referred the report to a Strategic Meeting of Council in Q1 2022.</p>
2021 November 22	C2021-1436	<p>2022 Adjustments to the 2019-2022 One Calgary Service Plans and Budgets</p> <p>Council approved a one-time funding request of \$150,000 included in the 2022 Adjustments to the 2019-2022 One Calgary Service Plans and Budgets to develop an implementation program for the Long Range Financial Plan.</p>
2022 January 18	C2022-0076	<p>2021-2032 Long Range Financial Plan</p> <p>Council received the 2021-2032 LRFP for information. Council approved the strategies articulated in the LRFP as directional support for future cycles of the Service Plans and Budget Planning process.</p>





The word "Calgary" in white sans-serif font on a red rectangular background.

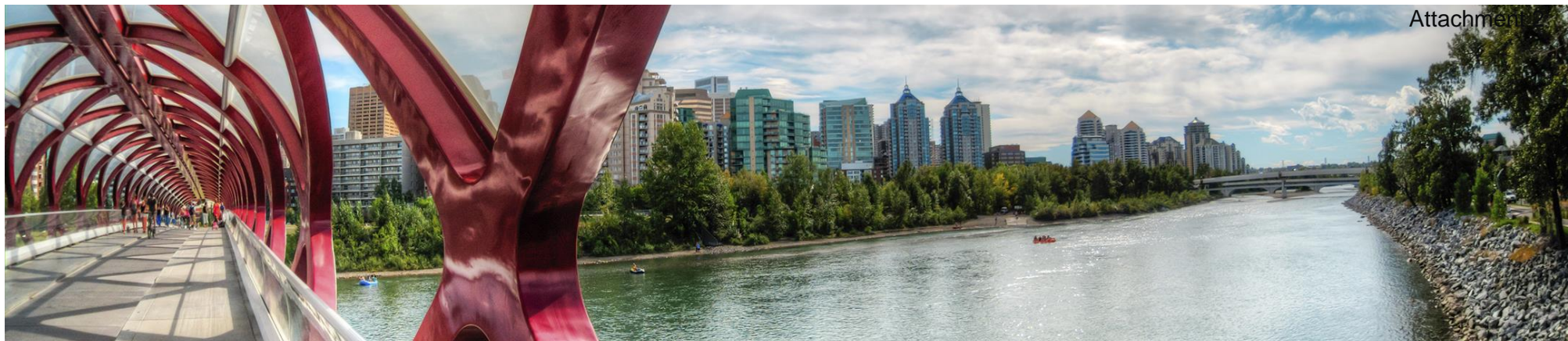
EC2024-0695  
Attachment 2



# Long Range Performance Measures Report, EC2024-0695

Long Range Financial Plan Monitoring and Implementation

2024 June 11



# Table of Contents

## Introduction

Purpose of the document and intended audience

3

## Methodology

How measures were determined, collated and connections to other City performance measures

4

## LRFP Performance Measures Dashboard (2013-2023)

Summary of the performance measures by financial strategy with 11 years of historical data

5

## Measures by Strategy

**Flexibility Strategy Measures**

6-8

**Efficiency Strategy Measures**

9

**Sufficiency Strategy Measures**

10

**Credibility Strategy Measure**

11

**Integration Strategy Measures**

12-13

## Conclusion

14

# Introduction

The Long Range Financial Plan (LRFP) 2021-2032 was presented to Council in 2022. As part of the continuing implementation of the LRFP, a set of performance measures has been developed for tracking and monitoring on an ongoing basis.

These performance measures focus on the five financial strategies of the LRFP which are flexibility, efficiency, sufficiency, integration, and credibility. Under each strategy are performance measures designed to provide a fiscal health check of how The City of Calgary is performing in terms of its progress towards the LRFP goals.

The LRFP performance measures are designed to be used primarily by Council and Executive Leadership Team (ELT) as indicators of

financial health and inform decisions which have longer term financial impacts. While targets are identified for measures, they are intended to be evaluated more in terms of the trend rather than absolute value at any point in time. Progress against each one of these measures will highlight enhancements to more integrated decision making within ELT and Council which will lead to better outcomes for Calgarians.

This is a new initiative as well as a work in progress, so changes will occur as the process matures. Measures may be added that are deemed to be more useful or removed if not as relevant. Ranges of progress for measures are also subject to change in response to Council decisions as well as internal and external developments that affect The City financially.

**Figure 1: Measures for financial strategy implementation**

Financial Strategies	Flexibility	Efficiency	Sufficiency
Proposed Measures	<ul style="list-style-type: none"> <li>Total debt and debt outstanding limit</li> <li>Level of unallocated reserves</li> <li>City credit rating</li> </ul>	<ul style="list-style-type: none"> <li>Total City expenditures per capita</li> <li>Full-time equivalents (FTEs) per 1,000 citizens</li> </ul>	<ul style="list-style-type: none"> <li>Municipal property tax per capita</li> <li>Percentage municipal property tax over operating revenue</li> </ul>

## Methodology

Many of the performance measures for the LRFP already exist and are being utilized in other areas of the organization. Existing work has been leveraged for the LRFP performance measures to ensure consistency and eliminate duplication of effort.

In gathering the data for the performance measures, an 11-year historical view of the data is utilized to show the progression of the measures over time. While some of the measures have defined targets as established by Council Policy, most of the performance measures quantify success in terms of progress over time. This is shown as progress towards the desired direction of the curve over time and should be viewed in a positive light if year over year progression is made.

While flexibility, efficiency, sufficiency, and credibility have performance measures with historical data that has been tracked over time, the measures suggested for integration do not have existing historical data. These measures will be started in 2023 and built up over time so are considered a work-in-progress (WIP). Figure 2 provides a summary of the current status of the performance measures.

*Figure 2: Summary of the Performance Measures by Financial Strategy and Status*

	Significant Concern	Room for Improvement	On Track	To be Determined
Flexibility	0	1	4	
Efficiency	0	0	2	
Sufficiency	0	1	1	
Credibility	1	0	0	
Integration *				2
<b>Total Measures by Result/ Progress</b>	<b>1</b>	<b>2</b>	<b>7</b>	<b>2</b>

\* 2 Integration measures are a work in progress; targets to be determined (TBD)

The dashboard in Figure 3 shows the progress for each performance measure over the 11-year time frame. Arrows as well as colours are being utilized to show the current status of the performance measure. The direction of the arrow aligns with the recent direction of the curve and the colour denotes where the measure is at in terms of progression.

A green arrow on the dashboard indicates that the measure is on track and that the curve is already headed in the desired direction. The City currently has seven performance measures that are in the green zone which indicates that The City is on track to ensure that the LRFP strategy is successful.

A yellow arrow indicates that the measure is not making progress towards the targeted curve, signaling that there is some room for improvement. The City currently has two measures that are in the yellow zone for the LRFP. These measures suggest that more focus be given to the area. Some suggested future actions have been provided that could help turn the direction of the curve over time.

Currently, there is one LRFP performance measure in the red zone. If a measure is in the red zone, prompt action should be taken to change the direction of the curve so that it will be on the right course for the strategic direction of the LRFP.

Of the 12 total measures, five are related to capital, six are related to operating, and one of the measures tracks against both. Depending on the nature of the funding gaps and challenges, different measures may require attention at different points in time.

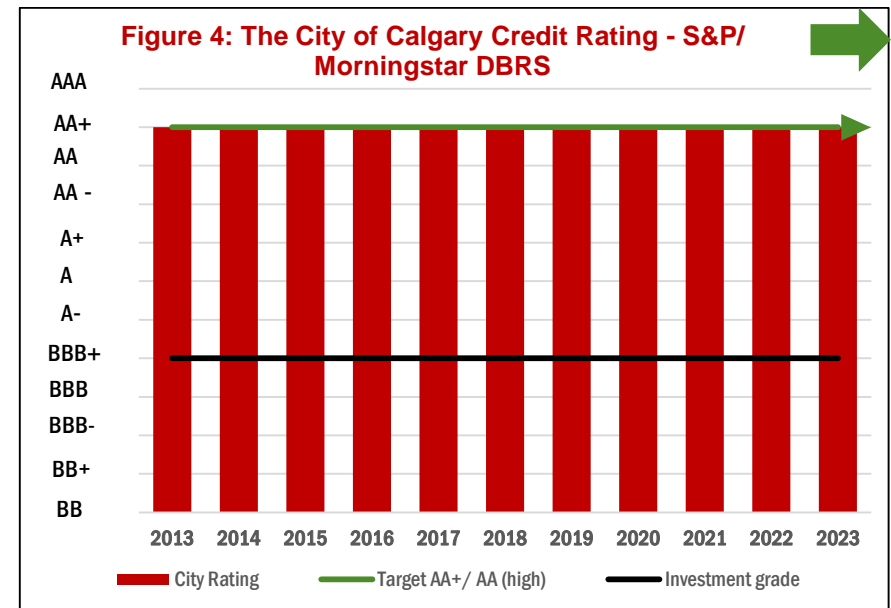
# Figure 3: LRFP Performance Measures Dashboard 2013-2023

Strategy	LRFP Performance Measures	Operating vs Capital Measure	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Result/Progress	Significant Concern	Room for Improvement	On Track
Flexibility	The City of Calgary's credit rating (Standard & Poor)	Capital	AA+	AA+	AA+	AA+	AA+	AA+	AA+	AA+	AA+	AA+	AA+	➡	>=BBB+	A- to AA	AA+, AAA
	The City of Calgary's issuer and long term debt rating (Morningstar DBRS)	Capital	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA	AA	➡	>=BBB (high)	A (low) to AA	AA (high), AAA
	Percentage total debt to Council debt limit	Capital	68.0%	65.6%	56.6%	54.0%	50.2%	45.5%	44.7%	47.2%	47.8%	41.0%	40.0%	➡	>=75%	65-74%	<=64%
	Percentage debt servicing cost (Principal + Interest) to Council debt service limit	Capital	90.4%	78.3%	52.1%	32.6%	33.0%	31.4%	31.9%	44.0%	56.5%	48.0%	45.8%	➡	>=75%	65-74%	<=64%
	Percentage of uncommitted Fiscal Stability Reserves to tax-supported gross operating expenditures, net of recoveries	Both	8.1%	9.3%	12.3%	10.8%	13.8%	6.9%	9.9%	5.9%	10.6%	11.3%	10.2%	➡	<=5%	6-14%	>=15%
Efficiency	Total City of Calgary real operating expenditures per capita	Operating	\$ 3,099	\$ 3,204	\$ 3,223	\$ 3,202	\$ 3,176	\$ 3,003	\$ 2,920	\$ 2,759	\$ 2,624	\$ 2,578	\$ 2,502	➡		Increase YOY	Flat YOY
	Full-time equivalents (FTEs) per 1,000 Calgarians - City (incl. CPA)	Operating	13.2	12.6	12.5	12.8	12.9	12.8	12.5	12.3	12.2	12.3	12.4	➡		Increase YOY	Flat to Decrease YOY
Sufficiency	Real municipal property tax per capita	Operating	\$ 1,678	\$ 1,621	\$ 1,714	\$ 1,732	\$ 1,691	\$ 1,696	\$ 1,650	\$ 1,649	\$ 1,616	\$ 1,563	\$ 1,554	⬇	Increase YOY	Flat YOY	Decrease YOY
	Percentage of municipal property tax to operating revenue	Operating	44.4%	43.1%	45.8%	45.9%	44.2%	45.7%	44.0%	45.2%	46.0%	44.0%	44.6%	➡	Increase YOY	Flat YOY	Decrease YOY
Credibility	Perceived value of property tax by Calgarians as good value	Operating	65%	65%	64%	63%	60%	59%	54%	53%	55%	56%	50%	⬇	Decrease YOY	Flat YOY	Increase YOY >=60%
Integration	Percentage of new operating investment approved during November budget deliberations	Operating	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	91.6%	TBD	TBD	TBD	TBD
	Percentage of new capital investment that is reviewed and allocated by Infrastructure Calgary Steering Committee (2023-2026 Budget Cycle)	Capital	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	78.4%	TBD	TBD	TBD	TBD

## Flexibility Strategy Measures

The flexibility strategy is defined as being able to effectively respond to changing circumstances. These may relate to the economy, demography, technology, climate change or global trends; social, political or environmental events; or other conditions. This strategy involves reserving some capacity during typical years to be able to respond to significant atypical conditions or events; as well as maintaining flexible organizational capacity and a mindset to be able to pivot quickly and respond to changing circumstances. There are five performance measures that relate to the flexibility strategy.

The City of Calgary’s **Credit ratings** with both S&P (Standard & Poor’s) and Morningstar DBRS (Dominion Bond Rating Service) are grouped together as two of these measures. The ratings provided by these organizations reflect The City’s creditworthiness, capacity to repay loans and provides access to capital markets in an efficient manner. This measure can be used to determine capital capacity as it allows The City to minimize the cost of debt as the higher the credit rating, the lower the cost of borrowing. Per Council Policy CP2020-05, The City is required to maintain an investment grade credit rating in order to issue debt and The City will strive to maintain or improve its current Credit Rating. The City has maintained an AA+ S&P rating and an AA (high) Morningstar DBRS credit rating for the last 10+ years, which is well above the investment grade of BBB+ and puts The City solidly on track for this performance measure.



Capital Measure

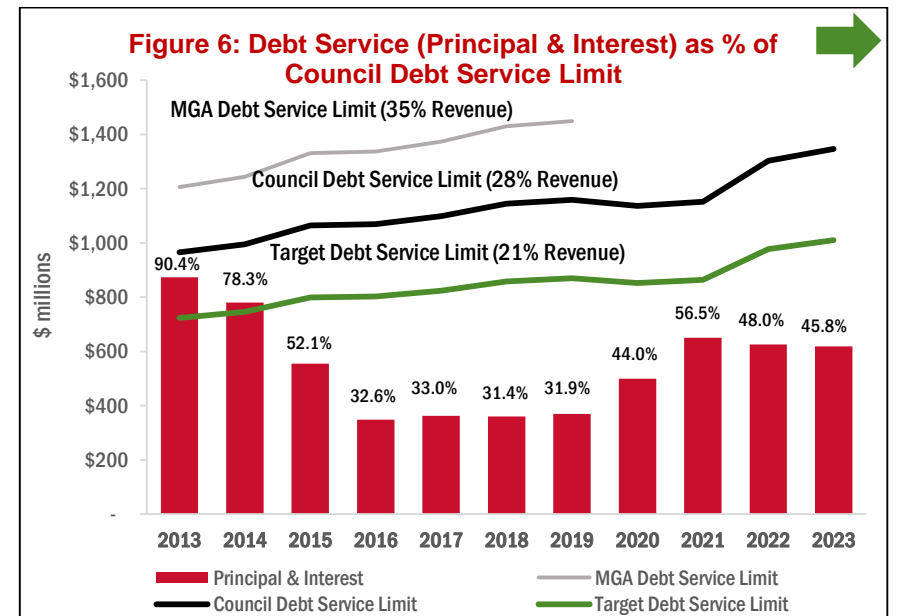
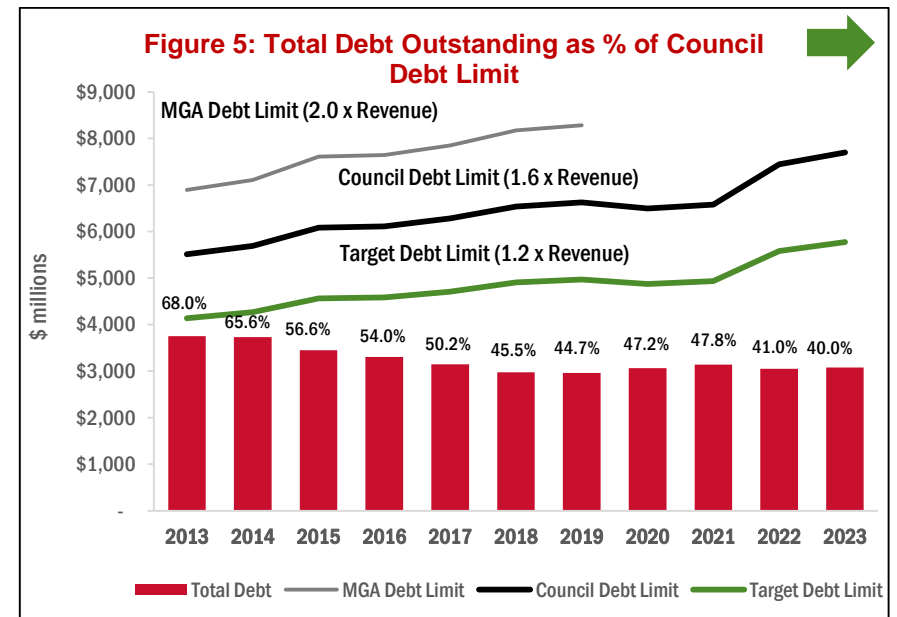


## Flexibility Strategy Measures Continued

**Total debt outstanding and debt service limits** are two measures of flexibility that are grouped together as they provide similar information. They measure available debt capacity under the limits and reflect financial flexibility as a source of contingent financing. High debt levels will increase the cost of borrowing and reduce flexibility. Both measures can be used to determine capital capacity as the amount of available debt impacts available capital.

The City's Debt Policy CP2020-05 has limits on total debt and total debt service that are expressed as a percentage of revenue. The Debt Limit stipulates the maximum amount of debt principal that The City can have as outstanding debt, including loan guarantees, and is calculated as 1.6 times revenue. While the Council limit is the official Debt policy limit, credit ratings model the debt burden metric cap of 1.2 times revenue in addition to other credit ratings factors such as liquidity and capital budget performance. Though debt limit is only one component of the overall credit rating calculation, targeting an upper limit of 1.2 times revenue would align The City with external rating agencies credit outlook.

The City's debt servicing (principal + interest) limit is 28 per cent of operating revenue. As debt service tends to move in tandem with debt limit, a debt service target upper limit of 21 per cent is consistent with the identified debt target. In terms of direction of current trends for these measures, they are both relatively flat and well under Council and target limits. While there is some capacity to increase debt, as well as the potential to drive it down, maintaining the current trend is an indicator of good financial health as part of the flexibility strategy.



## Flexibility Strategy Measures Continued

The final measure of flexibility is the **uncommitted Fiscal Stability Reserves (FSR) as a percentage of The City’s tax-supported gross operating expenditures (net of recoveries), excluding utilities**. Unallocated amounts of the FSR measures the flexibility of The City to react to shocks and stressors, provides for operational emergencies, urgent or contingency capital expenditures and compensate for unplanned significant revenue reductions. As the FSR can be utilized for both capital and operating expenditures, this measure can be used to determine the capacity of both funds. The minimum FSR balance is currently set at 5 per cent, and the targeted level is 15 per cent. This balance has not dropped below the minimum 5 per cent but has been below the 15 per cent target over the last five years. The City’s reserve strategy will be reviewed in 2024, which may result in recommended changes to reserve levels based on risk management guidelines.

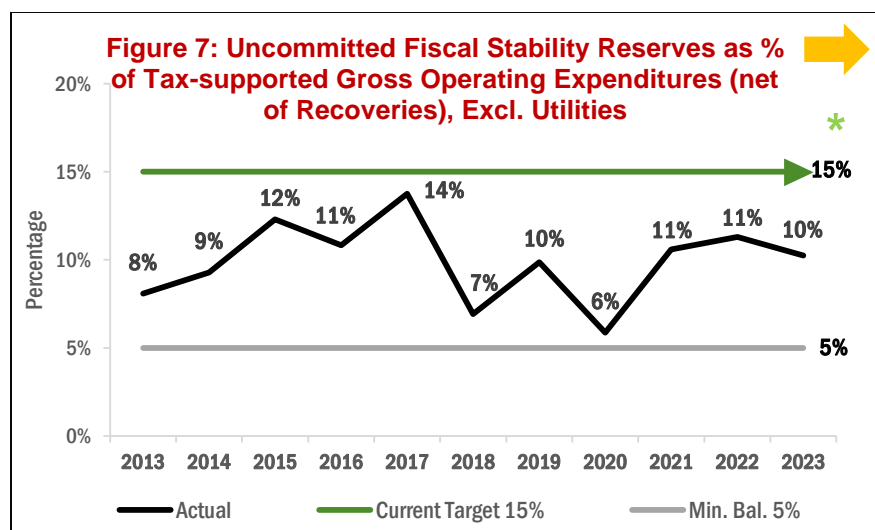


## Future Actions for Flexibility Strategy Measures

The flexibility strategy is in good financial health indicating that The City can effectively respond to changing circumstances. Though there are four performance measures that are on track, there should be continued focus on the actions that maintain these measures in the green zone.

This includes continuing to manage debt practices as per Council Policy CP2020-05 to maintain or improve The City’s current Credit Rating of AA+ (S&P) and AA (high) (DBRS Morningstar). It also encompasses monitoring that debt and debt service are under the Council limits and are ideally under the target limits to safeguard low borrowing costs, especially amid a high interest rate environment.

For the flexibility performance measure that is yellow, emphasis should be made to move this measure into the green zone over time. This includes completing the reserve strategy review and implementing recommended reserve balances once they are determined. In the interim, ensuring funds in the uncommitted Fiscal Stability Reserves do not go below the minimum of 5 per cent should continue to be a focus, along with communicating the impact of potential decisions on the 15 per cent target. With continued focus on these actions, The City will maintain flexible organizational capacity.



\*Target may change pending reserves review

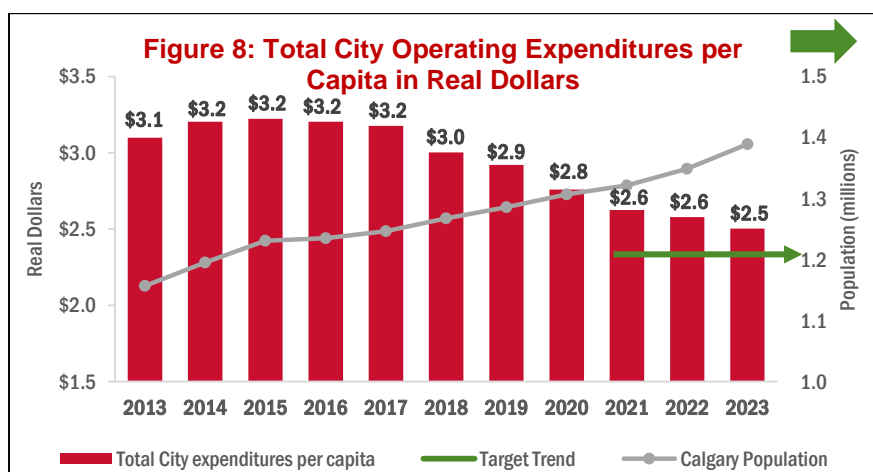
Operating and Capital Measure



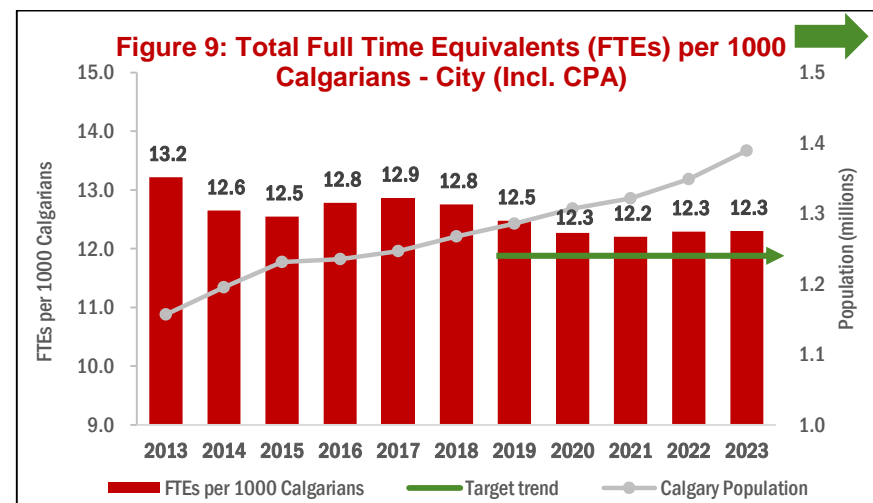
## Efficiency Strategy Measures

The efficiency strategy is defined as using public funds in ways that provide the highest level of needed services possible within the amount of funding available. Efficiency should be interpreted on two levels: a service level and a corporate level. At the service level, services and business units need to strive to use the least resources to provide a given level of service. At the corporate level, the corporation targets resources at those services most valued by Calgarians and only provides services that provide sufficient value to Calgarians to justify the costs. The efficiency strategy consists of two performance measures as follows.

**Total City expenditures per capita** measure is one indication of how efficiently expenditures are being managed and is an operating capacity measure. A constant inflation adjusted number for this target suggests that spending levels are increasing only as population increases. An increasing number year over year indicates that spending is increasing faster than population growth. The City has maintained relatively flat real costs per capita over the last three years as population has increased which is on track for this measure.



The second efficiency performance measure is **the number of FTE employees per 1,000 Calgarians** which measures how effectively The City utilizes employees to deliver services to Calgarians. Spending on employee wages, salaries and benefits is the largest part of the municipal operating expenditures, so maintaining this number at a flat or declining rate relative to population growth can be a good measure of efficiency. This is considered an operating capacity measure and has been relatively flat or declining at The City over the last 11 years.



Operating Measures

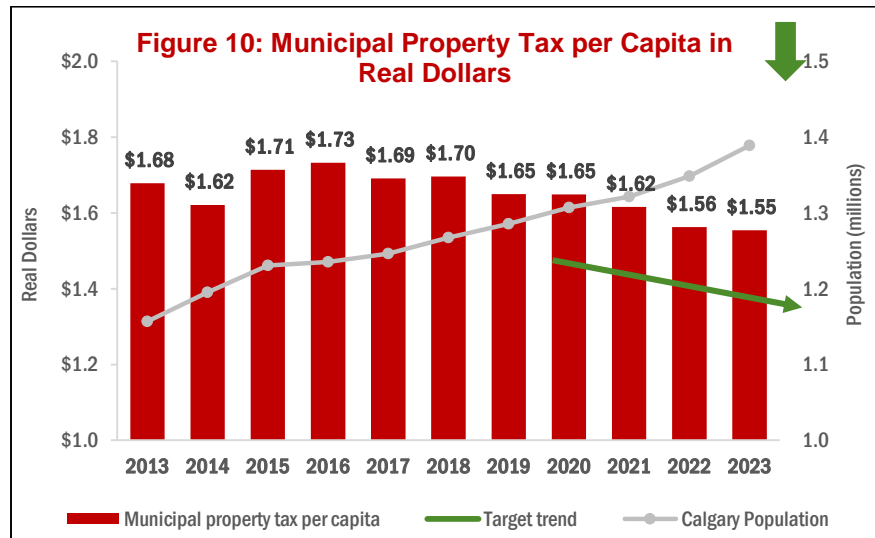
### Future Actions for Efficiency Strategy Measures

The efficiency strategy is in very good financial health, positioning The City well to utilize public funds to provide sufficient value to Calgarians. To maintain this level of efficiency, The City should continue to manage costs of services for a given level of service at a flat per capita rate as population grows. In addition, The City should continue to investigate and implement opportunities to leverage technology that result in greater efficiencies.

# Sufficiency Strategy Measures

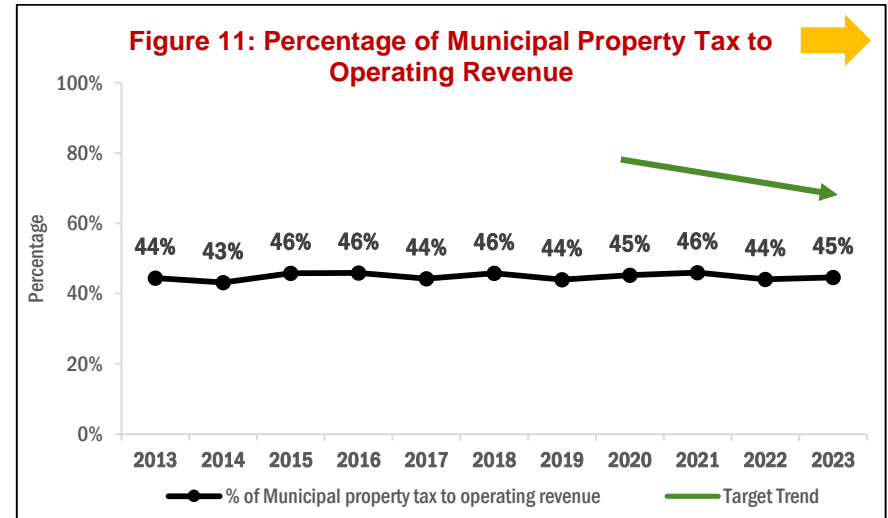
The sufficiency strategy is defined as having adequate resources to support the delivery of services for which The City of Calgary bears responsibility. As it relates to financial sustainability, this strategy refers not just to the amount of funding, but the consistency in funding level changes relative to changes in expenditures and the diversity of funding sources. The sufficiency strategy consists of two performance measures.

**Total municipal property tax per capita** measures the change of municipal property tax relative to population growth. A decreasing trend on this operating capacity measure indicates a lower burden per resident. The trend has been decreasing year over year in real dollars for the last four years which is a positive result for this measure and indicates that it is on track.



Operating Measures

The percentage of municipal property tax to operating revenue measures the portion of total revenue that is provided by property taxes. This operating capacity measure has been relatively flat for 11 years, indicating that the reliance on property taxes has not changed. Among other factors, this suggests that the search for new revenue sources has not been successful and/ or there are barriers to implementation of new sources.



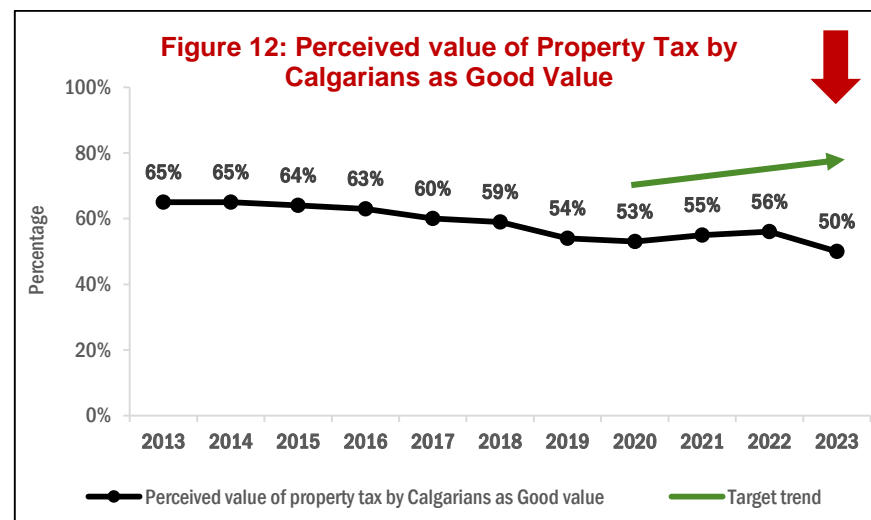
## Future Actions for Sufficiency Strategy Measures

The sufficiency strategy is currently in reasonable financial health with one performance measure that is on track and one performance measure where there is room for improvement. In order to preserve a lower burden per resident, operating costs should continue to be managed such that property tax can be maintained at or below inflation and population increases. To support the search for new revenue sources as per the Municipal Fiscal Gap report, The City should consider implementing and continuing to pursue the alternative revenue tools. Increased focus on the search for new revenue sources will enable greater sufficiency through diversity of funding sources.

## Credibility Strategy Measure

The credibility strategy is defined as achieving financial performance in a manner that maintains and enhances public confidence in the municipal corporation’s ability to provide services and infrastructure at expected levels. This includes the transparency with which financial decisions are made and the accountability for ensuring these decisions are consistent with the overall goal of financial sustainability. Calgarians value the services they receive from The City and must continue to perceive that the benefits provided by City services are at least in proportion to the municipal taxes they pay.

The **perceived value of property tax by Calgarians as good value**, as captured in the Survey of Calgarians, is the measure being used for credibility. This survey is conducted twice per year, with the more comprehensive survey in the fall, which is the survey utilized for this measure. It measures how Calgarians rate the value of the municipal services they feel they receive for the municipal tax dollars paid. This operating capacity measure has been declining over the last 11 years and has taken a more significant 6 per cent drop from fall of 2022 to fall of 2023. In addition, the trend has been below the 60% target since 2018. From the standpoint of the LRFP, this trend needs to turn to increases in a positive rating, year over year, in order to improve credibility.



Operating Measure

### Future Actions for Credibility Strategy Measure

The credibility strategy is one with significant concern. To improve the measure that is in the red zone, The City should continue to measure and report the perceived value of property tax by Calgarians as well as continue to progress the work to address the key drivers that is currently ongoing across The City. This work includes:

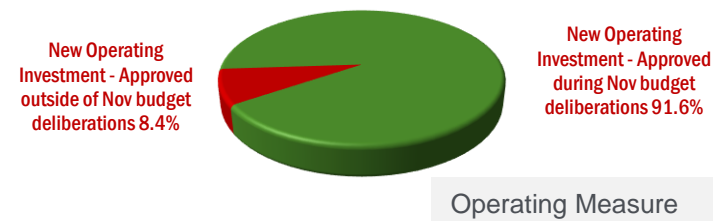
- targeted efforts to improve services and programs in areas that have received lower satisfaction ratings including transit safety and service levels, affordable housing and streets;
- ongoing communication to demonstrate the value of Council’s service investments that are tied to key priorities;
- sharing progress, achievements and good news stories that enhance Calgarians’ lives; and
- moving from a two month to a year round campaign that shares service value stories and communicates value for tax dollars in order to increase reach and engagement with Calgarians.

## Integration Strategy Measures

The integration strategy is defined as ensuring that The City prioritizes investment on a corporate basis, considering the interaction of services in meeting outcomes, and that the financial constraints under which The City operates are fully considered when engaging in policy making and decision making. This also refers to decisions across the Corporation being coordinated to ensure consistency and the most cost-effective service delivery. Defining performance for this strategy is difficult as there are no clear, objective measures and little to no existing data. Two measures have been proposed to track progress against the integration strategy for 2023 go forward. However, these measures are an initial attempt, with the area expected to evolve over time.

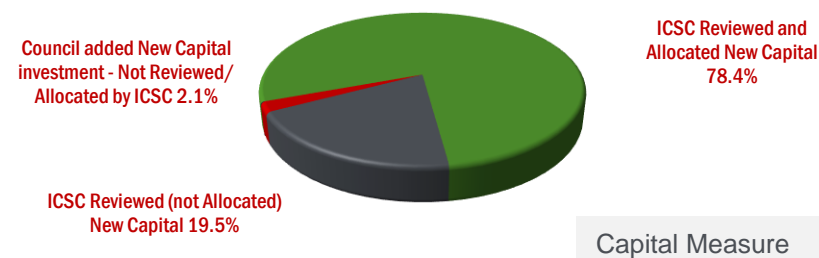
The first measure is **percentage of new operating investment approved during November budget deliberations**. This illustrates the effort to make as many operating investment decisions as possible during the budget cycle as opposed to making less integrated decisions throughout the year and is an operating capacity measure. Cross-corporate decision making is enabled when all of the participants have an opportunity to review and evaluate the new operating investment at the same time. This is constrained when budget changes are submitted as separate considerations throughout the year via individual Council decisions or changes within Administration’s authority. For the 2023 budget, 91.6 per cent of the new operating investment was approved during the November budget deliberations, with 8.4 per cent approved outside of the November Service Plans and Budget cycle.

**Figure 13: 2023 % of New Operating Investment Approved During November Budget Deliberations**



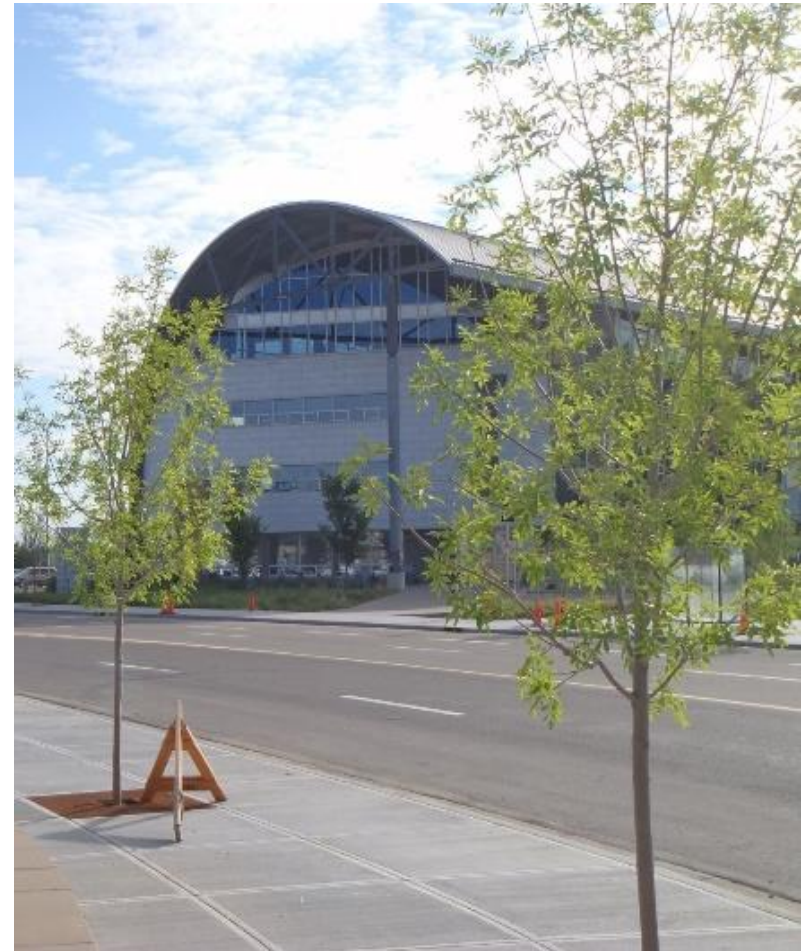
The second measure is **percentage of new capital investment that is reviewed and allocated by Infrastructure Calgary Steering Committee (ICSC)** as this illustrates the level of cross-corporate decision making on capital investment and is consequently a measure of capital capacity. Similar to operating investment, only new capital is brought forward for review and allocation during the 2023-2026 Service Plans and Budgets process, as the rest has been previously approved or carried over from prior years approved budget. In addition, there are a number of large projects such as the event centre, the Green line and Arts Commons that are outside the scope of ICSC review. Of the new capital that is under ICSC purview, ICSC reviewed and allocated 78.4 per cent of the projects in the 2023-2026 budget cycle and reviewed but did not make allocation decisions on 19.5 per cent of the projects. The 2.1 per cent that did not get reviewed was the portion that was added by Council during budget deliberations.

**Figure 14: 2023-2026 % of New Capital Reviewed and Allocated by ICSC**



## Future Actions for Integration Strategy Measures

The current focus of the integration strategy is on developing the measures and targets to be meaningful as an indicator of success of cross corporate decision making. This may include modifying the measures or identifying different measures that may be more appropriate. For the measures in the current state, continuing to review as close as possible to 100 per cent of the new operating and capital investment during the budget cycles is identified to ensure projects are evaluated consistently and optimize the most cost-effective service delivery. For operating investments, it is advisable to limit the amount of new budget investments that are approved outside of November budget deliberations. For new capital investments, an additional step that should be investigated is adding all new investments to the allocation discussions and decisions.



## Conclusion

Overall, the current status of the performance measures indicate that The City of Calgary is on track in maintaining the current level of financial sustainability outlined in the Long Range Financial Plan. Nevertheless, Council and ELT should continue to consider the current status of the performance measures as well as the potential impacts on the measures when making long term financial decisions that will impact The City.

Though there are presently seven performance measures that are on track, the actions that are currently being employed should continue in order to ensure that they stay on course for success and the direction of the curve is maintained. Inaction and failure to maintain those standards could result in measures that move into the yellow room for improvement zone over time.

Emphasis should be placed on the two measures identified as room for improvement and one measure showing significant concern in order to turn the curve and improve these measures over time. The following future actions should be investigated further to improve the measures that are currently yellow and red.

1. Complete 2024 reserve strategy review and implement recommended reserve balances once they are determined. In the interim, ensure uncommitted FSR balances do not go below the minimum of 5 per cent and track closer to the 15 per cent current target.
2. As per the Municipal Fiscal Gap report, consider implementing some of the alternative revenue tools.
3. Continue to monitor and measure perceived value of property tax by Calgarians. In addition, continue to progress the work to address the identified key drivers that is currently ongoing across The City.

If the yellow measures are improved over time, it will provide greater financial flexibility and sufficiency for The City of Calgary. Focus and action on the yellow measures will also ensure they don't move into the red zone where there may be more serious consequences around operational and capital capacity. For the measure that is currently in the red zone, prompt action should be taken to change the direction of the curve so that it will be on the right course for the strategic direction of the LRFP.

The integration strategy is a work in progress and focus should be on further developing the measures and the targets to best reflect what success would look like for cross corporate decision making.

As identified in the 2021-2032 LRFP report, The City needs to continually develop and implement actions that support the necessary financial strategies identified in the plan. One of the tools that can be used to accomplish this is the monitoring of the LRFP performance measures. As part of the ongoing implementation of the LRFP, these will be updated annually, and a report provided to Council and ELT to facilitate decision making as needed. This may also encompass changes to the performance measures and modification of the targets as needed to ensure that they reflect Council decisions, changes to the economy and internal and external developments that affect The City financially.